TRACY CITY COUNCIL

REGULAR MEETING AGENDA

Tuesday, December 2, 2025, 7:00 P.M.

Tracy City Hall, Council Chambers, 333 Civic Center Plaza, Tracy, CA 95376
Web Site: www.cityoftracy.org

THIS MEETING WILL BE OPEN TO THE PUBLIC FOR IN-PERSON AND REMOTE PARTICIPATION PURSUANT TO GOVERNMENT CODE SECTION 54953(e).

MEMBERS OF THE PUBLIC MAY PARTICIPATE REMOTELY IN THE MEETING VIA THE FOLLOWING METHOD:

As always, the public may view the City Council meetings live on the City of Tracy's website at CityofTracy.org or on Comcast Channel 26/AT&T U-verse Channel 99. To view from the City's website, open the "Government" menu at the top of the City's homepage and select "Meeting Videos" under the "City Council" section.

If you only wish to watch the meeting and do not wish to address the Council, the City requests that you stream the meeting through the City's website or watch on Channel 26.

***Remote Public Comment**:*

During the upcoming City Council meeting, public comment will be accepted via the options listed below. If you would like to comment remotely, please follow the protocols below:

- *Comments via:*
  - **Online by visiting** https://cityoftracyevents.webex.com and using the following **Event Number 2552 715 3541** and **Event Password**: TracyCC
  - ***If you would like to participate in the public comment anonymously***, you may submit your comment in Webex by typing "Anonymous" when prompted to provide a First and Last Name and inserting Anonymous@example.com when prompted to provide an email address.
  - Join by phone by dialing +1-408-418-9388, enter 25527153541#8722922# Press *3 to raise the Hand icon to speak on an item.

- *Protocols for commenting via Webex:*
  - *If you wish to comment on the "Consent Calendar," "Items from the Audience/Public Comment," or "Regular Agenda" portions of the agenda:*
    1) *Listen for the Mayor to open that portion of the agenda for discussion, then raise your hand to speak by clicking on the Hand icon on the Participants panel to the right of your screen.*
    2) *If you no longer wish to comment, you may lower your hand by clicking on the Hand icon again.*

Date Posted: November 26, 2025

- *Comments for the "Consent Calendar," "Items from the Audience/Public Comment," or "Regular Agenda" portions of the agenda will be accepted until the public comment for that item is closed.*
- *Comments received on Webex outside of the comment periods outlined above will not be included in the record.*

Americans With Disabilities Act - The City of Tracy complies with the Americans with Disabilities Act and makes all reasonable accommodations for the disabled to participate in Council meetings. Persons requiring assistance or auxiliary aids should call City Hall (209-831-6105) 24 hours prior to the meeting.

Addressing the Council on Items on the Agenda - The Brown Act provides that every regular Council meeting shall provide an opportunity for the public to address the Council on any item within its jurisdiction before or during the Council's consideration of the item, provided no action shall be taken on any item not on the agenda. To facilitate the orderly process of public comment and to assist the Council to conduct its business as efficiently as possible, members of the public wishing to address the Council are requested to, but not required to, hand a speaker card, which includes the speaker's name or other identifying designation and address to the City Clerk prior to the agenda item being called. Generally, once the City Council begins its consideration of an item, no more speaker cards will be accepted. An individual's failure to present a speaker card or state their name shall not preclude the individual from addressing the Council. Each citizen will be allowed a maximum of five minutes for input or testimony. In the event there are 15 or more individuals wishing to speak regarding any agenda item including the "Items from the Audience/Public Comment" portion of the agenda and regular items, the maximum amount of time allowed per speaker will be three minutes. When speaking under a specific agenda item, each speaker should avoid repetition of the remarks of the prior speakers. To promote time efficiency and an orderly meeting, the Presiding Officer may request that a spokesperson be designated to represent similar views. A designated spokesperson shall have 10 minutes to speak. At the Presiding Officer's discretion, additional time may be granted. The City Clerk shall be the timekeeper.

Consent Calendar - All items listed on the Consent Calendar are considered routine and/or consistent with previous City Council direction. One motion, a second, and a roll call vote may enact the items listed on the Consent Calendar. No separate discussion of Consent Calendar items shall take place unless a member of the City Council, City staff or the public request discussion on a specific item.

Addressing the Council on Items not on the Agenda – The Brown Act prohibits discussion or action on items not on the posted agenda. The City Council's Meeting Protocols and Rules of Procedure provide that in the interest of allowing Council to have adequate time to address the agendized items of business, "Items from the Audience/Public Comment" following the Consent Calendar will be limited to 15-minutes maximum period. "Items from the Audience/Public Comment" listed near the end of the agenda will not have a maximum time limit. A five-minute maximum time limit per speaker will apply to all individuals speaking during "Items from the Audience/Public Comment". For non-agendized items, Council Members may briefly respond to statements made or questions posed by individuals during public comment; ask questions for clarification; direct the individual to the

appropriate staff member; or request that the matter be placed on a future agenda or that staff provide additional information to Council. When members of the public address the Council, they should be as specific as possible about their concerns. If several members of the public comment on the same issue an effort should be made to avoid repetition of views already expressed.

Notice - A 90 day limit is set by law for filing challenges in the Superior Court to certain City administrative decisions and orders when those decisions or orders require: (1) a hearing by law, (2) the receipt of evidence, and (3) the exercise of discretion. The 90 day limit begins on the date the decision is final (Code of Civil Procedure Section 1094.6). Further, if you challenge a City Council action in court, you may be limited, by California law, including but not limited to Government Code Section 65009, to raising only those issues you or someone else raised during the public hearing, or raised in written correspondence delivered to the City Council prior to or at the public hearing.

Full copies of the agenda are available on the City's website: *www.cityoftracy.org*

Date Posted: November 26, 2025

CALL TO ORDER

ACTIONS, BY MOTION, OF CITY COUNCIL PURSUANT TO AB 2449, IF ANY

ROLL CALL AND DECLARATION OF CONFLICTS

PLEDGE OF ALLEGIANCE

INVOCATION

PRESENTATIONS

1. Employee of the Month

2. Proclamation: Great American Smokeout Day

3. Certificates of Recognition for Enlistments to the United States Army and Air Force

4. Certificates of Achievement for Drug Abuse Resistance Education (D.A.R.E.) Program Community Service Award Winners

ORDER OF BUSINESS

1. CONSENT CALENDAR

1.A. Adoption of Minutes of the October 28, 2025 Special Meeting, November 4, 2025 Regular Meeting, and November 18, 2025 Special Meeting.

1.A - Special Meeting Minutes - 10-28-2025.pdf
1.A - Regular Meeting Minutes -11-04-2025.pdf
1.A - Special Meeting Minutes - 11-18-2025.pdf

1.B. Staff recommends that the City Council adopt a Resolution approving the execution of a General Services Agreement with SEAL Analytical, Inc. for the purchase, installation, and commissioning of the Biochemical Oxygen Demand (BOD) Analyzer instrument, in an amount not-to-exceed $65,000 with a term ending March 31, 2028.

1.B - Staff Report - GSA Seal Analytical.pdf
1.B - Resolution - GSA Seal Analytical.pdf

1.C. Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Champion Courts, Inc. for on-call sports court resurfacing and repair services, in an amount not to exceed $150,000 per fiscal year, and authorizing the City Manager to approve up to four one-year extensions.

1.C - Staff Report - GSA w Champion Courts Inc..pdf
1.C - Resolution - GSA w Champion Courts Inc..pdf

1.D. Staff recommends that the City Council adopt a Resolution approving a General Services Agreement with Pace Supply Corp. for on-call procurement and delivery of drinking fountain services to the City for a not-to-exceed amount of $75,000 per fiscal year and authorizing the City Manager to authorize up to four one-year extensions.

1.D - Staff Report - GSA w Pace Supply Corp..pdf
1.D - Resolution - GSA w Pace Supply Corp..pdf

1.E. Staff recommends that the City Council, by resolution:
1.reject all bids received on October 9, 2025, for the Generator and Automatic Transfer Switch Testing and Inspection Services project as non-responsive and non-responsible; and
2.approve resubmittal of the Notice Inviting Bids for the Generator and Automatic Transfer Switch Testing and Inspection Services.

1.E - Staff Report - Reject Generator Bids.pdf
1.E - Resolution - Reject Generator Bids.pdf

1.F. Staff recommends that the City Council adopt a resolution:

(1) Approving an extension of the expiration date of the five-year General Services Agreement, executed on February 1, 2022, with Axon Enterprise, Inc to January 31, 2027; and

(2) Approving the increase of the original not-to-exceed amount from $510,000 to$710,000; and

(3) Authorizing the expiration extension and not-to-exceed increase retroactively to June 1, 2025.

1.F - Staff Report - Fleet Amendment.pdf
1.F - Resolution - Fleet Amendment.pdf

1.G. Staff recommends that the City Council adopt a Resolution approving a General Services Agreement with Tournesol Siteworks LLC, for on-call procurement, sale, and delivery of park amenities to the City for a not-to-exceed amount of $200,000 per fiscal year and authorizing the City Manager to grant up to four one-year extensions.

1.G - Staff Report - GSA w Tournesol Siteworks.pdf
1.G - Resolution - GSA w Tournesol Siteworks.pdf

1.H. Staff recommends that the City Council adopt a resolution approving a General Services Agreement with David Hall Masonry, Inc., for on-call masonry services, in an amount not-to-exceed $75,000 per fiscal year, and authorizing the City Manager to grant up to four one-year extensions.

1.H - Staff Report - David Hall Masonry Inc..pdf
1.H - Resolution - David Hall Masonry Inc..pdf

1.I. Staff recommends that the City Council adopt a resolution approving a General Services Agreement with California Landscape Supply, Inc., for on-call top dressing and fir bark mulch procurement and delivery services, in an amount not -to-exceed $200,000 per fiscal year, and authorizing the City Manager to grant up to four one-year extensions.

1.I - Staff Report - GSA W California Landscape Supply.pdf
1.I - Resolution - GSA W California Landscape Supply.pdf

1.J. Staff recommends that the City Council adopt a resolution:

(1) making a determination that compliance with the standard procurement procedures is not in the best interest of the City and dispense these requirements for the procurement of online legal research services for three (3) attorneys and three (3) non-attorneys.

(2) approving an agreement with Thomson Reuters (Westlaw) for these services for a total amount not to exceed $67,000 over a three (3) year period (November 1, 2025, through October 31, 2028).

1.J - Staff Report - Westlaw Contract Renewal.pdf
1.J -Resolution - Westlaw Contract Renewal.pdf

1.K. Staff recommends that the City Council, by motion, appoint Joseph Orcutt as the next qualified applicant from the existing eligibility list to fill the vacant position on the Environmental Sustainability Commission for the remainder of the current term, beginning on the date of appointment and expiring on December 31, 2027.

1.K - Staff Report - Commission Appointment - Environmental Sustainability Commission.pdf

1.L. Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Ranch Fence, Inc., for on-call fencing services, in an amount not-to-exceed $75,000 per fiscal year, and authorizing the City Manager to grant up to four one-year extensions.

1.L - Staff Report - GSA with Ranch Fence.pdf
1.L - Resolution - GSA with Ranch Fence.pdf

1.M. Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Jet Mulch, Inc., for on-call playground wood fiber and mulch installation Services, in an amount not -to- exceed $150,000 per fiscal year and authorizing the City Manager to approve up to four one-year extensions.

1.M - Staff Report - GSA w Jet Mulch Inc..pdf
1.M - Resolution - GSA w Jet Mulch Inc..pdf

1.N. Staff recommends that the City Council adopt a Resolution authorizing the City Manager, or their designee, to execute all necessary loan, regulatory, and subordination agreements, and ancillary documents, and any non-material amendments, in a form approved by the City Attorney, between the City of Tracy, the Housing Authority of the County of San Joaquin, DCDC Tracy Apartments Phase I, LP, and New Point Real Estate Capital, LLC for the disbursement of a $4,000,000 loan from Low and Moderate Income Housing Asset Fund monies and $925,880 in federal HOME Investment Partnerships Program funds to support the development of the Tracy Senior Apartments Phase I Affordable Housing Project; and authorizing the City Manager or their designee to take all steps necessary to carry out the purpose and intent of this Resolution.

1.N - Staff Report - HACSJ Loan Documents.pdf
1.N - Resolution - HACSJ Loan Documents.pdf

1.O. Staff recommends that the City Council adopt a Resolution authorizing an amendment to the Attorney-Client Fee Agreement with Liebert Cassidy Whitmore for an additional scope of work to conduct a comprehensive audit not to exceed $100,000.

1.O - Staff Report - LCW.pdf
1.O - Resolution - LCW.pdf

1.P. Staff recommends that the City Council adopt a resolution authorizing the City Manager to execute and act as the agent for the City to process the associated Grant documents for the awarded United States Department of Transportation Multimodal Project Discretionary Grant – Rural Grant Program for Fiscal Year 2025/2026.

1.P - Staff Report - Accept MDPG FY 25-26 Rural Grant.pdf
1.P - Resolution - Accept MDPG FY 25-26 Rural Grant.pdf

1.Q. Staff recommends that the City Council adopt a resolution approving Amendment No. 1 to the Master Professional Services Agreement with Advanced Mobility Group, a California Corporation, to provide On-Call Traffic Engineering Services, increasing the not-to-exceed amount to $500,000 per fiscal year.

1.Q - Staff Report - Amendment No. 1 to MPSA - AMG.pdf
1.Q - Resolution - Amendment No. 1 to MPSA - AMG.pdf

1.R. Staff recommends that the City Council adopt a Resolution establishing a General Plan Advisory Committee and the Associated Qualifications and Appointment Process.

1.R - Staff Report - General Plan Advisory Committee GPAC.pdf
1.R - Resolution - General Plan Advisory Committee GPAC.pdf

1.S. Staff recommends that the City Council, by motion designate Juan Lopez, DBA Amistad Associates as the City's negotiator for matters related to the City Manager and City Attorney salary and compensation pursuant to Government Code Section 54957.6 (Brown Act).

1.S - Staff Report - City Manager Evaluations.pdf
1.S - Resolution - City Manager Evaluations.pdf

1.T. Staff recommends that the City Council adopt a resolution approving and authorizing recordation of three (3) Right-of-ways, three (3) Public Utility Easement Dedications; and two (2) Right- of-ways, and two (2) Public Utility Easement quitclaims for Project Big Bird, located in the Northeast Industrial Specific Plan Area in the City of Tracy.

1.T - Staff Report - Big Bird.pdf
1.T - Resolution - Big Bird.pdf

1.U. Staff recommends that the City Council adopt an Ordinance amending Chapter 4.12 – Palmistry, sections 4.12.070 through 4.12.190, of the Tracy Municipal Code, to add a permitting program and makes it a requirement that all persons practicing fortunetelling, palmistry or related practices for compensation in the City of Tracy obtain a permit from the Tracy Police Department, requires a criminal background investigation for all palmistry permit applicants, establishes permit and background investigation fees and specifies enforcement remedies for violations of the ordinance.

1.U - Staff Report - 2nd Read Ordinance - Palmistry.pdf
1.U - Ordinance - 2nd Read Ordinance - Palmistry.pdf

1.V. Staff recommends that the City Council adopt an Ordinance amending Chapter 4.20 - Massage Establishments and Therapists of the Tracy Municipal Code to add a permitting program to regulate massage establishments, require a background investigation for all massage establishment owners who are not certified by the California Massage Therapy Council, establish permit and background investigation fees and operational requirements consistent with current law.

1.V - Staff Report - 2nd Read Ordinance - Massage Establishments.pdf
1.V - Ordinance - 2nd Read Ordinance - Massage Establishments.pdf

1.W. Staff recommends that the City Council adopt an Ordinance 1)Amending Title 9 of the Tracy Municipal Code, Building Regulations, to adopt, with local amendments, the 2025 California Building Standards Code and the California Fire Code, 2) Adopting Appendices C,F,H,I,J,K,P, and Q under the Building Code; Appendices B, BB, C, CC, D, F, H, L, N, O, and P under the Fire Code; Appendices BF, CH, BH, BI, BF, BM, CI, CK, and CJ under the Residential Code, Appendices, A,B,C,D,E,G,H,I,J, and K under the Plumbing Code, Appendices D and F under the Mechanical Code, and codifying the same as Tracy Municipal Code Title 9, and 3) Creating Tracy Municipal Code Chapter 9.18, Wildland-Urban Interface Code.

1.W - Staff Report - 2nd Read Ordinance - Building Codes.pdf
1.W - Ordinance - 2nd Read Ordinance - Building Codes.pdf

2. ITEMS FROM THE AUDIENCE

3. PUBLIC HEARINGS

3.A. Staff recommends that the City Council conduct a public hearing to receive public comment and accept the petition from the Redbridge Owners' Association requesting Vehicle Code enforcement within its private roadways. Following the hearing, adopt a resolution authorizing the Tracy Police Department to enforce traffic violations in the subdivision under California Vehicle Code Section 21107.7.

3.A - Staff Report - Redbridge.pdf
3.A - Resolution - Redbridge.pdf

3.B. The City of Tracy Planning Commission recommends the City Council hold a public hearing, and upon its conclusion, take the following actions:

1. Determine that this project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378 (not a "project" within the meaning of CEQA) and 15061(b)(3) ("common sense" exemption); and

2. Waive the first reading by substitution of title and introduce an ordinance amending Article 2, Definitions, and Article 30, Development Review, of Chapter 10.08, Zoning Regulations, adopt a new Chapter, Chapter 10.10, Housing Regulations, consisting of new articles, Article 1, Qualifying Housing Streamlined Review, Article 2, Multiple-Unit and Mixed-Use Objective Design Standards, Article 3, Community Care Facilities, Article 4, Transitional and Supportive Housing, and Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, and repeal and relocate Section 10.08.3195, Day care home, and Section 10.08.3197, Standards for emergency homeless shelters, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code.

3.B - Staff Report - Housing Policy Implementation Part I.pdf

3.C. The City of Tracy Planning Commission recommends the City Council hold a public hearing, and upon its conclusion, take the following actions:

1. Determine that this project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378 (not a “project” within the meaning of CEQA) and 15061(b)(3) (“common sense” exemption); and

2. Waive the first reading by substitution of title and introduce an ordinance amending Article 8 – Medium Density Cluster Zone, Article 9 – Medium Density Residential Zone, Article 9.5 – Small Lot Residential Zone, Article 11– High Density Residential Zone, Article 19 – General Highway Commercial Zone, and adding a “density” definition to Article 2 of Title 10, Planning and Zoning, of the Tracy Municipal Code.

3.C - Staff Report - Housing Policy Implementation - Density Increase.pdf

3.D. Staff recommends that the Tracy City Council introduce and waive the first reading by substitution of title an ordinance adding Chapter 3.56-Temporary Memorials, sections 3.56.010 through 3.56.110, to Title 3-Public Safety of the Tracy Municipal Code.

3.D - Staff Report - Temporary Memorial Introduction of Ordinance.pdf

4. REGULAR AGENDA

4.A. Consideration and adoption of a Resolution Amending Council Policy D-2, Naming Public Buildings, Parks, and Facilities.

4.A - Staff Report - Naming Policy Revision.pdf
4.A - Resolution - Naming Policy Revision.pdf

4.B. Consideration and adoption of a Resolution Approving the Naming of the Reception Area, or Another Designated Room, Within the Tracy Recreation Activity Center (TRAC) or Lobby at City Hall in Honor of Dr. Nancy D. Young.

4.B - Staff Report - Naming of MGRC or City Hall Lobby.pdf
4.B - Resolution - Naming of MGRC or City Hall Lobby.pdf

4.C. Consideration and adoption of a Resolution Approving the Naming of a Soccer Field and/or Baseball/Softball Fields at the Legacy Fields Sports Complex in Honor of Shirley Thompson and Robert Rickman, Respectively, and Naming an Area at the Tracy Sports Complex in Honor of Brent Ives.

4.C - Staff Report - Naming of Designated Area for Legacy and TSC.pdf
4.C - Resolution - Naming of Designated Area for Legacy and TSC.pdf

4.D. Staff recommends that the City Council receive an informational update on the Economic Development Division's efforts to implement strategies, goals, and actions related to the adopted City Council Strategic Priority for Economic Development and the Ten-Year Economic Development Strategic Plan.

4.D - Staff Report - Economic Development Update.pdf
4.D - Presentation - Economic Development Update.pdf

5. ITEMS FROM THE AUDIENCE

6. STAFF ITEMS

7. COUNCIL ITEMS AND COMMENTS

8. ADJOURNMENT

TRACY CITY COUNCIL - SPECIAL MEETING MINUTES

October 28, 2025, 7:00 p.m.

Tracy City Hall, 333 Civic Center Plaza, Tracy, CA

1. Mayor Arriola called the Meeting to order at 7:00 p.m.

2. There were no actions taken pursuant to AB 2449.

3. Roll Call and Declaration of Conflicts – Council Members Bedolla, Evans, and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola were present. The City Council had no declarations of conflict.

4. Items from the Audience – Robert Tanner requested that the City Council prohibit all fireworks in the City, including the Safe and Sane Fireworks.

   Alice English requested that the City Council send the policy on naming buildings and parks to the Parks and Community Services Commission for input and schedule the item for a vote by the City Council after the presentation to the Commission. Alice English also expressed opposition to any section of the Tracy Recreational Activity Center (TRAC) being named in recognition of Dr. Nancy Young.

   Cruz Fairfield requested that the City Council release funds to support local food banks considering the current government shutdown.

5. Staff recommends that the City Council conduct a public hearing and during such hearing, (1) receive a report from staff and the City's consultant on the districting process, permissible criteria to be considered to draw City Council Member election district boundaries, public outreach, and mapping tools; (2) provide and receive input from the public on the composition of voting districts before maps are drafted; and (3) request any additional information needed to provide direction on creation of draft plans.

   April B. A. Quintanilla, City Clerk, and Michael Wagaman, Wagaman Strategies, provided the staff report.

   Robert Tanner expressed opposition to the City forming election districts, indicating that the City Council has always been diverse, and urged the City Council not to spend funds on districting unless the City is being sued.

   Greg Diaz requested clarification on the urgency of districting and asked, if the City is sued, would the lawsuit force districting to take place, how the approval process will be for the maps, and who will be the deciding body on the final maps.

   Richard English requested clarification as to what constitutes as a resident.

Alice English expressed frustration regarding the hours that the public hearings are scheduled; suggested that some public hearings be held earlier in the day or on a Saturday so that more community members can attend; suggested increased outreach; and urged the City Council to stop the process and return with this item in time for the 2028 elections.

Robin expressed support for districting and requested clarification regarding primary elections and whether a primary election would apply to the City Council as a whole or only for the Mayor.

A Community Member expressed opposition to districting and concern about districting dividing the community.

Cynthia expressed concern regarding the use of the population numbers from the 2020 Census, indicating that the population numbers should be more accurate. Cynthia asked what would happen if someone from a district does not run and inquired about the importance of the requirement for the individual to live in the district that they wish to be elected to represent.

Kam Singh requested clarification on any indication that the City may receive a lawsuit; asked about how the district maps will be drawn; and suggested a slow and steady approach rather than rushing the process.

Council Members offered questions and comments.

6. Council Items and Comments. There were no Council items or comments.

7. Adjournment: Time: 8:47 p.m.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adjourn. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on October 23, 2025. The above are action minutes. A recording is available at the office of the City Clerk.

_____
Mayor

ATTEST:

_____
City Clerk

TRACY CITY COUNCIL REGULAR MEETING MINUTES

November 4, 2025, 7:00 p.m.

City Hall, 333 Civic Center Plaza, Tracy, CA *Web Site:* *www.cityoftracy.org*

Mayor Arriola called the Meeting to order at 7:01 p.m.

There were no actions taken pursuant to AB 2449.

Roll Call and Declaration of Conflicts – Council Members Bedolla, Evans, and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola present. The City Council had no declarations of conflict.

Mayor Arriola led the Pledge of Allegiance.

Pastor Kevin James, New Creation Bible Fellowship, offered the invocation.

Midori Lichtwardt, City Manager, presented the November Employee of the Month award to Katie Akre, Recreation Program Coordinator, Parks, Recreation and Community Services Department.

Mayor Arriola presented Certificates of Recognition for Enlistments to Sahil Mohammad (U.S. Army), Manijah Jalali (U.S. Army), Jose Rodriguez (U.S. Air Force), Travis Yuen (U.S. Marines), Lillyahna Lund (U.S. Navy), and Jade Yanez (U.S. Navy).

Mayor Arriola presented a Certificate of Appointment to Youth Advisory Commission Member (Adult) Jenni Moore.

Mayor Arriola presented the National Animal Shelter Week Proclamation to Brittany Pasquale, Animal Services Supervisor, Police Department.

DEVIATION

4.G. Staff recommends that the City Council consider, and by motion provide direction to staff, the naming of the reception area, or another designated room, within the Tracy Recreation Activity Center (TRAC), in honor of Dr. Nancy D. Young.

ACTION: Motion was made by Mayor Pro Tem Abercombie and seconded by Council Member Evans to suspend the rules and hear Item 4.G. out of order (now). Roll call found Council Members Bedolla, Evans, and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

ACTION: Motion was made by Mayor Pro Tem Abercombie and seconded by Council Member Evans to continue Item 4.G to December 2, 2025, when the City Council can hear a multitude of options, plus other considerations of submitted names, and receive the updated policy regarding the naming of facilities, fields, and such, as requested by Mayor Pro Tem Abercombie. Roll call found Council Members Bedolla, Evans, and Nygard; and Mayor Pro Tem Abercrombie in favor; Mayor Arriola opposed; passed and so ordered.

1. CONSENT CALENDAR – Staff removed Item 1.J from the Consent Calendar for explanation of minor corrections to the agenda materials and Robert Tanner removed Item 1.K from the Consent Calendar.

Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt the Consent Calendar, excluding Items 1.J and 1.K. Roll call found Council Members Bedolla, Evans, and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

1.A. Adoption October 21, 2025 Special and Regular Meeting minutes. **– Minutes were adopted**

1.B. Staff recommends that the City Council adopt a Resolution: (1) authorizing the submittal of an application, and upon award, execution by the Mayor of a grant agreement with the California Department of Transportation Division of Aeronautics, for the Airport Improvement Program Matching Grant 3-06-0259-028-2025; and (2) subject to and upon award, accepting such grant funds and appropriating the full grant amount of $15,357 to Capital Improvement Project 77603 - Upgrade Airfield Guidance Signs and Taxiway Designations. **– Resolution 2025-268**

1.C. Staff recommends that City Council adopt a Resolution:

1) Approving the execution of a Professional Services Agreement with NEXGEN Asset Management for the annual software license related to Utilities Division computerized maintenance management system, for an initial term of three (3) years, and a total not-to-exceed amount of $35,000 per fiscal year, retroactive to July 1, 2024; and

2) Authorizing an administrative extension of up to two (2) additional years in any combination, contingent upon satisfactory performance and budget availability. **– Resolution 2025-269**

1.D. Staff recommends that the City Council adopt a Resolution authorizing the purchase of one (1) new 2025 John Deere ProGator 2030A GPS Precision Sprayer from Belkorp AG, LLC and (2) authorize the execution of a Sourcewell Purchase Agreement utilizing the Sourcewell Cooperative

Program in the amount of $134,500 for the Parks, Recreation, and Community Services Department. **– Resolution 2025-270**

1.E. Staff recommends that the City Council adopt a resolution:

(1) Determining that compliance with standard procurement processes is not in the best interests of the City pursuant to Tracy Municipal Code 2.20.180(b)(4) and dispensing such requirement for the actions herein, and;

(2) Approving a General Service Agreement with Motorola, Inc. for the purchase of the police department's specified equipment, smart connect and smart programming, and essential with accidental damage warranties for a term of five years and for a total not-to-exceed amount of $2,700,000. **– Resolution 2025-271**

1.F. Staff recommends that the City Council adopt the resolution authorizing the award of a construction contract to Studebaker Electric, Inc. in the not-to-exceed amount of $184,214. **– Resolution 2025-272**

1.G. Staff recommends that the City Council adopt a Resolution amending the City's Operating and Capital Budget for the Fiscal Year (FY) ending June 30, 2026, to reflect actual expenses and revenues and requested augmentations to fund various departmental needs. **– Resolution 2025-273**

1.H. Staff recommends that the City Council adopt a Resolution approving a Professional Services Agreement with Elite Maintenance & Tree Service, Inc. for landscape maintenance services primarily within the Tracy Consolidated Landscape Maintenance District, Community Facilities Districts, and General Fund Arterials, for a not-to- exceed amount of $2,500,000 per fiscal year and authorizing the City Manager to grant up to four (4)one-year extensions. **– Resolution 2025-274**

1.I. The Finance Committee recommends that the City Council adopt a resolution approving amendments to the City of Tracy Investment Policy. **– Resolution 2025-275**

1.J. Staff recommends that the City Council adopt a resolution approving a Deferred Improvement Agreement for frontage and utility improvements on the Hansen Road Extension associated with the Tracy Costco Depot Annex Project.

Forrest Ebbs, Director Community and Economic Development, explained that minor modifications were made to the Resolution and the signed document; that revised documents were provided to the City Council and public; and that the recommendation remains the same.
There were no public comments.

There were no comments or questions offered by the City Council.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Nygard to adopt **Resolution 2025-276**, approving Deferred Improvement Agreement between the City and Costco Wholesale Corporation for Frontage and Utility Improvements of the Hansen Road Extension for the Tracy Costco Depot Annex Project and Authorizing the City Clerk to file the agreement with the Office of the San Joaquin County Recorder, as amended. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

1.K. Staff recommends that the City Council adopt the following Resolution:

1) Authorizing the City Manager, or their designee, to negotiate and execute a Professional Services Agreement with a qualified respondent to the City's Audit and Quality Assurance Review and Analysis of Tracy Aquatic Center Conceptual Designs in an amount not to exceed $110,000; and

2) Appropriating $110,000 from the City of Tracy's General Fund for such professional services agreement and amending the FY 2025-26 operating and capital budget to reflect such appropriation.

Arturo M. Sanchez, Assistant City Manager, provided the staff report.

There were no comments or questions offered by the City Council.

Todd Lieberg expressed opposition to the use of funds especially since the community project is planned to be phased in and urged the City Council to vote no on this item.

Alice English echoed the sentiments of the prior speaker and shared that the funds could be used for other things.

Harris expressed concern about only one firm submitting a proposal and the quality of work that would be produced and urged the City Council to spend the funds wisely.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Nygard to adopt **Resolution 2025-277**, appropriating $110,000 from the City's General Fund for a Professional Services Agreement with a qualified respondent to the City's audit and quality assurance review and analysis of Tracy Aquatic Center conceptual designs in an amount not to exceed $110,000. Roll call found Council Member Nygard, Mayor Pro Tem Abercrombie, and Mayor Arriola all in favor; Council Members Bedolla and Evans opposed; passed and so ordered.

STAFF ANNOUNCEMENTS:

Midori Lichtwardt, City Manager, shared that there was an incident on Halloween evening that involved two children being hit by a vehicle. City Manager Lichtwardt indicated that the Tracy Police Department has issued communication regarding the incident; that there is limited information that can be shared out of respect for the families; and that the children are both recovering. City Manager Lichtwardt also asked that the community and staff keep the children and their families in their thoughts and prayers as they recover.

2. ITEMS FROM THE AUDIENCE – Robert Tanner shared information regarding the sharps and medication drop off containers that are located in the lobby of the Tracy Police Department.

The following community members asked why Item 4.G was delayed and commented on Dr. Nancy Young's contributions to the community:

Rhonda Henderson
Robert Bartlow
Shivani Shaboo
Dr. Nancy Young
Gwendolyn Stewart
James Young

The following community members urged the City Council to take a proactive approach to prevent accidents such as the accident that took place on Halloween night on Gandy Dancer Drive and Tracy Boulevard.:

Todd Lieberg
Nicole Gant
Ashley Lima
Alice English

Nate Knodt noted that there was a letter regarding San Joaquin Regional Transit District (RTD) route 97 (Tracy/Manteca Route); clarified that the 2023 figures that were included in the letter are outdated; noted that ridership has improved; and indicated that RTD should be fully funded.

Micheal Sweeny, Kelley Stoehr, and Emmanuel Macalino requested that the City Council consider expanding the tables at Stars Casino from nine (9) to eleven (11) tables and highlighted that this action would bring more jobs to Tracy and surrounding communities.

Harris expressed gratitude to staff and the City Council for the work that was done at William Adams Park and urged the City Council and staff to prioritize the installation of a stop light at Gandy Dancer Drive and Tracy Boulevard.

3. PUBLIC HEARINGS

3.A Staff recommends that the City Council adopt an Ordinance: 1) repealing the 2022 edition of the California Building Code, Fire Code, Mechanical Code, Plumbing Code, Energy Code, Residential Code, Existing Building Code, Green Standards Building Code, and the Historic Building Code, all codified under Tracy Municipal Code Title 9; 2) making findings to substantiate modifications to the 2025 California Building Codes and Standards, due to local climatic, geological or topographical conditions; 3) adopting, with local amendments, the 2025 California Building Codes and Standards, and codifying the same as Tracy Municipal Code Title 9; 4) adopting Appendices C, F, H, I, J, K, P ,Q under the California Building Code, Appendices D and G under the Mechanical Code, Appendices A, B, C, D, E, G, H, I, J and K under the Plumbing Code, Appendices BF, CH, BH, BI, BJ, BM, CI,CK,CJ under the Residential Code, Wildland-Urban Interface Code, Appendix A under the Historical Building Code, and Appendices B, BB, C, CC, D, F, H, L, N, O, AND P, under the Fire Code, and codifying the same as Tracy Municipal Code Title 9; and 5) adopting California Environmental Quality Act Exemption Findings.

Forrest Ebbs, Director of Community and Economic Development, requested that this item be continued to the November 18, 2025, City Council meeting.

There were no comments offered by the public.

There were no comments or questions offered by the City Council.

ACTION: Motion was made by Maor Pro Tem Abercrombie and seconded by Council Member Nygard to continue Item 3.A to the November 18, 2025, regular City Council Meeting. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

4. REGULAR AGENDA

4.A. City Council receive the annual informational report of the Environmental Sustainability Commission for calendar year 2024 and projected goals for calendar year 2025

Stephanie Reyna-Hiestand, Assistant Director – Utilities, Jenny Wood, former Chairperson, and Navjot Kahlon, current Chairperson, of the Environmental Sustainability Commission, provided the staff report.

There were no comments offered by the public.

City Council Members offered comments and questions.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to receive the annual informational report of the Environmental Sustainability Commission for calendar year 2024 and projected goals for calendar year 2025. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

4.B. Staff recommends that the City Council receive the annual informational report of the Tracy Arts Commission for the 2024 calendar year and projected goals for calendar year 2025.

William Wilson, Cultural Arts Supervisor, and Cynthia Reis, Vice Chair of the Tracy Arts Commission, provided the staff report.

There were no comments offered by the public.

City Council Members offered comments and questions.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Nygard to receive the annual informational report of the Tracy Arts Commission for the 2024 calendar year and projected goals for calendar year 2025. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

4.C. Adoption of a resolution declaring the intention to establish city of Tracy Community Facilities District No. 2025-1 (The Avenues) and approving related documents and actions; adoption of a resolution of intention to incur bonded indebtedness and other debt for City of Tracy Community Facilities District No. 2025 -1 (The Avenues); setting the public hearing date for December 16, 2025 to consider questions of establishing the Community Facilities District, levying the special tax and incurring bonded indebtedness and other debt.

Sara Castro, Director of Finance, provided the staff report.

There were no comments offered by the public.

There were no comments or questions offered by the City Council.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt **Resolution 2025-278**, Declaring the Intention to Establish City of Tracy Community Facilities District No. 2025-1 (The Avenues) and Approving Related Documents and Actions. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt **Resolution2025-279**, Intention to Incur Bonded Indebtedness and Other Debt for City of Tracy Community Facilities District No. 2025-1 (The Avenues). Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to set the public hearing date for December 16, 2025 to consider questions of establishing the Community Facilities District, levying the special tax and incurring bonded indebtedness and other debt. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

4.D. Staff recommends that City Council provide direction on:

(1) Establish a General Plan Advisory Committee (GPAC) with the membership described above, or as modified by Council; and
(2) Include the update to the Zoning Ordinance concurrently with the General Plan update.

Forrest Ebbs, Director of Community and Economic Development, provided the staff report.

Dan Randall thanked staff and the City Council for all the positive changes; indicated that establishing a commission is adding another layer of bureaucracy; and expressed opposition to forming the commission.

Council Members offered comments and questions.

The City Council consensus was:

1. Yes, to establishing a General Plan Advisory Committee
2. Eleven (11) members, with three (3) being current Commissioners from the Planning Commission, the Parks and Community Services Commission, and the Transportation Advisory Commission
3. Allow the sphere of influence to apply, but prioritize Tracy residents (domiciled residents)
4. Terms will be staggered for two (2) years and one (1) year
5. Additional committee members will be at-large

ACTION: Motion was made by Mayor Arriola and seconded by Mayor Pro Tem Abercrombie to establish a General Plan Advisory Committee with the membership as previously described and to include the update to the zoning ordinance concurrently with the General Plan update. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

4.E Staff recommends that the City Council:

1. adopt a resolution to implement a Medical Respite program; and

2. adopt a resolution approving policies and procedures drafted for the Health Plan of San Joaquin contracting process and authorizing the City Manager or her designee to execute additional ancillary documents related to the City becoming a Cal Aim provider.

Virginia Carney, Homeless Services Manager, provided the staff report.

There were no comments offered by the public.

Council Members offered comments and questions.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt **Resolution 2025-280**, 1) to implement a Medical Respite program; and 2) approving policies and procedures drafted for the Health Plan of San Joaquin contracting process and authorizing the City Manager or her designee to execute additional ancillary documents related to the City becoming a Cal Aim provider. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

4.F Staff recommends that the City Council adopt a Resolution approving a Subcontractor Services Agreement with Independent Living Systems, LLC., to provide billable services for eligible persons receiving care at the Temporary Emergency Housing Facility shelter site location of 370 Arbor Avenue, Tracy, CA 95304 so that the City can receive reimbursements for such services through Independent Living Systems, LLC as the Managed Care Plan provider for CalAIM billable services.

Virginia Carney, Homeless Services Manager, provided the staff report.

There were no comments offered by the public.

There were no comments or questions offered by the City Council.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adopt **Resolution 2025-281**, approving a Subcontractor Services Agreement with Independent Living Systems, LLC., to provide billable services for eligible persons receiving care at the Temporary Emergency Housing Facility shelter site location of 370 Arbor Avenue, Tracy, CA 95304 so that the City can receive reimbursements for such services through Independent Living Systems, LLC as the Managed Care Plan provider for CalAIM billable services. Roll call found Council Members Bedolla, Evans,

and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered

6. ITEMS FROM THE AUDIENCE – There were no comments offered by the public.

7. STAFF ITEMS: Midori Lichtwardt, City Manager, shared the following events:

The National Weather Service is calling for strong winds tonight into tomorrow morning

- Secure loose outdoor items and any seasonal decorations
- Prepare for possible power outages
- Avoid trees and downed power lines

Starting November 10, 2025, the International Parkway Bridge Closure will begin. International Parkway between Berkeley Road and Promontory Parkway will close for about eleven (11) months. Please be sure to follow detour routes on signs posted on site.

In observance of Veterans Day, City of Tracy offices will be closed next Tuesday, November 11, 2025. Trash and recycling collection remain on schedule.

We extend our deepest gratitude to all veterans, especially those here in Tracy, whose service and commitment continue to inspire us. Your contributions strengthen our community and remind us of the true meaning of service.

Leaf Pick-Up starts November 17, 2025. Help keep Tracy clean and storm drains clear this fall:

- Fill your organics bin first
- Place extra leaves in a pile by the curb
- Keep gutters clear so rainwater can flow
- Leaf piles are collected on your regular waste day

8. COUNCIL ITEMS – Council Member Bedolla requested that staff provide a memo, update, or a brief discussion to provide more reassurance to the families that live around South Tracy Boulevard and Gandy Dancer and requested an increase to safety measures in those same areas. Mayor Arriola expressed support for the requests.

Mayor Pro Tem Abercrombie shared that Veterans Day activities will be taking place on November 11, 2025, at the Veterans Memorial located at City Hall, starting at 11:00 a.m., and that students will be recognized at an anti-bullying event that will be held at Kimball High School on November 5, 2025, from 6:00 p.m. to 7:30 p.m.

Council Member Evans encouraged the community to engage in the Veterans Day events and shared that this would be an opportunity for the community to thank those who have served and are serving.

Council Member Nygard thanked Veterans for their service; sent prayers to the families that were affected by the accident on Halloween; recognized the first responders that assisted the families; shared that there are 131,000 Supplemental Nutrition Assistance Program (SNAP) recipients in San Joaquin County; and encouraged the community to volunteer and participate in food bank organizations.

Mayor Arriola echoed the sentiments of thoughts and prays to the children and their families that were affected by the accident on Halloween; expressed kudos to Kyla Glucky, Public Information Officer, and staff for the work that they have been doing to keep the public informed through videos on social media; and urged the community to look at volunteering at local food banks, such as Tracy Community Connects Center (TCCC), Family Resource Center, and Interfaith.

9. ADJOURNMENT: 9:38 p.m.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Evans to adjourn. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on October 30, 2025. The above are action minutes. A recording is available at the office of the City Clerk

_____
Mayor

ATTEST:

_____
City Clerk

TRACY CITY COUNCIL - SPECIAL MEETING MINUTES

November 18, 2025, 6:30 p.m.

Tracy City Hall, 333 Civic Center Plaza, Tracy, CA

1. Mayor Arriola called the Meeting to order at 6:30 p.m.

2. There were no actions taken pursuant to AB 2449.

3. Roll Call and Declaration of Conflicts – Council Members Bedolla, Evans, Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola were present. Council Member Evans recused himself.

4. Items from the Audience – There were no items from the audience.

5. Request to Conduct Closed Session at approximately 6:30 p.m.

   5.A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

   Case Name: Pacific Gas & Electric Company v. City of Tracy et al.

   Case No.: STK-CV-UED-2023-0012382 (County of San Joaquin, Superior Court)

   Government Code Section: 54956.9(d)(1)

   [The City Council finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the City in the litigation.]

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Nygard to adjourn to closed session. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

6. Reconvene to Open Session at 6:45 p.m.

7. Report of Final Action, If Any – Daniella Green, Assistant City Attorney, provided the following report: By a vote of 4-0, with one recusal, with Mayor Arriola, Mayor Pro Tem Abercrombie, and Council Members Bedolla and Nygard, the City Council approved a settlement in the amount of $ 220,000.00, whereby Pacific Gas & Electric Co. shall pay the City such amount in exchange for a release of any and all related eminent domain claims. This resolves the matter of Pacific Gas & Electric Company v. City of Tracy et al. Case No.: STK-CV-UED-2023-0012382 (County of San

Joaquin, Superior Court). The approval of the settlement does not result in a financial loss to the City.

8. Council Items and Comments – There were no Council items or comments.

9. Adjournment: Time: 6:47 p.m.

ACTION: Motion was made by Mayor Pro Tem Abercrombie and seconded by Council Member Nygard to adjourn. Roll call found Council Members Bedolla, Evans and Nygard; Mayor Pro Tem Abercrombie; and Mayor Arriola all in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on November 14, 2025. The above are action minutes. A recording is available at the office of the City Clerk.

_____
Mayor

ATTEST:

_____
City Clerk

December 2, 2025

Agenda Item 1.B

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution approving the execution of a General Services Agreement with SEAL Analytical, Inc. for the purchase, installation, and commissioning of the Biochemical Oxygen Demand (BOD) Analyzer instrument, in an amount not-to-exceed $65,000 with a term ending March 31, 2028.

EXECUTIVE SUMMARY

Biochemical Oxygen Demand (BOD) testing is a fundamental process within wastewater treatment facilities. Utilities Laboratory staff currently conduct manual testing of this process and are seeking to be more effective and efficient through the purchase of equipment that automates this analysis. This agenda item seeks City Council approval of a resolution authorizing a General Services Agreement (GSA) with SEAL Analytical, Inc. for the procurement, installation, and commissioning of a Biochemical Oxygen Demand (BOD) Analyzer instrument and a two (2) years warranty commencing upon completed installation.

BACKGROUND AND LEGISLATIVE HISTORY

The City of Tracy Utilities division has conducted manual measurements of BOD levels in compliance samples since the establishment of its laboratory. Elevated BOD levels signal an excess of organic matter, which is rapidly consumed by microorganisms. This consumption results in a considerable reduction of dissolved oxygen in the water, thereby threatening aquatic life and potentially leading to suffocation, mortality, and disruption of ecosystems. Consequently, the monitoring of BOD levels is essential for effective wastewater treatment, environmental conservation, and adherence to regulatory standards.

However, this methodology has become increasingly inefficient, requiring substantial time from analysts. With the expansion of wastewater treatment plants, the volume of wastewater that necessitates treatment has significantly increased, resulting in a higher number of BOD samples that must be analyzed to maintain compliance. Therefore, there is an urgent need for an automated system capable of accurately and precisely measuring this parameter, as well as enhancing quality assurance and quality control (QA/QC) processes, which have become more rigidly enforced by the Environmental Laboratory Accreditation Program (ELAP) and the National Environmental Laboratory Accreditation Conference (NELAC-TNI).

Utilities Laboratory identified an appropriate instrument that is user-friendly and aligns with the needs of its facility. The purchase and installation of this new equipment will enable laboratory personnel to analyze a greater number of samples automatically, thereby, allowing for an increased focus on QA/QC measures to enhance precision and accuracy. Acquiring this equipment will significantly enhance laboratory operations by facilitating timely analysis of BOD levels and enabling prompt alerts for any abnormal or unexpected increases which reduce non-compliance and potential violations.
On June 26, 2025, in accordance with Tracy Municipal Code Section 2.20.180, the City issued a Notice Inviting Bids (NIB) for the procurement, installation, and commissioning of a Biochemical Oxygen Demand (BOD) Analyzer instrument. The NIB was published on the City's website.

A total of two (2) proposals were received prior to the submission deadline. An internal review committee, composed of Utilities Laboratory staff with relevant expertise, evaluated the proposals. The committee determined that both vendors were qualified. Based on the evaluation, the vendors offering the most competitive pricing were:

Vendor Name	Bid Price	Optional One-Year Extended Warranty Price	Subtotal	Tax	Total
ManTech (USA), Inc.	$49,000.00	$0	$49,000.00	$4,042.50	$53,042.50
SEAL Analytical, Inc.	$50,870.00	$4,235.00	$55,105.00	$4,546.16	$59,651.16

ANALYSIS

Both vendors provided video conferencing demonstrations of their product, however, although key information had been shared via email prior to the meetings, ManTech appeared less prepared, relying heavily on pre-recorded videos for their presentation. In contrast, SEAL Analytical facilitated a well-organized and effective session by demonstrating their instrument live, allowing laboratory staff to observe its operation firsthand. SEAL Analytical also addressed all questions raised during the discussion thoroughly and confidently.

Upon review of the submitted bids, it was noted that while ManTech's proposal was lower in cost, it lacked the clarity and comprehensiveness found in SEAL Analytical's submission. Although ManTech's proposal meets the basic specifications established by the City of Tracy, it did not reflect the same level of preparation or attention to detail. Specifically, ManTech's proposal did not clearly indicate whether tax was included, how final charges were calculated, or which components were covered in the pricing. In contrast, SEAL Analytical provided a transparent and detailed breakdown of each service and component, presented in an organized and easy-to-understand format.

Additionally, SEAL Analytical's instrument offers a simpler and more intuitive user interface compared to the more complex design of ManTech's system. Laboratory staff found SEAL's instrument to be more relatable, as its functions closely align with the manual processes currently in use. The primary benefit of SEAL's system lies in its automation, which promises to improve operational efficiency while enhancing data reliability and accuracy.
Based on these factors, City staff selected SEAL Analytical as the preferred vendor, as their proposal and instrument best align with the needs and expectations of the City.

FISCAL IMPACT

The total cost of the equipment and services provided by SEAL Analytical, Inc. are not to exceed $65,000 over the term and will be accounted for in the adopted annual operations and maintenance budget of the Wastewater Fund (521). This NTE includes the optional two years of manufacturers' extended warranty and ongoing technical support for this equipment.

CEQA DETERMINATION

The approval of the proposers in this request or the execution of this contract with Contractor will not result in a physical change in the environment and therefore is not considered as a project as defined by Section 21065 of the Public Resources Code.

STRATEGIC PLAN

This agenda item is consistent with the City's Quality of Life Strategy and meets the goals to ensure physical infrastructure and systems necessary for the health and safety of the Tracy community through improved water quality.

ACTION REQUESTED OF THE CITY COUNCIL

Approving the execution of a General Services Agreement with SEAL Analytical, Inc. for the purchase, installation, and commissioning the Biochemical Oxygen Demand (BOD) Analyzer instrument, in an amount not-to-exceed $65,000 with a term ending March 31, 2028.

Prepared by: Gabriel Duong, Utilities Laboratory Supervisor
Tu Nguyen, Management Analyst II

Reviewed by: Stephanie Reyna-Hiestand, Assistant Director of Utilities
Anush Nejad, Director of Public Works
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments: A –General Services Agreement with SEAL Analytical, Inc.

CITY OF TRACY
GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Seal Analytical, Inc., a Delaware corporation (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain Contractor to purchase, install, and commission a Biochemical Oxygen Demand (BOD) Analyzer measurement system as described in Exhibit A.

B. On June 26, 2025, the City issued a Notice Inviting Bids (NIB) for the Procurement, Installation, and Commission of the Biochemical Oxygen Demand Automation Instrumentation (**Project**). On August 4, 2025, Contractor submitted its proposal for the Project to the City. City has determined that Contractor possesses the skills, experience and certification required to provide the instrument and services in pursuant Tracy Municipal Code 2.20.180.

C. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

D. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on _____, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Sarah McFaul, Technical Sales & Compliance Manager. Contractor shall not replace its Authorized Representative nor shall Contractor use or replace any subcontractors or subconsultants, without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on the date this agreement is executed and end on March 31, 2028, unless terminated in accordance with Section 6.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $65,000 (sixty-five thousand dollars). Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement, and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than $4,000,000 general aggregate and $2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than $1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than $1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. The services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and

hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City's employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
City of Tracy
Attn: Assistant Director of Utilities
3900 Holly Drive
Tracy, CA 95304

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
Seal Analytical, Inc.
Attn: Sarah McFaul
6501 West Donges Bay Road
Mequon, WI 53092

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11. Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: Dan Arriola
Title: Mayor, City of Tracy

Date: _____

Attest:

April B.A. Quintanilla, City Clerk

Approved as to form:

L. David Nefouse, City Attorney

Contractor

DocuSigned by:
Lalicia Potter
9C60339DB360458...
By: Lalicia Potter
Title: Director

Date: 10/28/2025 | 2:34 AM EDT

Federal Employer Tax ID No. 81-0565037

Signed by:
Stephanie Doerfert
5EF4BC3719F5469...
By: Stephanie Doerfert
Title: Secretary

Date: 10/27/2025 | 1:36 PM PDT

Exhibits:

A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

Contractor shall perform the following tasks:

- Automate the process of measuring BOD in wastewater samples.
- Minimize manual labor and reduce the potential for user error in BOD testing.
- Increase the speed and accuracy of BOD results.
- Integrate the automated system with existing laboratory and/or plant data systems to allow seamless data transfer and management.

Procurement of Equipment

- BOD Measurement Instrumentation
  - Automated BOD Analyzer capable of performing standard BOD tests (e.g. 5 days).
  - Compliance with standard testing protocols for oxygen consumption measurement.
  - Real-time dissolved oxygen monitoring sensors.
  - Support for a wide range of sample volumes and concentrations.
  - Compatibility with multiple sample types (e.g., effluent, surface water, industrial wastewater).

- Supporting Components
  - Temperature and pH sensors for accuracy across variable conditions.
  - Optional automatic sample preparation and dilution system.
  - Software-integrated data acquisition and processing system.
  - Calibration and maintenance kits.

Installation and Setup

- Site Preparation
  - Evaluation of site infrastructure (space, power, water).
  - Electrical and mechanical integration of equipment to fit the operational environment.
  - Physical installation of BOD analyzers and accessories.
  - Connection to existing IT infrastructure data logging and analysis.

System Integration and Calibration

- Integration of the BOD analyzer with current laboratory or SCADA systems.
- Calibration of the BOD analyzer using certified reference materials.
- Software customization for automated reporting, data management, and quality control.

Training

- Onsite Training
  - Comprehensive training for laboratory and plant staff on system operation, calibration, and maintenance of the automated BOD analyzer.
  - Troubleshooting and data interpretation guidance.

- Documentation
  - Provision of user manuals, system operation guides, and maintenance schedules.
  - Electronic documentation for convenient reference.

Testing and Commissioning

- Initial functionality testing.
- Performance validation to confirm compliance with specifications.
- Final system handover, including all necessary documentation.

Post-Installation Support

- Warranty
  - Two-year warranty covering equipment malfunctions from installation date.
- Ongoing Support
  - Two years of technical support including troubleshooting, system upgrades, and system diagnostics.

Deliverables

- Fully installed and calibrated BOD measurement system.
- Training materials and user manuals.
- Final System Report detailing installation, calibration, and testing results.
- Post-installation warranty and support services.

Technical Compliance Criteria. Contractor must address the following in their proposals:

- Instrument Performance & Specification
  - Documentation for method validation and verification.
  - Detection range, sensitivity, accuracy, and precision specifications.
  - Batch processing duration and quality control capabilities (e.g. RPD calculation).
  - Equipment dimensions and combability with existing workspace constraints (counter depth: 24 inches; incubator shelf: 27.5 inches length, 19inches depth, and 7 inches height).
- Automation & Workflow Integration
  - Features such as automated alerts for high DO and saturation prevention.
  - Sample preparation procedures and bottle filling automation.
  - User interface functionality including login features.
- Calibration & Quality Control
  - Calibration frequency and standard types.
  - Built-in quality control tools and real-time failure alerts.
  - Data validation and audit trail capabilities.
- Maintenance & Troubleshooting
  - Routine maintenance requirements and consumables lifespan.
  - Cross-contamination prevention, typical failure points, and critical component replacement timelines.

- Regulatory Compliance & Method Validation
  - Legal defensibility and audit trail support.
  - Support for method blanks and positive controls.
  - Data export compatibility with Laboratory Information Management System (HACH WIMS).
  - Certification status (e.g. ISO 17025) for products and services.

Docusign Envelope ID: 5CC01CB6-AD49-4539-81A5-8A8D33159F21

EXHIBIT B - Compensation

Contractor's total compensation under this Agreement shall not exceed $65,000 (sixty-five thousand dollars). Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

APPROVING THE EXECUTION OF A GENERAL SERVICES AGREEMENT WITH SEAL ANALYTICAL, INC. FOR THE PURCHASE, INSTALLATION, AND COMMISSIONING OF THE BIOCHEMICAL OXYGEN DEMAND (BOD) ANALYZER INSTRUMENT, IN AN AMOUNT NOT-TO-EXCEED $65,000 WITH A TERM ENDING MARCH 31, 2028.

WHEREAS, Biochemical Oxygen Demand (BOD) testing is a critical process in wastewater treatment to monitor and manage organic matter levels and maintain compliance with environmental regulations; and

WHEREAS, the City of Tracy Utilities Laboratory currently conducts BOD testing manually, a process that is increasingly inefficient and labor-intensive given the growing volume of samples required due to facility expansion and more stringent regulatory standards; and

WHEREAS, the City issued a Notice Inviting Bids (NIB) on June 26, 2025, in accordance with Tracy Municipal Code Section 2.20.180, for the procurement, installation, and commissioning of a BOD Analyzer instrument; and

WHEREAS, on August 4, 2025, two (2) qualified vendors submitted proposals, both offering competitive pricing; and

WHEREAS, after a thorough evaluation of the bids and vendor presentations, SEAL Analytical, Inc. was determined to provide the most comprehensive and suitable solution that meets the operational, technical, and compliance needs of the City; and

WHEREAS, staff is requesting the City Council approves the execution of the General Services Agreement (GSA) with Contractor, in the form attached as Exhibit 1, for the procurement, installation, and commissioning of the Biochemical Oxygen Demand (BOD) Analyzer instrument, in an amount not-to-exceed (NTE) $65,000 with a term ending March 31, 2028; and

WHEREAS, the NTE total amount includes a two-year manufacturer's warranty and the two years of ongoing technical support for this asset; and

WHEREAS, the costs associated with this agreement is available in the adopted annual operation and maintenance budget of the Wastewater Fund (Fund 521); and now, therefore, be it

RESOLVED: That the above recitals are true and correct; and be it further

RESOLVED: That the City Council of the City of Tracy, hereby approves the General Services Agreement with SEAL Analytical, Inc. attached as Exhibit 1, for the purchase, installation, and commissioning of a Biochemical Oxygen Demand (BOD) Analyzer instrument in an amount not to exceed $65,000 with a term ending March 31, 2028; and be it further

RESOLVED: That the City Council finds the actions taken herein are not considered a Project defined by Section 21065 of the Public Resource Code and are exempt from CEQA (California Environmental Quality Act) requirements.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 2nd day of December, 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.C

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Champion Courts, Inc. for on-call sports court resurfacing and repair services, in an amount not to exceed $150,000 per fiscal year, and authorizing the City Manager to approve up to four one-year extensions.

EXECUTIVE SUMMARY

This item is to consider authorizing a General Services Agreement (December 2, 2025, – June 30, 2026) with Champion Courts, Inc. (Contractor) for the resurfacing and repair of designated sports courts within the park system.

The initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

The proposed General Services Agreement has a not-to-exceed amount of $150,000 per fiscal year and authorizes the City Manager to approve up to four one-year extensions.

BACKGROUND AND LEGISLATIVE HISTORY

The Parks, Recreation, and Community Services Department is responsible for the maintenance and rehabilitation of the City's over 45 outdoor sports courts, including but not limited to tennis courts, basketball courts, pickleball courts, and multi-use sports surfaces. Staff routinely inspect all City sports courts to ensure they remain safe, functional, and accessible for users of all ages and abilities.

Regular maintenance and periodic resurfacing are essential to preserve the structural integrity, playability, and appearance of these facilities. Prolonged exposure to weather conditions, heavy use, and natural surface aging contribute to cracking, fading, and uneven wear, which can impact both safety and user experience.

This maintenance and repair program includes cleaning, crack sealing, patching, and resurfacing using high-quality, acrylic-based coatings that meet American Sports Builders Association (ASBA) standards. These materials are designed to provide consistent traction, favorable aesthetics, and long-lasting durability. As resurfacing and repairs are needed, the City should contract specialized sports surfacing professionals equipped with the proper tools and machinery to ensure uniform application and precise line striping. These efforts ensure that community members can enjoy safe, attractive, and well-maintained recreational spaces for tennis, basketball, and pickleball.

By maintaining its sports courts to high professional standards, the city supports active recreation, community wellness, and equitable access to quality athletic facilities throughout the year.

ANALYSIS

Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on September 10, 2025, for the resurfacing and repair of designated sports courts within the park system. The Notice was posted on the City's website, and two (2) responses were received by the established deadline of October 21, 2025.

Staff conducted a comprehensive review of the submittal from Champion Courts, Inc., confirming that the company met all requirements outlined in the Notice. Champion Courts demonstrated the necessary skills, experience, and certifications to provide the requested services.

The submittal from Saviano Co. Inc. was also reviewed; however, it was not selected due to the proposal's pricing.

The recommended agreement is for a one-year term, with a not-to-exceed amount of $150,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions, based on the recommendation of the Director of Parks and Recreation.

FISCAL IMPACT

There is no additional fiscal impact, as the Parks Maintenance Division's operating budgets have accounted for this ongoing program expense in their respective budgets: Funds 101, 107, 271, 272, and 273.

PUBLIC OUTREACH/ INTEREST

This is an operational item for the Parks, Recreation and Community Services Department. No public outreach was conducted.

CEQA DETERMINATION

This is an operational item, and CEQA does not apply.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted Public Safety and Quality of Life strategies.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Champion Courts, Inc. for on-call sports court resurfacing and repair services, in an amount not to exceed $150,000 per fiscal year, and authorizing the City Manager to approve up to four one-year extensions.

Prepared by: Roy Valadez, Management Analyst II

Reviewed by: Brian MacDonald, Director of Parks, Recreation, and Community Services
Richard Joaquin, Assistant Director of Parks, Recreation & Community Services
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A: General Services Agreement – Champion Courts, Inc.

CITY OF TRACY
GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Champion Courts, Inc., a California Stock Corporation (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain Contractor for the resurfacing and repair of sports courts at designated parks, which are in poor condition, diminishing the quality of play and user experience; and

B. Pursuant to Tracy Municipal Code 2.20.180, on September 10, 2025, the City issued a Notice Inviting Bids (Notice) to provide on-call sports court resurfacing and repair services to the City (Project). On October 21, 2025, Contractor submitted its bid for the Project to the City. City has determined that the Contractor possesses the skills, experience, and certification required to provide the services.

C. Two bids were received by the submission deadline , one from Champion Courts, Inc. and one from Saviano Co., Inc. After reviewing both proposals, City staff determined that Champion Courts, Inc., is the lowest responsive bidder.

D. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms outlined in this Agreement.

E. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on December 2, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Chayanne Plasencia. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use or replace any subcontractors or subconsultants, without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement, and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026, unless terminated in accordance with Section 6.

2.2 OPTION TO EXTEND: This Agreement may be extended for an additional four, one- year extension terms (a total of four years in one (1) year increments) by the City Manager following a written determination that Contractor has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference, for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $ 150,000.00 per fiscal year. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of the invoice, the City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than $4,000,000 general aggregate and $2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than $1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than $1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be in excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, the City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive-level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days, and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records

(§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. The services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws. Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify, and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

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11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration, either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. Notices. All notices, demands, or other communications that this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party at the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
City of Tracy
Attn: Parks, Recreation and Community Services
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
Champion Courts, Inc.
Chayanne Plasencia
3900 Patridge Ave
West Sacramento, CA 95691

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer, or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee, or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11. **Severability.** If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the r**e**mainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and the Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations, or agreements. All exhibits attached hereto are incorporated by reference herein.

15. <u>Signatures</u>. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy, a Municipal Corporation

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

_____
April Quintanilla, City Clerk

Approved as to form:

_____
L. David Nefouse, City Attorney

Champion Courts, Inc.

_____
By: Chayanne Plasencia
Title: Chief Executive Officer
Date: 11/5/2025

Federal Employer Tax ID No.
99-1112553

_____
By: Chayanne Plasencia
Title: Chief Financial Officer
Date: 11/5/2025

Exhibits:

A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

Point of Contact:
Chayanne Plasencia
3900 Partridge Ave
West Sacramento, CA 95691
916-289-1960
Chayannepg@gmail.com

Timeline: The City will issue a request for service to the Contractor, which shall be responded to within 48 hours, and an on-site evaluation shall be carried out within 72 hours. Contractor shall provide a detailed list of problems found, recommended repairs, and a quote of the cost for the repair(s) or replacement within 36 hours.

Should the City wish to proceed with the proposal, a notice to proceed will be issued, and the Contractor shall submit a detailed pricing quote and schedule, acceptable to the City, of when the services will be completed.

The Contractor may provide services to the City, including, but not limited to, the following:

Scope of Work:

The resurfacing of sports courts will include, but may not be limited to, cleaning the existing surface, repairing existing cracks, applying a new surface layer, possibly adding a new base if needed, and the repair and refurbishment of existing and associated hardware, equipment, and furnishings. This process can vary depending on the court's material (asphalt, concrete, or clay) and desired surface (Basketball, Tennis, Pickleball, or Handball).

For all repairs and refurbishments of existing hardware, equipment, and furnishings, the contractor must provide a submittal for city approval with their proposed fix or treatment. Refurbishing hardware, equipment, and furnishings includes, but is not limited to, broken or damaged netting, repainting dull or chipped paint, and correcting bent posts that secure netting or other sports equipment. Before demolition or resurfacing, the contractor must take photos of each work area from all four corners of the court and measure (with documentation) existing striping to verify dimensioning for the following striping installation and submit to the City for approval from the City's Contract Representative.

For installation of materials at each court, the contractor must provide submittals for their proposed products for City approval and verify the layout with the City before the start of work at each project site. Contractor must verify striping layout with the City before installation of striping for each court.

Tennis Courts – Provide materials and labor to refurbish the specified Tennis Courts at the designated locations. Work shall consist of the preparation of the existing Tennis Court surfaces and the installation of the **Plexipave** (or approved equal) acrylic all-weather wearing surface, including court lines, and pertaining thereto.

Pickleball Courts – Provide materials and labor to refurbish Tennis Courts into multi-purpose Tennis/Pickleball Courts. Work shall consist of the preparation of the existing Tennis Court Surface, the installation of the **Plexipave** (or approved equal) acrylic all-weather wearing surface, including court lines.

Handball Courts – Provide materials and labor to refurbish the specified Handball Courts at the designated locations. Work shall consist of the preparation of the existing Tennis Court surfaces and the installation of the **Plexipave** (or approved equal) acrylic all-weather wearing surface, including court lines, and pertaining thereto.

Basketball Courts - Provide materials and labor to refurbish the specified basketball courts at the designated locations. Work shall consist of the preparation of the existing court surfaces and the installation of the **Plexipave** (or approved equal) acrylic all weather-worn surface, including court lines, and pertaining thereto.

Adjustable Net Post Installation- Tennis/Pickleball Net Post Footings shall be a minimum of 42 inches below the court surface and shall be set with high-pressure concrete. The center of the Footings shall be placed 22 feet 4 inches apart. The posts shall rest no higher than 1 inch above the net chord.

Asphalt Courts

For Asphalt courts, see detail D 1.5.2 (Attachment D)

Concrete Courts

For Concrete courts, see detail D 1.5.2 (Attachment D)

Specified Materials

All materials specified below are used to set a standard of quality and performance. Alternate materials may be substituted with the approval of the City or its representative, following the guidelines established in the submittals section.

Crack Filler

Materials for filling cracks shall be over-kote crack filler manufactured by Reed & Graham, or an approved equal commercially prepared crack filler.

Refinement Material

Material for leveling low areas and for the refinement course shall be over Kote pavement coating manufactured by Reed & Graham, or an approved equal mineral-filled asphalt emulsion product.

Color Coating

Color coating is to be the “Plexi-Pave” system manufactured by California Products Corp. or an approved equal. Colors to meet current NCAA standards.

Paint

Plexicolor line paint by California Products Corp. or approved equal.

Protective Coating

On all surfaces, apply two coats of “Clear-Glo 3”, applied over color coatings, manufactured by California Products Corp. or approved Equal.

Line Marking

A. Upon completion and acceptance of the surface, the contractor shall prepare and repaint lines on the court to meet the original layout and color.
B. All lines are to be applied by painting between masking tape with a paintbrush or roller.
C. Prime masked lines with an appropriate and approved primer. Allow the application to dry.
D. Paint lines with approved textured line paint. Allow the application to dry.
E. Remove masking tape immediately after the lines are dry.

Completion of Work

Upon completion, the contractor must remove all construction debris, surplus materials, empty containers, and wash water, and must leave the site in a condition acceptable to the City of Tracy.

Disposal of Materials

Unless otherwise specified, all materials shall become the property of the Contractor(s) and disposed of by the Contractor(s) at the Contractor’s expense. Contractor(s) shall be responsible for disposing of all excess materials in a safe and legal manner. No material shall be placed on private property or public property without prior approval from the City and the property owner. The Contractor(s) shall not allow any refuse to be disposed of upon paved streets or into the City’s storm drain system.
Contractor(s) shall take excess or used material to the Tracy Material Recovery Facility (MRF) and Solid Waste Transfer Station at 30703 South MacArthur Drive. The Service Provider shall be charged with the prevailing dumping fees at the Tracy MRF.

General Provisions

1. Drainage system shall be installed around the perimeter of sports courts per plan.
2. Contractor must provide a submittal for their proposed drainage system, including all equipment, materials, and proposed layout, for approval by the City’s Contract Representative.
3. The reinforcement, compaction, & Thickness of base, subgrade, or concrete shown are a minimum. Otherwise, construct as directed by the Geo-Technical report, structural engineer, (Other specific to the detail), and approved by the City Engineer.
4. Sports courts to meet Caltrans standard specifications for materials, in case of tennis courts, comply with the United States Tennis Association (USTA) standards, which give rise to industry standards regarding Ponding on tennis courts.

Guarantee

A. Contractor must guarantee straight lines on each court.
B. The contractor shall guarantee all workmanship and materials for a period of one (1) year, with the exception of normal wear and tear.

General Notes

The City commits to resurfacing/repairing/upgrading four (4) of the nine (9) designated courts within the first year of the contract term.

The remaining five (5) courts may be resurfaced/repaired/upgraded during the remaining term of the contract, contingent upon the availability of time, funding, and resources. The City will make reasonable efforts to address these additional courts as circumstances permit.

It is understood, however, that this commitment is subject to change based on evolving conditions. The scope and schedule of work may be adjusted in response to:

- The emergence of new court repair needs elsewhere in the City that require more immediate attention
- Reassessments of existing court conditions that change project priorities.
- Changes in available funding due to budget constraints or other financial considerations.

The City reserves the right to modify the resurfacing plan as necessary to respond to these factors in order to best serve the public interest and maintain the safety and usability of its sports courts.

The Contractor shall only perform work that is assigned in an authorized Task Order. This contract does not guarantee that a Task Order shall be issued.

EXHIBIT B - Compensation

COST OF SERVICES

SCOPE OF WORK	BID PRICE	UNIT OF MEASURE
Clean Surface Cracks	$1.50	LINEAR FEET
Fill all cracks with acrylic crack filler and sand down repairs, even to the court surface	$4.50	LINEAR FEET
Add new base (*if needed* Asphalt or Concrete)	$6.00	SQ. FEET
Replace netting	$600.00	EACH
Replace posts for netting	$500.00	EACH
Correct bent post that secures netting or other equipment	As Needed	EACH
Install adjustable net post (Tennis/Pickleball)	As Needed	EACH
Apply one coat of acrylic resurfacer to the entire surface	$0.80	SQ. FEET
Apply two coats of acrylic color to the entire surface	$1.50	SQ. FEET
Stripe lines according to official measurements	$0.30	LINEAR FEET

*CONTRACTOR IS TO MEASURE AND INSPECT COURTS PRIOR TO PRICING OUT.

NO.	PARK	ADDRESS	COURT TYPE	BID PRICE
1	Bland Park	1803 Blandford Ln. Tracy, CA 95376	Resurface half basketball court +/- 2,400 SF	$15,500.00
2	New Harmon Park	2131 Hillcrest Dr, Tracy, CA 95377	Resurface half basketball court +/-2,305 SF	$15,500.00
3	Ceciliani Park	1630 Cypress Dr., Tracy, CA 95376	Resurface two tennis courts and add Pickleball overlay on each court +/-13,930 SF	$24,400.00
4	Fabian Park	1101 Valencia Dr, Tracy, CA 95376	Resurface basketball court +/- 3,655 SF	$20,500.00
5	Harvest Park	71 Fireside Ln. Tracy, CA 95376	Resurface half basketball court +/-2,500 SF	$14,500.00
6	Valley Oak Park	1100 Honeysuckle Ct,	Resurface half basketball court +/-2,500 SF	$12,500.00

		Tracy, CA 95376		
7	Busch Park	1166 Crossroads Dr, Tracy, CA 95377	Resurface half basketball court +/-2,100 SF	$12,500.00
8	Fisher Park	564 Centre Ct Dr, Tracy, CA 95376	Resurface half basketball court +/-2,160 SF	$12,500.00
9	Pombo Park	2112 Joseph Damon Dr, Tracy, CA 95377	Resurface half basketball court +/-2,500 SF	$12,500.00
			Total Bid Price:	$140,400.00

*ALL MEASUREMENTS ARE APPROXIMATE. CONTRACTOR IS TO MEASURE AND INSPECT COURTS NOT LISTED HERE FOR PRICING IF THE NEED ARISES TO ADD COURTS.

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO.

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION APPROVING A GENERAL SERVICES AGREEMENT WITH CHAMPION COURTS, INC. FOR ON-CALL SPORTS COURT RESURFACING AND REPAIR SERVICES, IN AN AMOUNT NOT TO EXCEED $150,000 PER FISCAL YEAR, AND AUTHORIZING THE CITY MANAGER TO APPROVE UP TO FOUR ONE-YEAR EXTENSIONS.

WHEREAS, the Parks, Recreation and Community Services Department (Department) is responsible for the maintenance of over 45 outdoor sports courts, including but not limited to tennis courts, basketball courts, pickleball courts, and multi-use sports surfaces throughout the park system; and

WHEREAS, Regular maintenance and periodic resurfacing are essential to preserve the structural integrity, playability, and appearance of these facilities. Prolonged exposure to weather conditions, heavy use, and natural surface aging contribute to cracking, fading, and uneven wear, which can impact both safety and user experience; and

WHEREAS, Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on September 10, 2025, for the resurfacing and repair of designated sports courts within the park system. The Notice was posted on the City's website, and two (2) responses were received by the established deadline of October 21, 2025; and

WHEREAS, Staff conducted a comprehensive review of the submittal from Champion Courts, Inc., confirming that the company met all requirements outlined in the Notice. Champion Courts, Inc. demonstrated the necessary skills, experience, and certifications to provide the requested services; and

WHEREAS, the recommended agreement is for a one-year term, with a not-to-exceed amount of $150,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions.

WHEREAS, the initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

WHEREAS, the term of this agreement shall begin on December 2, 2025, and end on June 30, 2026.

WHEREAS, the funding for the Services of the Agreement is from the Parks Maintenance Division operating budgets; and

WHEREAS, the city seeks to enter into the Agreement with Contractor.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct; and be it,

RESOLVED: That the City Council hereby approves the Agreement with Contractor for the Services for a not-to-exceed amount of $150,000 per fiscal year and authorizes the City Manager to grant up to four, one-year extensions consistent with the terms of the Agreement if Contractor satisfactorily meets its obligations under the Agreement, and be it,

FURTHER RESOLVED: After review and approval by the City Attorney's Office, the City authorizes the execution of the Agreement and authorizes any actions that may be necessary or advisable to effectuate the purposes of this Resolution.

* * * * * * * * * * * *

The foregoing Resolution 2025 -____ was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.D

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution approving a General Services Agreement with Pace Supply Corp. for on-call procurement and delivery of drinking fountain services to the City for a not-to-exceed amount of $75,000 per fiscal year and authorizing the City Manager to authorize up to four one-year extensions.

EXECUTIVE SUMMARY

This item is to consider authorizing a General Services Agreement (December 2, 2025 – June 30, 2026) with Pace Supply Corp. (Contractor) to furnish and deliver drinking fountains and related components for use within the City's park system. The Agreement will support the replacement of aging, damaged, or obsolete drinking fountains to maintain safe and functional park amenities.

The initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

The proposed Agreement includes a not-to-exceed amount of $75,000 per fiscal year and authorizes the City Manager to approve up to four one-year extensions.

BACKGROUND AND LEGISLATIVE HISTORY

The Parks, Recreation and Community Services Department (Department) is responsible for the maintenance of approximately 86 parks and a wide range of park amenities. Currently, the Department maintains hundreds of drinking fountains throughout these parks. Many of these drinking fountains have reached or are near the end of their useful life and will need to be replaced to ensure continued public access to clean and safe drinking water.

Pursuant to Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on September 30, 2025, for on-call drinking fountain procurement and sale services. The Notice was posted on the City's website, and two (2) responses were received by the established deadline of October 14, 2025.

Staff conducted a comprehensive review of the submittal from Pace Supply, Corp, confirming that the company met all requirements outlined in the Notice. Pace Supply, Corp demonstrated the necessary skills, experience, and certifications to provide the requested services.

The submittal from Most Dependable Fountains was also reviewed; however, it was not selected due to the pricing of the proposal.

ANALYSIS

As the City continues to grow and enhance public spaces, the need to upgrade or replace aging drinking fountains becomes increasingly important to ensure safe, functional, and accessible hydration options for the community.

Many of the City's drinking fountains have surpassed their expected useful life and are showing signs of wear and reduced functionality. Replacing or upgrading these fountains improves the overall user experience, promotes public health, enhances accessibility for all users, including children, seniors, and people with disabilities, and meets current safety and health standards.

Investing in modern drinking fountains contributes to the long-term vitality and appeal of public parks, encourages increased use of outdoor spaces, and supports the City's goals for sustainability. Upgraded fountains may also improve water efficiency, reduce maintenance needs, and better serve a diverse range of park visitors.

Replacing these drinking fountains requires contracted services for procurement and delivery to address the variety of drinking fountains found throughout the City's park system. Establishing an on-call agreement for these services will ensure timely access to expert support for replacements and upgrades—helping to preserve the safety, usability, and attractiveness of the City's public spaces.

FISCAL IMPACT

There is no additional fiscal impact, as the Parks Maintenance Division's operating budgets have accounted for this ongoing program expense in their respective budgets: Funds 101, 107, 271, 272, and 273.

PUBLIC OUTREACH/ INTEREST

This is an operational item for the Parks, Recreation and Community Services Department. No public outreach was conducted.

CEQA DETERMINATION

This is an operational item, and CEQA does not apply.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted Public Safety and Quality of Life strategies.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution approving a General Services Agreement with Pace Supply Corp., for on-call services for procurement and sale of drinking fountains to the City for a not-to-exceed amount of $75,000 per fiscal year and authorizing the City Manager to grant up to four, one-year extensions.

Prepared by: Roy Valadez, Management Analyst II

Reviewed by:
Brian MacDonald, Director of Parks, Recreation, and Community Services
Richard Joaquin, Assistant Director of Parks, Recreation and Community Services
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A: General Services Agreement – Pace Supply, Corp.

CITY OF TRACY
GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Pace Supply, Corp., a California Stock Corporation (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain Contractor to provide on-call Drinking Fountain procurement, sale, and delivery services to the City; and

B. Pursuant to Tracy Municipal Code 2.20.180, on September 30, 2025, the City issued a Notice Inviting Bids (Notice) to provide on-call Drinking Fountain procurement, sale, and delivery services to the City (Project). On October 14, 2025, Contractor submitted its bid for the Project to the City. City has determined that the Contractor possesses the skills, experience, and certification required to provide the services.

C. Two bids were received by the submittal date/time. City staff conducted a review of the submitted bids, and the bid from Most Dependable Fountains was not selected as it was not the lowest bid.

D. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

E. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on December 2, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Jeff Thompson. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use or replace any subcontractors or subconsultants, without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement, and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026, unless terminated in accordance with Section 6.

2.2 OPTION TO EXTEND: This Agreement may be extended for an additional four, one- year extension terms (a total of four years in one (1) year increments) by the City Manager following a written determination that Contractor has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $ 75,000.00 per fiscal year. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than $4,000,000 general aggregate and $2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than $1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than $1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records

(§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. The services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City's employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO.

---

1. **REJECTING ALL BIDS RECEIVED FOR THE GENERATOR AND AUTOMATIC TRANSFER SWITCH TESTING AND INSPECTION SERVICES PROJECT ON OCTOBER 9, 2025; AND**
2. **APPROVING RESUBMITTAL OF THE NOTICE INVITING BIDS FOR THE GENERATOR AND AUTOMATIC TRANSFER SWITCH TESTING AND INSPECTION SERVICES.**

WHEREAS, on September 11, 2025, the Public Works Department – Utilities Division issued a Notice Inviting Bids (NIB) for the Generator and Automatic Transfer Switch Testing and Inspection Services project; and

WHEREAS, on October 9, 2025, three (3) bids were submitted for the project: 1) Bay City Equipment Industries, Inc. dba Bay City Electric Works, 2) Got Power, Inc. dba CD & Power, and 3) West Coast Energy Systems, LLC.; and

WHEREAS, the scope of work for this project included annual inspection and testing of up to twenty-five (25) generators and their associated Automatic Transfer Switches (ATS) for a three-year term and up to a two-year administrative extension by City Manager; and

WHEREAS, upon detailed review of all submissions, staff determined that none of the submitted bids contained all required documentation necessary to identify the lowest responsive and responsible bidder; and

WHEREAS, After consultation with City Attorney's Office, City staff have determined that proceeding with an award at this time would not represent the most responsible or cost-effective use of public funds; and

WHEREAS, staff recommend that City Council find that it is in the best interest of the City to reject all bids at this time; and

WHEREAS, staff have notified the bidders of the findings and the reason for the rejection; and

WHEREAS, staff have encouraged the bidders to resubmit their proposals in full compliance with the requirements; and

WHEREAS, staff will reissue the bid packets in accordance with Tracy Municipal Code 2.20.180 and notify the bidders of the reopening; now, be it

RESOLVED: That the above recitals are true and correct; and be it further

RESOLVED: That the City Council of the City of Tracy does hereby reject all bids received for the Generator and Automatic Transfer Switch Testing and Inspection Services project; and be it further

RESOLVED: That the City Council of the City of Tracy does hereby approve the reopening of the Notice Inviting Bids for the Generator and Automatic Transfer Switch Testing and Inspection Services project; and be it further

RESOLVED: That the City Council finds the actions taken herein are not considered as a project as defined under Section 15378(b)(5) of the California Environmental Quality Act (CEQA) Guidelines.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-____ was adopted by the Tracy City Council on the 2nd day of December, 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
City of Tracy
Attn: Parks, Recreation and Community Services
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
Pace Supply, Corp.
Jeff Thompson
4015 Newton Road
Stockton, Ca 95205

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11. **Severability.** If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy, a Municipal Corporation

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

_____
April Quintanilla, City Clerk

Approved as to form:

_____
L. David Nefouse, City Attorney

Pace Supply, Corp.

Ted Green (Oct 20, 2025 17:37:14 MDT)
By: Ted Green
Title: Chief Executive Officer
Date: 10/20/2025

Federal Employer Tax ID No.
68-0335304

Boris Gorelik
Boris Gorelik (Oct 20, 2025 16:38:41 PDT)
By: Boris Gorelik
Title: Chief Financial Officer
Date: 10/20/2025

Exhibits:

A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

Point of Contact:
Jeff Thompson
4015 Newton Road
Stockton, Ca 95205
707-867-7889

Timeline: The City will issue a request for service to the Contractor, which shall be responded to within 48-hours with pricing and delivery date.

Should the City wish to proceed with the recommended amenities replacements, a request for quotes will be issued and Contractor shall submit a detailed pricing quote and schedule, acceptable to the City, of when the services will be completed along with pricing.

Scope of Work:

Upgrade aging, damaged, or outdated drinking fountains across the City's park system. The work includes procurement, sales, and delivery of new drinking fountains that meet City of Tracy specifications. The contractor shall ensure that each unit is functioning optimally according to the manufacturer's recommendations prior to shipping the units. All materials needed to replace the drinking fountains are the responsibility of the contractor.

The selected Contractor shall:

- Source and supply new fully functional drinking fountains.
- Ensure all units meet applicable national/local plumbing, electrical, and accessibility codes (e.g., ADA compliance).
- Drinking fountains must include the following features (as applicable): o Indoor or outdoor use specification
  o Vandal-resistant fixtures
  o Stainless steel or rust-resistant finish
  o Sensor or push-button activation
- Provide manufacturer warranty and user manuals for all units.
- Ensure all items are delivered undamaged and in original packaging.

EXHIBIT B - Compensation

COST OF SERVICES

UNIT PRICE	RATE	UNIT OF MEASURE
APPROVED DRINKING FOUNTAIN	$ 3,364.55	EACH

*All orders over $3,000 will not incur a freight charge. The purchase price covers all shipping and transportation costs to the specified location. Additional charges for packing, crating, freight, or other shipping services will not be accepted unless explicitly stated.

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION APPROVING A GENERAL SERVICES AGREEMENT WITH PACE SUPPLY, CORP, FOR ON-CALL PROCUREMENT AND DELIVERY OF DRINKING FOUNTAINS SERVICES TO THE CITY FOR A NOT-TO-EXCEED AMOUNT OF $75,000 PER FISCAL YEAR, AND AUTHORIZES THE CITY MANAGER TO GRANT UP TO FOUR ONE-YEAR EXTENSIONS.

WHEREAS, the Parks, Recreation and Community Services Department (Department) is responsible for the maintenance of approximately 86 parks and a wide range of park amenities, including but not limited to drinking fountains; and

WHEREAS, the Department maintains over 100 drinking fountains throughout these parks. Many drinking fountains have reached the end of their useful life and need to be replaced to ensure continued public access to clean and safe drinking water; and

WHEREAS, Pursuant to Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on September 30, 2025, for on-call drinking fountain procurement and delivery services. The Notice was posted on the City's website, and two (2) responses were received by the established deadline of October 14, 2025; and

WHEREAS, Staff conducted a comprehensive review of the submittal from Pace Supply, Corp, confirming that the company met all requirements outlined in the Notice. Pace Supply, Corp demonstrated the necessary skills, experience, and certifications to provide the requested services; and

WHEREAS, the recommended agreement is for a one-year term, with a not-to-exceed amount of $75,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions.

WHEREAS, the initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

WHERAS, the term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026

WHEREAS, the funding for the Services of the Agreement is from the Parks Maintenance Division operating budgets; and

WHEREAS, the City seeks to enter into the Agreement with Contractor.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct; and be it,

RESOLVED: That the City Council hereby approves the Agreement with Contractor for the Services for a not-to-exceed amount of $75,000 per fiscal year and authorizes the City Manager to grant up to four, one-year extensions consistent with the terms of the Agreement if Contractor satisfactorily meets its obligations under the Agreement, and be it,

FURTHER RESOLVED: After review and approval by the City Attorney's Office, the City authorizes the execution of the Agreement and authorizes any actions that may be necessary or advisable to effectuate the purposes of this Resolution.

* * * * * * * * * * * * * *

The foregoing Resolution 2025 - was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.E

RECOMMENDATION

Staff recommends that the City Council, by resolution:

1. **reject all bids received on October 9, 2025, for the Generator and Automatic Transfer Switch Testing and Inspection Services project as non-responsive and non-responsible; and**
2. **approve resubmittal of the Notice Inviting Bids for the Generator and Automatic Transfer Switch Testing and Inspection Services.**

EXECUTIVE SUMMARY

This agenda item seeks City Council approval to reject all bid proposals received and opened on October 9, 2025, for the Generator and Automatic Transfer Switch Testing and Inspection Services Notice Inviting Bids (NIB) as all three proposers were found to have missing required information. After consulting with the City Attorney's office, all three bids were deemed to be non-responsive and non-responsible, and staff are recommending the rejection of all bids at this time. Staff are further requesting that upon approval of the request to reject the three proposals; City Council authorize staff to reopen the Notice Inviting Bids for this project.

BACKGROUND AND LEGISLATIVE HISTORY

On September 11, 2025, the City issued a Notice Inviting Bids (NIB) for the Generator and Automatic Transfer Switch Testing and Inspection Services project. On October 9, 2025, the City received three (3) bids from the following vendors:

1) Bay City Equipment Industries, Inc. dba Bay City Electric Works
2) Got Power, Inc. dba CD & Power, and
3) West Coast Energy Systems, LLC.

The scope of work included annual inspection and testing for up to twenty-five (25) city-owned generators and their associated Automatic Transfer Switches (ATS) for a three-year term with up to a two-year administrative extension by City Manager.

ANALYSIS

Following a detailed review of the three bids, by Utilities staff, it was determined that none of them contained all required documentation necessary to identify the lowest responsive and responsible bidder. Staff consulted with the City Attorney's Office, and it was deemed that due to the fact that all three were missing required components of the bid

package, they would all need to be rejected. Given this finding, proceeding with an award would not represent the most responsible or cost-effective use of public funds. Therefore, staff recommend that City Council find that it is in the best interest of the City to reject all bids at this time.

Staff will notify the proposers of the findings by staff and that their bids are being rejected along with why they were rejected. Further, staff will encourage the proposers to resubmit their proposals in full compliance with the required documentation. If approved by City Council, staff will immediately reissue the bid in accordance with T.M.C. 2.20.180 and notify the three proposers of the reopening.

FISCAL IMPACT

There is no fiscal impact associated with rejecting all bids. Any future solicitation will be subject to available budget authorization.

CEQA DETERMINATION

Rejecting all bids for the Generator and Automatic Transfer Switch Testing and Inspection Services project is not a project as defined by Section 15378(b)(5) of the CEQA Guidelines.

STRATEGIC PLAN

This agenda item is consistent with the City's Quality of Life Strategy and meets the goals to ensure physical infrastructure and systems necessary for the health and safety of the City of Tracy community through improved water quality.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council, by resolution:

1. reject all bids received on October 9, 2025, for the Generator and Automatic Transfer Switch Testing and Inspection Services project as non-responsive and non-responsible; and
2. approve resubmittal of the Notice Inviting Bids for the Generator and Automatic Transfer Switch Testing and Inspection Services.

Prepared by: Jorge Gonzalez, Utilities Maintenance Supervisor
Tu Nguyen, Management Analyst II
Reviewed by: Stephanie Reyna-Hiestand, Assistant Director of Utilities
Anush Nejad, Public Works Director
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

December 2, 2025

AGENDA ITEM 1.F

RECOMMENDATION

Staff recommends that the City Council adopt a resolution:

(1) Approving an extension of the expiration date of the five-year General Services Agreement, executed on February 1, 2022, with Axon Enterprise, Inc to January 31, 2027; and
(2) Approving the increase of the original not-to-exceed amount from $510,000 to $710,000; and
(3) Authorizing the expiration extension and not-to-exceed increase retroactively to June 1, 2025.

EXECUTIVE SUMMARY

Tracy Police Department (TPD) entered into agreement with Axon Enterprise, Inc. on February 1, 2022 the purchase of Fleet 3 (car cameras), on-going maintenance, and cloud-based evidence storage for the TPD's car camera system within its existing patrol fleet and potential future fleet additions within the agreement term. The agreement term was not to exceed $510,000 and the staff report stated the agreement would expire January 31, 2026. This amendment seeks to administratively extend the expiration date to January 21, 2027, increase the not to exceed limit to $710,000, and approve the term retroactively back to June 1, 2025.

BACKGROUND AND LEGISLATIVE HISTORY

On February 1, 2022, Tracy Police Department (TPD) entered into a 5-year agreement with Axon Enterprise, Incorporated for the purchase of Fleet 3 (car cameras), on-going maintenance, and cloud-based evidence storage for the TPD's car camera system within its existing patrol fleet and potential future fleet additions within the agreement term.

The staff report presented to council on January 18, 2022 (Resolution 2022-003), stated the agreement term was from February 1, 2022 to January 31, 2026; however, the correct expiration is January 31, 2027. The staff report mistakenly listed the date of last invoice rather than the end of agreement (end of service).

TPD seeks to increase the original not to exceed limit from $510,000 to $710,000 as TPD's fleet has expanded more than what was originally forecasted, and the not to exceed limit has been surpassed. Increasing the not to exceed threshold, retroactively to June 1, 2025, will allow for TPD to pay outstanding invoices, make necessary camera purchases for fleet that has already been ordered and acquired, and support the last annual invoice due under this agreement term.

ANALYSIS

As the originally executed agreement does not expire until January 31, 2027 and TPD has the immediate need to pay outstanding invoices, purchase cameras for fleet that has already been ordered and acquired, and support the last annual invoice due in January 2026, the recommendation is to approve this amendment retroactively to June 1, 2025 which will authorize TPD to pay its outstanding invoices and retain vital services provided through Axon Enterprise, Inc for car camera purchases and services.

FISCAL IMPACT

Increasing the original not to exceed limit from $510,000 to $710,000 does not cause a fiscal impact as funding is provided by the Police Department's operating budget. No new funding is requested. The increase allows for approval for all past and future expenditures throughout the term of this agreement.

Currently, the department has an outstanding balance of $30,251 and estimated future expenditures of $166,791 which includes the 2026 annual payment and future purchases throughout the term of the agreement.

PUBLIC OUTREACH/ INTEREST

This is a routine operational item for the police department. No public outreach or interest was sought.

COORDINATION

This is a routine operational item for the police department.

CEQA DETERMINATION

The proposed action is not a "project" under the California Environmental Quality Act "CEQA." Pursuant to CEQA Guidelines Section 15061(b)(3), there is no possibility that this action will have an effect on the physical environment.

STRATEGIC PLAN

This agenda item relates to the Council's Strategic Priorities for Public Safety.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution:

(1) Approving an extension of the expiration date of the (5) five-year General Services Agreement, executed on February 1, 2022, with Axon Enterprise, Inc to January 31, 2027; and
(2) Approving the increase of the original not-to-exceed amount from $510,000 to $710,000; and
(3) Authorizing the expiration extension and not-to-exceed increase retroactively to June 1, 2025.

Prepared by: Beth Lyons-McCarthy, Police Support Operations Manager

Reviewed by: Sekou Millington, Chief of Police
Sara Castro, Director of Finance
Arturo M. Sanchez, Assistant City Manager
L. David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

---

(1) APPROVING AN EXTENSION OF THE EXPIRATION DATE OF THE FIVE-YEAR GENERAL SERVICES AGREEMENT, EXCUTED ON FEBRUARY 1, 2022, WITH AXON ENTERPRISE, INC. TO JANUARY 31, 2027

(2) APPROVING THE INCREASE OF THE ORIGINAL NOT-TO-EXCEED AMOUNT FROM $510,000 TO $710,000

(3) AUTHORIZING THE EXPIRATION EXTENSION AND NOT-TO-EXCEED INCREASE RETROACTIVELY TO JUNE 1

WHEREAS, Tracy Police Department (TPD) entered into agreement with Axon Enterprise, Inc. on February 1, 2022 for the purchase of Fleet 3 (car cameras), on-going maintenance, and cloud-based evidence storage for the TPD's car camera system within its existing patrol fleet and potential future fleet additions within the agreement term; and

WHEREAS, The staff report presented to council on January 18, 2022 (Resolution 2022-003), stated the agreement term was from February 1, 2022 to January 31, 2026; however, the correct expiration is January 31, 2027; and

WHEREAS, TPD's fleet has expanded and increasing the original not to exceed amount from $510,000 to $710,000 allows approval for all past and future expenditures under this agreement; and

WHEREAS, TPD has an outstanding balance of $30,251 owed on this agreement which requires TPD to amend the current spending threshold to allow for payment of the amount owed; and

WHEREAS, Amending the agreement, retroactively to June 1, 2025, will authorize TPD to pay its outstanding balance and retain vital services provided through Axon Enterprise, Inc for its car camera systems; and

WHEREAS, The cost of the proposed extension is $200,000 will be funded through the police department's operational budget, and no additional funding is required; and

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct.; and be it

FURTHER RESOLVED: That the City Council does hereby approves the extension of the expiration date of the five-year General Services Agreement, executed on February 1, 2022, with Axon Enterprise, Inc to January 31, 2027, the increase the original not-to-exceed amount from $510,000 to $710,000; and the expiration extension and not-to-exceed increase retroactively to June 1, 2025.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the City Council on 2nd day of December, 2025 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____
DAN ARRIOLLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.G

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution approving a General Services Agreement with Tournesol Siteworks LLC, for on-call procurement, sale, and delivery of park amenities to the City for a not-to-exceed amount of $200,000 per fiscal year and authorizing the City Manager to grant up to four one-year extensions.

EXECUTIVE SUMMARY

This item is to consider authorizing a General Services Agreement (December 2, 2025 – June 30, 2026) with Tournesol Siteworks LLC. (Contractor) for procurement, sale, and delivery of park amenities. This project involves updating aging, damaged, or outdated park amenities across the City's park system. This Agreement will feature replacement of a variety of amenities, including benches, trash receptacles, picnic tables, bike racks, bollards, and barbecue grills at parks and transit bus stops.

The proposed General Services Agreement has a not-to-exceed amount of $200,000 per fiscal year and authorizes the City Manager, upon the recommendation of the Director of Parks, Recreation and Community Services, to approve up to four one-year extensions.

BACKGROUND AND LEGISLATIVE HISTORY

The Parks, Recreation and Community Services Department (Department) is responsible for the maintenance of approximately 85 parks and an abundance of amenities. Currently, the Department maintains hundreds of amenities, which include, but are not limited to, benches, trash receptacles, picnic tables, bike racks, bollards, and barbecue grills that have reached their useful life and need to be replaced.

Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on September 10, 2025, for on-call park amenities procurement and sale services. The Notice was posted on the City's website, and two (2) responses were received by the established deadline of September 22, 2025.

Staff conducted a comprehensive review of the submittal from Tournesol Siteworks, LLC, confirming that the company met all requirements outlined in the Notice. Tournesol demonstrated the necessary skills, experience, and certifications to provide the requested services.

The submittal from Paris Site Furnishings was also reviewed; however, it was disqualified for failing to comply with the City's amenity standards.

ANALYSIS

As the City continues to grow and manage both existing and new public spaces, the need to upgrade or replace aging park amenities, including, but not limited to, benches, trash receptacles, picnic tables, bike racks, bollards, and barbecue grills, becomes increasingly critical to ensure safe, functional, and inviting recreational areas for the community.

Many of the City's park amenities have been in service well beyond their expected useful life and are showing signs of wear, reduced functionality, and outdated design. Replacing or upgrading these features enhances the overall user experience, improves accessibility and safety, and ensures that facilities meet current standards and community expectations.

Investing in the renewal of park and transit stop amenities contributes to the long-term vitality and appeal of public parks, promotes increased usage, and supports the City's goals for livability and sustainability. Upgraded amenities can also reduce maintenance needs, improve energy and water efficiency, and better serve a wider range of residents, including children, seniors, and people with disabilities.

Modernizing these amenities requires contracted services for procurement and sale to address the variety of equipment types found throughout the City's park system. Establishing an on-call agreement for these services will ensure timely access to expert support for replacements and upgrades—helping to preserve the safety, usability, and attractiveness of the City's public spaces.

FISCAL IMPACT

There is no additional fiscal impact as the Parks Maintenance and Transit Division operating budgets have accounted for this ongoing program expense in their respective budgets, Fund 101, 107, 271, 272, 273, and 573.

PUBLIC OUTREACH/ INTEREST

This is an operational item for the Parks, Recreation and Community Services Department. No public outreach was conducted.

CEQA DETERMINATION

This item is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.; "CEQA Guidelines") in that it is not a "project" for purposes of CEQA (as defined by CEQA Guidelines §15378). Specifically, this item proposes an organizational or administrative activity that will not result in a direct or indirect physical change in the environment (CEQA Guidelines §§15378(b)(5)).

Further, even if this item were deemed a "project," and therefore subject to CEQA, the item would be exempt as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted Public Safety and Quality of Life strategies.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution approving a General Services
Agreement with Tournesol Siteworks, LLC, for on-call procurement, sale, and delivery of park amenities to the City for a not-to-exceed amount of $200,000 per fiscal year and authorizing the City Manager to grant up to four one-year extensions.

Prepared by: Roy Valadez, Management Analyst II

Reviewed by: Brian MacDonald, Director of Parks, Recreation, and Community Services
Richard Joaquin, Asst. Director of Parks, Recreation & Community Services
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A: General Services Agreement – Tournesol Siteworks, LLC.

CITY OF TRACY
GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Tournesol Siteworks LLC., a California Limited Liability Company (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain Contractor to provide on-call services for the procurement and sale of park amenities to the City; and

B. Pursuant to Tracy Municipal Code 2.20.180, on September 10, 2025, the City issued a Notice Inviting Bids (Notice) to provide on-call services for the procurement and sale of park amenities (Project). On September 22, 2025, Contractor submitted its bid for the Project to the City. The City has determined that the Contractor possesses the necessary skills, experience, and certifications to perform the requested services.

C. Two bids were received by the submittal date/time. City Staff reviewed the bids and the bid for Paris Site Furnishings was disqualified due to non-compliance with City amenity standards. The remaining bid met all requirements.

D. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

E. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on December 2, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Pamela Hernandez. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use or replace any subcontractors or subconsultants, without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026, unless terminated in accordance with Section 6.

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2.2 OPTION TO EXTEND: This Agreement may be extended for an additional four, one- year extension terms (a total of four years in one (1) year increments) by the City Manager following a written determination that Contractor has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $ 200,000.00 per fiscal year. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than $4,000,000 general aggregate and $2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than $1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than $1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

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In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

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5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records

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(§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. The services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City's employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

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13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
City of Tracy
Attn: Parks, Recreation and Community Services
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
Tournesol Siteworks LLC.
Pamela Hernandez
2930 Faber Street
Union City, Ca 94587

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

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14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11. Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy, a Municipal Corporation

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

_____
April Quintanilla, City Clerk

Approved as to form:

_____
L. David Nefouse, City Attorney

Tournesol Siteworks LLC.

By: Christopher Lyon
Title: CEO / Managing Member
Date: 10/8/25

Federal Employer Tax ID No. 76-0848735

Exhibits:

A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
B Compensation (See Agreement section 3.)

Docusign Envelope ID: EC35237C-A3FC-4D10-9627-82347843C87C

EXHIBIT A - Scope of Work

Point of Contact:
Pamela Henandez
2930 Faber Street
Union City, California 94587
510-240-6820

Timeline: The City will issue a request for service to the Contractor, which shall be responded to within 48-hours with pricing and delivery date.

Should the City wish to proceed with the recommended amenities replacements, a request for quotes will be issued and Contractor shall submit a details pricing quote and schedule, acceptable to the City, of when the service will be completed along with pricing.

Scope of Work:

Update aging, damaged, or outdated park amenities across the City's park system. The work includes procurement and sale of new park amenities. This project will include multiple types of amenities including, but not limited to benches, trash receptacles, picnic tables, bike racks, bollards.

Objectives:

- Upgrade park amenities to meet current safety, ADA, and environmental standards.
- Improve the appearance, usability, and resident satisfaction with the parks.
- Ensure longevity and durability of new amenities with minimal maintenance requirements.
- Use sustainable, vandal-resistant, and weather-resistant materials wherever possible.

The selected Contractor shall:

- Provide and deliver all new park amenities as specified and approved by the City.
- Provide documentation verifying compliance with safety and accessibility standards.
- Submit warranties, maintenance manuals, and manufacturer contact info.

Docusign Envelope ID: EC35237C-A3FC-4D10-9627-82347843C87C

EXHIBIT B - Compensation

COST OF SERVICES

BENCHES	PRICE	UNIT OF MEASURE
48" Length Steel Bench with Back and Arms Surface Mounted	$1,970.00	EACH
60" Length Steel Bench with Back and Arms Surface Mounted	$2,220.00	EACH
72" Length Steel Bench with Back and Arms Surface Mounted	$2,440.00	EACH
96" Length Steel Bench with Back and Arms Surface Mounted	$2,950.00	EACH
48" Length Cast Iron Bench with Back and Arms Surface Mounted	$2,810.00	EACH
60" Length Cast Iron Bench with Back and Arms Surface Mounted	$3,140.00	EACH
72" Length Cast Iron Bench with Back and Arms Surface Mounted	$3,450.00	EACH
96" Length Cast Iron Bench with Back and Arms Surface Mounted	$4,130.00	EACH
48" Length Steel Backless Bench Surface Mounted	$1,500.00	EACH
60" Length Steel Backless Bench Surface Mounted	$1,585.00	EACH
72" Length Steel Backless Bench Surface Mounted	$1,670.00	EACH
96" Length Steel Backless Bench Surface Mounted	$2,020.00	EACH
72" Wood Slat Backing	$1,910.00	EACH

PICNIC TABLES	PRICE	UNIT OF MEASURE
36" Square Table Surface Mounted	$1,700.00	EACH
36" Square Table ADA Surface Mounted	$1,700.00	EACH
30" L Bench Surface Mounted	$760.00	EACH
ADA Bench (30" L Bench) Surface Mounted	$760.00	EACH
72" Rectangular Steel Table Surface Mounted	$3,080.00	EACH
96" Rectangular Steel Table Surface Mounted	$3,760.00	EACH
96" Rectangular ADA Steel Table Surface Mounted	$3,710.00	EACH

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TRASH RECEPTABLES	PRICE	UNIT OF MEASURE
Steel Strap Flared Receptacle with Side Door and 35 Gal. Polyethylene Liner – Open Top	$1,960.00	EACH
Flat Top for Receptacle with Door	$480.00	EACH
Dome Top for Receptable Door	$720.00	EACH

BOLLARDS	PRICE	UNIT OF MEASURE
Knockdown Bollard DIM: 4" x 36" Schedule 40 Surface Mount, Including Rubber Stopper piece for protection when lowered (Hinge/Bollard)	$787.00	EACH
Dome Top Bollard 4", 36" Schedule 40 Surface Mount (Fixed)	$480.00	EACH

BIKE RACKS	PRICE	UNIT OF MEASURE
2" Schedule 40 Pipe Surface-Mounted or Permanent Embed	$910.00	EACH

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION APPROVING A GENERAL SERVICES AGREEMENT WITH TOURNESOL SITEWORKS, LLC, FOR ON-CALL PROCUREMENT, AND SALE OF PARK AMENITIES TO THE CITY FOR A NOT-TO-EXCEED AMOUNT OF $200,000 PER FISCAL YEAR AND AUTHORIZING THE CITY MANAGER TO GRANT UP TO FOUR ONE-YEAR EXTENSIONS.

WHEREAS, the Parks, Recreation and Community Services Department (Department) is responsible for the maintenance of approximately 86 parks and an abundance of amenities. Which include, but are not limited to, benches, trash receptacles, picnic tables, bike racks, bollards, and barbecue grills.

WHEREAS, Many of the City's Park amenities have been in service well beyond their expected useful life and are showing signs of wear, reduced functionality, and outdated design. Replacing or upgrading these features enhances the overall user experience, improves accessibility and safety, and ensures that facilities meet current standards and community expectations; and

WHEREAS, Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on September 10, 2025, for on-call park amenities procurement and sale services. The Notice was posted on the City's website, and two (2) responses were received by the established deadline of September 22, 2025; and

WHEREAS, Staff conducted a comprehensive review of the submittal from Tournesol Siteworks, LLC, confirming that the company met all requirements outlined in the Notice. Tournesol demonstrated the necessary skills, experience, and certifications to provide the requested services; and

WHEREAS, the funding for the Services of the Agreement is from the Parks Maintenance and Transit Divisions' operating budgets; and

WHEREAS, the city seeks to enter into the agreement with Contractor.

WHERAS, the term of this agreement shall begin on December 2, 2025, and end on June 30, 2026

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct; and be it,

RESOLVED: That the City Council hereby approves the Agreement with Contractor for the Services for a not-to-exceed amount of $200,000 per fiscal year and authorizes the City Manager to grant up to four, one-year extensions consistent with the terms of the Agreement if Contractor satisfactorily meets its obligations under the Agreement, and be it,

FURTHER RESOLVED: After review and approval by the City Attorney's Office, the City authorizes the execution of the Agreement and authorizes any actions that may be necessary or advisable to effectuate the purposes of this Resolution.

* * * * * * * * * * * * * *

The foregoing Resolution 2025 - was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.H

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with David Hall Masonry, Inc., for on-call masonry services, in an amount not-to-exceed $75,000 per fiscal year, and authorizing the City Manager to grant up to four one-year extensions.

EXECUTIVE SUMMARY

This item is to consider authorizing a General Services Agreement (December 2, 2025 – June 30, 2026) with David Hall Masonry, Inc. (Contractor) for general masonry repair and restoration. Including but not limited to concrete block and/or brick wall repairs, repointing, brick and stone replacement, crack repair, and restoration of masonry features to improve safety, preserve aesthetics, and maintain infrastructure integrity; and

The initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

The proposed General Services Agreement has a not-to-exceed amount of $75,000 per fiscal year and authorizes the City Manager to approve up to four one-year extensions.

BACKGROUND AND LEGISLATIVE HISTORY

The City maintains approximately 86 public parks, each containing various masonry elements, including entry monuments, retaining walls, planters, seating areas, memorials, and other structural or decorative features. Over time, these components naturally deteriorate due to age, weather exposure, and routine use, affecting both their structural integrity and visual appearance. In some cases, unforeseen events, such as vehicle collisions that damage retaining or sound walls, require immediate repair to ensure public safety. These emergency repairs would also be covered under the proposed on-call services agreement.

Beyond the park system, the City maintains a wide range of public infrastructure and facilities that incorporate masonry elements. Ensuring these assets remain safe, durable, and visually consistent is an important component of the City's commitment to responsible asset management and high-quality public service delivery.

As a steward of public assets, the City has an ongoing responsibility to preserve, maintain, and rehabilitate its masonry features to ensure the safety of park visitors and residents, protect public investments, and uphold the community's aesthetic standards.

This contract will support efforts to restore functionality, enhance safety, and extend the useful life of public features.

The proposed on-call services contract for masonry repair and restoration will help the City comply with applicable safety standards, preserve the structural integrity of its public infrastructure, and maintain the aesthetic character of the community's environment.

ANALYSIS

Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on October 06, 2025, for general masonry construction. The Notice was posted on the City's website, and one (1) response was received by the established deadline of October 20, 2025.

Staff conducted a comprehensive review of the submittal from David Hall Masonry, Inc, confirming that the company met all requirements outlined in the Notice. David Hall Masonry demonstrated the necessary skills, experience, and certifications to provide the requested services.

The recommended agreement is for a one-year term, with a not-to-exceed amount of $75,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions.

FISCAL IMPACT

There is no additional fiscal impact as the Parks Maintenance Division operating budgets have accounted for this ongoing program expense in their respective budgets, Fund 101, 107, 271, 272, and 273.

PUBLIC OUTREACH/ INTEREST

This is an operational item for the Parks, Recreation and Community Services Department. No public outreach was conducted.

CEQA DETERMINATION

This is an operational item, and CEQA does not apply.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted Public Safety and Quality of Life strategies.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with David Hall Masonry, Inc., for on-call masonry services, in an amount not-to-exceed $75,000 per fiscal year, and authorizing the City Manager to grant up to four one-year extensions.

Prepared by: Roy Valadez, Management Analyst II

Reviewed by: Brian MacDonald, Director of Parks, Recreation, and Community Services
Richard Joaquin, Asst. Director of Parks, Recreation & Community Services
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A: General Services Agreement – David Hall Masonry, Inc.

CITY OF TRACY
GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and David Hall Masonry, Inc., a California Corporation (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain Contractor to provide on-call Masonry services to the City; and

B. Pursuant to Tracy Municipal Code 2.20.180, on October 06, 2025, the City issued a Notice Inviting Bids (Notice) to provide on-call masonry services to the City (Project). On October 20, 2025, Contractor submitted its bid for the Project to the City. City has determined that the Contractor possesses the skills, experience, and certification required to provide the services.

C. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

D. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by the Tracy City Council on December 2, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Edward Erdelatz III. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use or replace any subcontractors or subconsultants, without City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026, unless terminated in accordance with Section 6.

2.2 OPTION TO EXTEND: This Agreement may be extended for an additional four, one- year extension terms (a total of four years in one (1) year increments) by the City Manager following a written determination that Contractor has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $ 75,000.00 per fiscal year. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. . Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than $4,000,000 general aggregate and $2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than $1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than $1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to

the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. The services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City's employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
City of Tracy
Attn: Parks, Recreation and Community Services
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
David Hall Masonry Inc.
Edward Erdelatz III
651 S. Stockton Ave
Ripon, Ca 95366

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11. Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy, a Municipal Corporation

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

_____
April Quintanilla, City Clerk

Approved as to form:

_____
L. David Nefouse, City Attorney

David Hall Masonry, Inc.

By: Edward Erdelatz III
Title: Chief Executive Officer
Date: 10/27/25

Federal Employer Tax ID No. 77-0454152

By: Timothy Wheeler
Title: Chief Financial Officer
Date: 10/27/25

Exhibits:

- A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
- B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

Point of Contact:
Eddie Erdelatz III and/or Thomas Trevino
651 S. Stockton Ave
Ripon, CA 95366
209-872-6038
209-896-6069

Timeline: The City will issue a request for service to the Contractor, which shall be responded to within 48 hours, and an on-site diagnosis shall be performed within 72 hours. Upon arrival at the site, Contractor shall diagnose issues related to masonry structures and components as designated by the City. Contractor shall provide a detailed list of problems found, recommended repairs, and a quote of the cost for the repair(s) or replacement within 36 hours.

Should the City wish to proceed with the recommended repairs, a notice to proceed will be issued and Contractor shall submit a schedule, acceptable to the City, of when the service will be completed.

Scope of Work:

The Contractor shall provide all labor, material and equipment for general masonry construction projects. Example of services could include but are not limited to concrete block and/or brick wall repairs, repointing, brick and stone replacement, crack repair, and restoration of masonry features to improve safety, preserve aesthetics, and maintain infrastructure integrity. This agreement will be used for small to medium-sized projects that the City identifies. Calls for service shall be governed by the nature of the job involved and may be of very short duration for repairs or major work encompassing entire days or weeks to complete.

Deliverables:

- Written estimates, timelines, and work plans for each assigned project
- Before-and-after photo documentation (when applicable)
- Final inspections and compliance certifications as required
- Warranty documentation for completed work
- Material and labor cost breakdowns for each project

Hourly Rates and Materials:

Labor shall be on an hourly rate basis, invoices for actual time on the job. Travel time shall not be paid except for Emergency Calls as defined below. In no case shall the City pay for job estimates or for time taking out permits. If applicable, the Contractor is responsible for obtaining necessary permit however the City is responsible for any applicable Permit Fees.

- For the purposes of this bid, regular hourly rates shall be Monday through Friday, 7:00am to 4:00 pm.
- Overtime hourly rates shall apply for calls after 4:00 pm through 7:00 am, Monday through Friday, and 7:00 am through 4:00 pm on Saturday.

- Emergency hourly rates shall apply for all calls after 4:00 pm on Saturday and all hours on Sundays and Holidays. Emergency work under this Agreement shall be for a single emergency repair or facility inspection.
- The hourly rate shall be for the laborers required to perform the Work and includes all tools and equipment.
- Hourly rates for specialized work may be itemized with an hourly rate and submitted with a Contractor's bid proposal.

All invoices from the Contractor shall be itemized detailing hours worked and hourly rate. On those occasions when parts and materials are also called for, the Contractor's invoice shall include copies of invoices for materials purchased and the percentage of markup over wholesale prices shown if there is a markup. No work is to be performed until a Purchase Order is issued.

The Contractor shall indicate response time when notified by the City. For an emergency call out as determined by the City, response time shall be one (1) hour or less. The City will allow a travel time charge of one (1) hour for any emergency or after-hour call outs.

Notes:

- City must provide at no cost to David Hall Masonry, Inc.:
    - Water within 100' and access to work
    - Access to restrooms or portable toilets

EXHIBIT B - Compensation

COST OF SERVICES

ITEM NO.	DESCRIPTION	HOURLY RATE
1	Regular	$ 85.00 /hr
2	Overtime	$ 127.00 /hr
3	Emergency	$ 170.00 /hr

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION APPROVING A GENERAL SERVICES AGREEMENT WITH DAVID HALL MASONRY, INC. FOR ON-CALL MASONRY SERVICES, IN AN AMOUNT NOT-TO-EXCEED $75,000 PER FISCAL YEAR AND AUTHORIZING THE CITY MANAGER TO GRANT UP TO FOUR ONE-YEAR EXTENSIONS.

WHEREAS, the Parks and Recreation Department is responsible for the maintenance of various masonry elements, including entry monuments, retaining walls, planters, seating areas, memorials, and other structural or decorative features; and

WHEREAS, the City maintains approximately 86 public parks, each containing various masonry elements which, over time, will show signs of natural deterioration due to age, weather exposure, and routine use, affecting both their structural integrity and visual appearance; and

WHEREAS, in some cases, unforeseen events, such as vehicle collisions that damage retaining or sound walls, require immediate repair to ensure public safety; and

WHEREAS, Beyond the park system, the City maintains a wide range of public infrastructure and facilities that incorporate masonry elements. Ensuring these assets remain safe, durable, and visually consistent is an important component of the City's commitment to responsible asset management and high-quality public service delivery; and

WHEREAS, Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on October 06, 2025, for general masonry repair and restoration. The Notice was posted on the City's website, and one (1) response was received by the established deadline of October 20, 2025; and

WHEREAS, Staff conducted a comprehensive review of the submittal from David Hall, Inc., confirming that the company met all requirements outlined in the Notice. David Hall, Inc., demonstrated the necessary skills, experience, and certifications to provide the requested services; and

WHEREAS, the recommended agreement is for a one-year term, with a not-to-exceed amount of $75,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions; and

WHEREAS, the initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing; and

WHEREAS, the term of this agreement shall begin on December 2, 2025, and end on June 30, 2026.

WHEREAS, the funding for the Services of the Agreement is from the Parks Maintenance Division operating budgets; and

WHEREAS, the City seeks to enter into the Agreement with Contractor.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct; and be it,

RESOLVED: That the City Council hereby approves the Agreement with Contractor for the Services for a not-to-exceed amount of $75,000 per fiscal year and authorizing the City Manager to grant up to four, one-year extensions consistent with the terms of the Agreement if Contractor satisfactorily meets its obligations under the Agreement, and be it,

FURTHER RESOLVED: After review and approval by the City Attorney's Office, the City authorizes the execution of the Agreement and authorizes any actions that may be necessary or advisable to effectuate the purposes of this Resolution.

* * * * * * * * * * * * * * *

The foregoing Resolution 2025 - was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL EMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.I

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with California Landscape Supply, Inc., for on-call top dressing and fir bark mulch procurement and delivery services, in an amount not-to-exceed $200,000 per fiscal year, and authorizing the City Manager to grant up to four one-year extensions.

EXECUTIVE SUMMARY

This item is to consider authorizing a General Services Agreement (December 2, 2025 – June 30, 2026) with California Landscape Supply, Inc. (Contractor) for the procurement and delivery of high-quality topdressing and fir bark mulch material to the City of Tracy at specified times, locations, and specifications on an on-call basis.

The initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

The proposed General Services Agreement has a not-to-exceed amount of $200,000 per fiscal year and authorizes the City Manager to approve up to four one-year extensions.

BACKGROUND AND LEGISLATIVE HISTORY

The City maintains approximately 86 public parks, each containing landscaped areas that require ongoing care to sustain healthy turf, trees, and plantings. Two key components of this maintenance are top dressing and fir bark mulch, which play a crucial role in supporting soil health, enhancing plant growth, and improving the appearance of public spaces.

Over time, soil quality and surface conditions naturally deteriorate due to weather, heavy use, and natural decomposition. Top dressing, the application of a thin layer of soil or compost over turf areas, helps restore soil structure, improve drainage, and promote vigorous grass growth, particularly in high-traffic zones such as sports fields and open play areas. Similarly, fir bark mulch offers several important benefits for landscaped beds and tree wells, including conserving soil moisture, suppressing weeds, moderating soil temperature, and creating a clean, attractive surface appearance.

In addition to park landscapes, the City applies top dressing and fir bark mulch across a wide range of public facilities, including sports fields, recreation areas, medians, and

public grounds. These treatments help maintain safe, resilient, and visually appealing surfaces that support public use and environmental sustainability.

As a steward of public assets, the City has an ongoing obligation to preserve and enhance the condition of its landscaped areas through consistent soil and surface management practices. The proposed on-call services contract for top dressing and fir bark mulch application will help the City meet its maintenance standards, protect public investments, and maintain the health and appearance of its community spaces.

ANALYSIS

Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on October 15, 2025, for the procurement and delivery of top dressing and fir bark mulch. The Notice was posted on the City's website, and one (1) response was received by the established deadline of October 27, 2025.

Staff conducted a comprehensive review of the submittal from California Landscape Supply, Inc, confirming that the company met all requirements outlined in the Notice. California Landscape Supply demonstrated the necessary skills, experience, and certifications to provide the requested services.

The recommended agreement is for a one-year term, with a not-to-exceed amount of $200,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions.

FISCAL IMPACT

There is no additional fiscal impact as the Parks Maintenance Division operating budgets have accounted for this ongoing program expense in their respective budgets, Fund 101, 107, 271, 272, and 273.

PUBLIC OUTREACH/ INTEREST

This is an operational item for the Parks, Recreation and Community Services Department. No public outreach was conducted.

CEQA DETERMINATION

This is an operational item, and CEQA does not apply.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted Public Safety and Quality of Life strategies.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with California Landscape Supply, Inc., for on-call procurement and delivery of top dressing and fir bark mulch, in an amount not-to-exceed $200,000 per fiscal year, and authorizing the City Manager to grant up to four one-year extensions.

Prepared by: Roy Valadez, Management Analyst II

Reviewed by: Brian MacDonald, Director of Parks, Recreation, and Community Services
Richard Joaquin, Asst. Director of Parks, Recreation & Community Services
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A: General Services Agreement – California Landscape Supply, Inc.

CITY OF TRACY
GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and California Landscape Supply, Inc., a California Stock Corporation (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain Contractor to provide on-call top dressing and fir bark humus procurement, sale, and delivery services to the City; and

B. Pursuant to Tracy Municipal Code 2.20.180, on October 15, 2025, the City issued a Notice Inviting Bids (Notice) to provide on-call top dressing and fir bark humus procurement, sale, and delivery services to the City (Project). On October 27, 2025, Contractor submitted its bid for the Project to the City. City has determined that the Contractor possesses the skills, experience, and certification required to provide the services.

C. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms outlined in this Agreement.

D. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by the Tracy City Council on December 2, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Chad Suydam. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use or replace any subcontractors or subconsultants, without the City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement, and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026, unless terminated in accordance with Section 6.

2.2 OPTION TO EXTEND: This Agreement may be extended for an additional four, one- year extension terms (a total of four years in one (1) year increments) by the City Manager following a written determination that Contractor has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference, for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $ 200,000.00 per fiscal year. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of the invoice, the City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than $4,000,000 general aggregate and $2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than $1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than $1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be in excess of the Contractor's insurance and shall not contribute to it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to

the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive-level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days, and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. The services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws. Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractors assume all responsibility for such payments and shall defend, indemnify, and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not the City's employee, and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration, either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party at the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
City of Tracy
Attn: Parks, Recreation and Community Services
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
California Landscape Supply, Corp.
Chad Suydam
4107 Morgan Road
Ceres, California 95307

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer, or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of cleaning up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer, and it shall not discriminate against any subcontractor, employee, or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Contractors shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time, it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11. Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and the Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations, or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy, a Municipal Corporation

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

_____
April Quintanilla, City Clerk

Approved as to form:

_____
L. David Nefouse, City Attorney

California Landscape Supply, Corp.

By: Ryan R. Thornberry
Title: Chief Executive Officer
Date: 10/29/25

Federal Employer Tax ID No.

By: Nicholas L. Thornberry
Title: Chief Financial Officer
Date: 10/29/25

Exhibits:

- A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
- B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

Point of Contact:
Chad Suydam
4107 Morgan Road
Ceres, California 95307
209-573-1820

Timeline: The City will issue a request for pricing to the Contractor, which shall be responded to within 48 hours with pricing and a delivery date.

Should the City wish to proceed with the order, a notice to proceed will be issued, and Contractor shall submit a detailed pricing quote and schedule, acceptable to the City, of when the services will be completed.

Scope of Work:

The work includes procurement and delivery of high-quality topdressing and fir bark mulch material to the City of Tracy at specified times, locations, and specifications on an on-call basis, that meet City of Tracy specifications. No post-consumer materials will be accepted.

- Supply and deliver topdressing and fur mulch materials in the quantities specified by the city.
- Ensure all deliveries are made to the designated drop-off locations within city limits (exact locations to be provided upon contract award).
- Provide all material documentation, including safety data sheets (SDS), composition breakdown, and source verification.
- Deliveries must be coordinated with the City's Project Manager.

Material Specifications:

Topdressing Material

- Certified USGA topdressing athletic **TEE** sand, double-washed sand (free of silt and clay)
- Free of Weed seeds, glass, plastic, construction debris, or toxic materials
- Material testing data sheets must be included
- Uniformly graded, clean, washed, sand suitable for turf maintenance and soil structure improvement.

Fir Bark Humus

- Type: 0-1/4" Shredded wood organic matter
- Natural color (non-dyed unless specified)
- Free of: Metal, nails, construction debris, treated wood, weeds, or invasive plant materials
- Material testing data sheets must be included

EXHIBIT B - Compensation

COST OF SERVICES

USGA Tee and Fairway Sand for Topdressing $23.00 per ton in large truckload quantities, 20-25 tons with a flat trucking rate of $400.00 per load.

USGA Tee and Fairway Sand for Topdressing $55.00 per yard in smaller quantities 1-10 yards with a delivery fee of $130.

0-1/4 Fir Bark Humus $13 per yard for large quantities 26-75 yards with a flat trucking rate of $600.

0-1/4 Fir Bark Humus $33 per yard for quantities 1-25 yards with a delivery fee of $130.

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION APPROVING A GENERAL SERVICES AGREEMENT WITH CALIFORNIA LANDSCAPE SUPPLY, INC. FOR ON-CALL TOP DRESSING AND FIR BARK MULCH PROCUREMENT AND DELIVERY SERVICES, IN AN AMOUNT NOT-TO-EXCEED $200,000 PER FISCAL YEAR, AND AUTHORIZING THE CITY MANAGER TO GRANT UP TO FOUR ONE-YEAR EXTENSIONS.

WHEREAS, the Parks and Recreation Department is responsible for the maintenance of various public parks, public facilities, sports fields, recreation areas, and public grounds with landscaped areas; and

WHEREAS, the City maintains approximately 86 public parks, each containing landscaped areas that require ongoing care to sustain healthy turf, trees, and plantings. Two key components of this maintenance are top dressing and fir bark mulch, which play an essential role in supporting soil health, improving plant growth, and enhancing the appearance of public spaces; and

WHEREAS, Over time, soil quality and surface conditions naturally deteriorate due to weather, heavy use, and natural decomposition; and

WHEREAS, Top dressing, the application of a thin layer of soil or compost over turf areas, helps restore soil structure, improve drainage, and promote vigorous grass growth, particularly in high-traffic zones; and

WHEREAS, fir bark mulch provides important benefits for landscaped beds and tree wells by conserving soil moisture, suppressing weeds, moderating soil temperature, and creating a clean, attractive surface appearance; and

WHEREAS, the City applies top dressing and fir bark mulch across a wide range of public facilities, including sports fields, recreation areas, medians, and public grounds. These treatments help maintain safe, resilient, and visually appealing surfaces that support public use and environmental sustainability; and

WHEREAS, Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on October 15, 2025, for the procurement and delivery of top dressing and fir bark mulch. The Notice was posted on the City's website, and one (1) response was received by the established deadline of October 27, 2025; and

WHEREAS, Staff conducted a comprehensive review of the submittal from California Landscape Supply, Inc., confirming that the company met all requirements outlined in the Notice. California Landscape Supply, Inc., demonstrated the necessary skills, experience, and certifications to provide the requested services; and

WHEREAS, the recommended agreement is for a one-year term, with a not-to-exceed amount of $200,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions; and

WHEREAS, the initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing; and

WHEREAS, the term of this agreement shall begin on December 2, 2025, and end on June 30, 2026.

WHEREAS, the funding for the Services of the Agreement is from the Parks Maintenance Division operating budgets; and

WHEREAS, the City seeks to enter into the Agreement with Contractor.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct; and be it,

RESOLVED: That the City Council hereby approves the Agreement with Contractor for the Services for a not-to-exceed amount of $200,000 per fiscal year and authorizing the City Manager to grant up to four, one-year extensions consistent with the terms of the Agreement if Contractor satisfactorily meets its obligations under the Agreement, and be it,

FURTHER RESOLVED: After review and approval by the City Attorney's Office, the City authorizes the execution of the Agreement and authorizes any actions that may be necessary or advisable to effectuate the purposes of this Resolution.

** * * * * * * * * * * * *

The foregoing Resolution 2025 - was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.J

RECOMMENDATION

Staff recommends that the City Council adopt a resolution:

(1) making a determination that compliance with the standard procurement procedures is not in the best interest of the City and dispense these requirements for the procurement of online legal research services for three (3) attorneys and three (3) non-attorneys.

(2) approving an agreement with Thomson Reuters (Westlaw) for these services for a total amount not to exceed $67,000 over a three (3) year period (November 1, 2025, through October 31, 2028).

EXECUTIVE SUMMARY

The City Attorney's Office's (CAO's) previous agreement with Thomson Reuters expired in October 2025. CAO solicited three (3) bids to provide online legal research to the CAO. CAO is requesting Council to waive the requirement of a formal request for proposals for the procurement of these services because staff solicited bids from the three major providers for these services. Soliciting formal bid proposals will be a waste of time and resources due to the specific requirements associated with these services. Westlaw subscription is best tailored to meet these requirements.

The CAO has determined that Thomson Reuters (Westlaw) demonstrated that it was the best qualified and best fits the City's needs for competence and professional qualifications necessary for the satisfactory performance to provide online legal research tools to the City.

BACKGROUND AND ANALYSIS

Online legal research is a critical function of all attorneys, but especially local government attorneys who often must function as legal generalists. Accordingly, city attorneys need a library of cases, legal papers, and search functions that allow them to opine on a vast medley of legal issues that come before a municipality.

The City Attorney requested that legal support staff solicit three bids to determine the best online research vendor for CAO, as this is a limited, unique business. Upon reviewing the bids, discussing preferences/use with CAO attorneys and staff, and based on experience and reviews, the CAO has decided to stay with Thomson Reuters (Westlaw).

The Tracy City Attorney's Office utilizes an online legal research account on a weekly (if

not daily) basis. Presently, all three (3) in-house attorneys and the CAO paralegal have Westlaw accounts. Moving forward, the two additional accounts have been assigned to the City Manager's Office, and the Human Resources Department, respectively (who will help pay for the costs monthly).

Per the order, the monthly cost will increase five percent (5%) annually during the term of the agreement. At the expiration of the term, CAO will once again go out to solicit new bids. Over the term of the agreement, the approximate annual cost of three (3) years is approximately $22,333/year, for a total not to exceed $67,000 over three (3) years.

FISCAL IMPACT

This amount has been budgeted for in the City Attorney's Office annual budget that was approved by the City Council.

PUBLIC OUTREACH / INTEREST

No public outreach was conducted.

STRATEGIC PLAN

This action supports the following City Council Strategic Priority:

- Governance Goal 4: Foster a culture of innovation and efficiency to improve service delivery to the public.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution:

(1) making a determination that compliance with the standard procurement procedures is not in the best interest of the City and dispense these requirements for the procurement of online legal research services for three (3) attorneys and three (3) non-attorneys.

(2) approving an agreement with Thomson Reuters (Westlaw) for these services for a total amount not to exceed $67,000 over a three (3) year period (November 1, 2025, through October 31, 2028).

Prepared by: L. David Nefouse, City Attorney

Reviewed by: Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt

Attachment A - Order Form, Thompson Reuters

ATTACHMENT A

Thomson Reuters™	**Order Form** **Order ID: Q-10738478** Contact your representative greg.kelly@thomsonreuters.com with any questions. Thank you.

Sold To Account Address	**Shipping Address**	**Billing Address**
Account #: 1000106817 TRACY CITY ATTORNEY 333 CIVIC CENTER PLZ TRACY CA 95376-4062 US "Customer"	Account #: 1000106817 TRACY CITY ATTORNEY 333 CIVIC CENTER PLZ TRACY CA 95376-4062 US	Account #: 1000106817 TRACY CITY ATTORNEY 333 CIVIC CENTER PLZ TRACY, CA 95376-4062 US

This Order Form is a legal document between Customer and

A. West Publishing Corporation to the extent that products or services will be provided by West Publishing Corporation, and/or
B. Thomson Reuters Enterprise Centre GmbH to the extent that products or services will be provided by Thomson Reuters Enterprise Centre GmbH.

A detailed list of products and services that are provided by Thomson Reuters Enterprise Centre GmbH and current applicable IRS Certification forms are available at: https://www.tr.com/trorderinginfo

West Publishing Corporation may also act as an agent on behalf of Thomson Reuters Enterprise Centre GmbH solely with respect to billing and collecting payment from Customer. Thomson Reuters Enterprise Centre GmbH and West Publishing Corporation will be referred to as "Thomson Reuters", "we" or "our," in each case with respect to the products and services it is providing, and Customer will be referred to as "you", or "your" or "Client".

For Federal Customers the following shall apply: Thomson Reuters General Terms and Conditions (available here: http://tr.com/federal-general-terms-and-conditions apply to the purchase and use of all products, except print, and together with any applicable Product Specific Terms (set forth below) are incorporated into this Order Form by this reference. In the event that there is a conflict of terms among the General Terms and Conditions, the Product Specific Terms and this Order Form, the order of precedence shall be Order Form, the Product Specific Terms, and last the General Terms and Conditions.

For non-federal customers the following shall apply: Thomson Reuters General Terms and Conditions (http://tr.com/us-general-terms-and-conditions) apply to the purchase and use of all products, except print, and together with any applicable Product Specific Terms (set forth below) are incorporated into this Order Form by this reference. In the event that there is a conflict of terms among the General Terms and Conditions, the Product Specific Terms and this Order Form, the order of precedence shall be Order Form, the Product Specific Terms, and last the General Terms and Conditions.

ProFlex Products
See Attachment for details

Material #	Product	Monthly Charges	Minimum Terms (Months)
40757482	West Proflex	$1,751.40	36

Minimum Terms

Your subscription is effective upon the date we process your order ("Effective Date") and Monthly Charges will be prorated for the number of days remaining in that month, if any. Your subscription will continue for the number of months listed in the Minimum Term column above plus any Bridge Term that may be outlined above counting from the first day of the month following the Effective Date. Your Monthly Charges during the first twelve (12) months of the Minimum Term are as set forth above. If your Minimum Term is longer than 12 months, then your Monthly Charges for each year of the Minimum Term are displayed in the Attachment to the Order Form.

Post Minimum Terms

Your subscription will automatically renew at the end of the Minimum Term. Each Automatic Renewal Term will be 12 months in length ("Automatic Renewal Term"), and we will notify you of any change in the Monthly Charges at least 60 days before each Automatic Renewal Term starts. You are also responsible for all Excluded Charges.

Federal government subscribers that chose a multi-year Minimum Term, those additional years will be implemented at your option pursuant to federal law. Either of us may cancel the Automatic Renewal Term by sending notice in writing at least 30 days before an Automatic Renewal Term begins. Send your notice of cancellation to Customer Service, 610 Opperman Drive., P.O. Box 64833, Eagan, MN 55123-1803.

Banded Product Subscriptions. You certify your total number of attorneys (full-time and part-time partners, shareholders, associates, contract or staff attorneys, of counsel, and the like), corporate users, personnel or full-time-equivalent students is indicated in this Order Form. Our pricing for banded products is made in reliance upon your certification. If we learn that the actual number is greater or increases at any time, we reserve the right to increase your charges to the market rate for all of your attorneys.

Miscellaneous

Material Change. If, at any time during the Minimum Term or the Renewal Term, there is a material change in your organizational structure including, but not limited to merger, acquisitions, combination, significant increase in the number of attorneys at a location covered by the agreement, divestitures, downsizing or dissolution, we will modify your rates proportionally. If you acquire the assets of, or attorneys from, another entity that is a current subscriber, you assume all obligations under the agreements that apply to those assets and attorneys, and you will pay the invoiced charges on both those agreements as they become due, until a superseding agreement is negotiated in good faith.

Charges, Payments & Taxes. You agree to pay all charges in full within 30 days of the date of invoice. You are responsible for any applicable sales, use, value added tax (VAT), etc. unless you are tax exempt. If you are a non-government customer and fail to pay your invoiced charges, you are responsible for collection costs including attorneys' fees.

Excluded Charges And Schedule A Rates. If you access products or services that are not included in your subscription you will be charged our then-current rate ("Excluded Charges"). Excluded Charges will be invoiced and due with your next payment. For your reference, the current Excluded Charges schedules are located in the below link. Excluded Charges may change from time-to-time upon 30 days written or online notice. We may, at our option, make certain products and services Excluded Charges if we are contractually bound or otherwise required to do so by a third party provider or if products or services are enhanced or if new products or services are released after the effective date of this ordering document. Modification of Excluded Charges or Schedule A rates is not a basis for termination under paragraph 9 the General Terms and Conditions.

https://legal.thomsonreuters.com/content/dam/ewp-m/documents/legal/en/pdf/other/plan-2-pro-govt-agencies.pdf
http://static.legalsolutions.thomsonreuters.com/static/agreement/plan-2-pro-govt-agencies.pdf

eBilling Contact. All invoices for this account will be emailed to your e-Billing Contact(s) unless you have notified us that you would like to be exempt from e-Billing.

Product Specific Terms

Document Intelligence Product Specific Terms: The following product specific terms shall apply to the Document Intelligence products on this order form, and are incorporated by reference: http://www.thomsonreuters.com/document-intelligence-PST.

Additional Terms for Services with Generative AI Skills: The following additional terms shall apply to Thomson Reuters Services with Generative AI Skills (including but not limited to all CoCounsel branded Products; all Products with AI Assisted Research; Practical Law or Practical Law Connect, with Dynamic Tool Set; Practical Law UK Premium; Practical Law Global Premium; HighQ), listed on this Order Form, and are incorporated into this Order Form by reference: http://tr.com/genai-terms.

CoCounsel Core and CoCounsel Drafting Product Specific Terms: The following product specific terms shall apply to CoCounsel Core and CoCounsel Drafting and are incorporated into this order form by reference: http://tr.com/cocounselcore-and-drafting-product-specific-terms.

Product Specific Terms and Service Levels: The following product specific terms and service levels shall apply to the HighQ products on this order form, and are incorporated by reference:

- HighQ Product Specific Terms http://tr.com/HighQ-PST
- HighQ Service Level**s:** Thomson Reuters shall provide service availability, maintenance and support for the term of the Agreement. Details are available at: http://tr.com/HighQ-SLA. Note that Sections 3.3 of the SLA does not apply to any HighQ Light packages

The Federal Product Specific Terms can be found here: http://tr.com/federal-product-specific-terms

Product Specific Terms. The following products have specific terms which are incorporated by reference and made part of this Order Form if they apply to your order. They can be found at https://static.legalsolutions.thomsonreuters.com/static/ThomsonReuters-General-Terms-Conditions-PST.pdf. If the product is not part of your order, the product specific terms do not apply.

- Campus Research
- Hosted Practice Solutions
- ProView eBooks
- Time and Billing
- West km Software
- West LegalEdcenter
- Westlaw
- Westlaw Doc & Form Builder
- Westlaw Paralegal
- Westlaw Patron Access
- Westlaw Public Records

Drafting Tools Product Specific Terms: The following product specific terms shall apply to the Drafting Tools products (Drafting Assistant, Clause Finder, Clause Finder: Internal Agreements) on this order form, and are incorporated by reference: https://www.thomsonreuters.com/draftingassistant-and-clausefinder-pst.

Additional clause applicable to: Westlaw Advantage, Practical Law Dynamic Tool Set, CoCounsel Essentials, Westlaw Advantage with CoCounsel Essentials, Practical Law with Dynamic Tool Set with CoCounsel Essentials, CoCounsel Legal: During the term of this

Agreement, Thomson Reuters may in its sole discretion issue updates, upgrades, patches, enhancements, or improvements that it makes generally available to its customers at no additional charges (collectively "Upgrades"). For the avoidance of doubt, Upgrades do not include (i) new services that are developed or acquired by Thomson Reuters or (ii) services or functionalities for which there are royalty requirements or licensing restrictions. Where your Service includes Westlaw Advantage and/or Practical Law Dynamic Tool Set, these Updates do not include access to additional or new content sets beyond those you have subscribed to as part of the Service.

Amended Terms and Conditions

Government Non-Availability of Funds for Online, Practice Solutions or Software Products

You may cancel a product or service with at least 30 days written notice if you do not receive sufficient appropriation of funds. Your notice must include an official document, (e.g., executive order, an officially printed budget or other official government communication) certifying the non-availability of funds. You will be invoiced for all charges incurred up to the effective date of the cancellation.

Acknowledgement: Order ID: Q-10738478

L D Nelson	City Attorney
Signature of Authorized Representative for order	**Title**
L. David Nefouse	10/30/25
Printed Name	**Date**

This Order Form will expire and will not be accepted after 10/31/2025.

Thomson Reuters™

Attachment Order ID: Q-10738478

Contact your representative greg.kelly@thomsonreuters.com with any questions. Thank you.

Payment, Shipping, and Contact Information

Payment Method:
Payment Method: Bill to Account
Account Number: 1000106817
This order is made pursuant to:

Shipping Information:
Shipping Method: Ground Shipping - U.S. Only

Order Confirmation Contact (#28)
Contact Name: Miner, Jalynn
Email: jalynn.miner@cityoftracy.org

eBilling Contact
Contact Name Jalynn Miner
Email **jalynn.miner@cityoftracy.org**

ProFlex Multiple Location Details

Account Number	Account Name	Account Address	Action
1000106817	TRACY CITY ATTORNEY	333 CIVIC CENTER PLZ TRACY CA 95376-4062 US	New

ProFlex Product Details

Quantity	Unit	Service Material #	Description
1	Each	40757482	West Proflex
3	Attorneys	42077755	Westlaw All Analytical, Enterprise access, Government
3	Attorneys	42510228	Westlaw Edge National Primary Law, Enterprise access, Government
3	Attorneys	41933475	Westlaw Litigation Collection, Enterprise access, Government
3	Attorneys	41935298	Westlaw, PeopleMap Premier and Company Investigator Module, Enterprise access, General counsel

Account Contacts

Account Contact First Name	Account Contact Last Name	Account Contact Email Address	Account Contact Customer Type Description
David	Nefouse	david.nefouse@cityoftracy.org	EML PSWD CONTACT

Lapsed Products

Sub Material	Active Subscription to be Lapsed
40757481	West Proflex
42077754	Westlaw All Analytical, Enterprise access, Government
42510229	Westlaw Edge National Primary Law, Enterprise access, Government
41933477	Westlaw Litigation Collection, Enterprise access, Government
41935299	Westlaw, PeopleMap Premier and Company Investigator Module, Enterprise access, General counsel
41933493	Practical Law Premier, Enterprise access, Government

Charges During Minimum Term

Material #	Product Name	Year 1 Charges per Billing Freq	% incr Yr 1-2*	Year 2 Charges per Billing Freq	% incr Yr 2-3*	Year 3 Charges per Billing Freq	% incr Yr 3-4*	Year 4 Charges per Billing Freq	% incr Yr 4-5*	Year 5 Charges per Billing Freq	Billing Freq
40757482	West Proflex	$1,751.40	5.00%	$1838.97	5.00%	$1930.92	N/A	N/A	N/A	N/A	Monthly

Charges During Minimum Term

Pricing is displayed only for the years included in the Minimum Term. Years without pricing in above grid are not included in the Minimum Term. Refer to your Order Form for the Post Minimum Term pricing. Refer to Order Form for Billing Frequency Type.

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2025 - _____

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(1) MAKING A DETERMINATION THAT COMPLIANCE WITH THE STANDARD PROCUREMENT PROCEDURES IS NOT IN THE BEST INTEREST OF THE CITY AND DISPENSE THESE REQUIREMENTS FOR THE PROCUREMENT OF ONLINE LEGAL RESEARCH SERVICES FOR THREE (3) ATTORNEYS AND THREE (3) NON-ATTORNEYS.

(2) APPROVING AN AGREEMENT WITH THOMSON REUTERS (WESTLAW) FOR THESE SERVICES FOR A TOTAL AMOUNT NOT TO EXCEED $67,000 OVER A THREE (3) YEAR PERIOD (NOVEMBER 1, 2025, THROUGH OCTOBER 31, 2028).

WHEREAS, online legal research is a critical function of all attorneys, but especially local government attorneys who often must function as legal generalists; and

WHEREAS, city attorneys need a library of cases, legal papers, and search functions that allow them to opine on a vast medley of legal issues that come before a municipality; and

WHEREAS, the City Attorney's Office's (CAO's) previous agreement with Thomson Reuters for these services expired in October 2025; and

WHEREAS, CAO solicited three (3) informal bids to provide online legal research services; and

WHEREAS, CAO is requesting Council to waive the requirement of a formal request for proposals for the procurement of these services because staff solicited bids from the three major providers and soliciting formal bid proposals will be a waste of time and resources due to the specific requirements associated with these services; and

WHEREAS, Westlaw subscription is best tailored to meet these requirements, and CAO has determined that Thomson Reuters (Westlaw) demonstrated that it was the best qualified and best fits the City's needs for competence and professional qualifications necessary for the satisfactory performance to provide online legal research tools to the City; and

WHEREAS, CAO negotiated an agreement with Westlaw for these services for an annual cost of approximately $22,333/year and for a total amount not to exceed $67,000 over three (3) years; and

WHEREAS, CAO utilizes an online legal research account on a weekly (if not daily) basis and all three (3) in-house attorneys, and the CAO paralegal have Westlaw accounts; and

WHEREAS, two additional accounts have been assigned to the City Manager's Office, and the Human Resources Department, respectively (who will help pay for the costs monthly); and

WHEREAS, the funds have been budgeted for in the City Attorney's Office annual budget that was approved by the City Council; and; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy makes the determination that compliance with the standard procurement procedures is not in the best interest of the City and dispense these requirements for the procurement of online legal research services for three (3) attorneys and three (3) non-attorneys; and be it

FURTHER RESOLVED: That the City Council of the City of Tracy approves an agreement with Thomson Reuters (Westlaw) for these services for a total amount not to exceed $67,000 over a three (3) year period (November 1, 2025, through October 31, 2028).

* * * * * * * * * * * * * *

The foregoing Resolution No. 2025-_____ was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.K

RECOMMENDATION

Staff recommends that the City Council, by motion, appoint Joseph Orcutt as the next qualified applicant from the existing eligibility list to fill the vacant position on the Environmental Sustainability Commission for the remainder of the current term, beginning on the date of appointment and expiring on December 31, 2027.

EXECUTIVE SUMMARY

On September 2, 2025, the City Council conducted interviews to fill two vacancies on the Environmental Sustainability Commission and provided direction to staff to place 1) Brennan Edwards, 2) Joseph Orcutt, and 3) Ronnie Johal on the eligibility list for a period of 12 months to fill potential vacancies, in accordance with Resolution 2024-042. As of November 11, 2025, the Environmental Sustainability Commission has one vacant position. Staff recommends the appointment of Joseph Orcutt, as the next qualified applicant from the existing eligibility list, to fill the vacancy for the remainder of the current term ending December 31, 2025.

BACKGROUND AND LEGISLATIVE HISTORY

On September 2, 2025, the City Council conducted interviews to fill two vacancies on the Environmental Sustainability Commission and provided direction to staff to place 1) Brennan Edwards, 2) Joseph Orcutt, and 3) Ronnie Johal on the eligibility list for a period of 12 months.

On November 5, 2025, a Environmental Sustainability Commissioner ‘s term was terminated due to lack of attendance. A recruitment was not conducted to fill the vacancy because there is an eligibility list in place.

Pursuant to Section C-4 of the City Council Policies (Exhibit A to Resolution 2024-042) when a vacancy occurs, the City Council can proceed with the established eligibility list, or if appropriate, a special notice may be posted within twenty (20) days of the vacancy. Specific terms apply to vacancies with less than six months remaining and when filled by an emergency appointment. The Appointment Policy also restricts appointment of an individual already serving on a City of Tracy board, committee, or commission from serving on an additional City of Tracy board, committee, or commission concurrently.

ANALYSIS

On September 2, 2025, the City Council conducted interviews to fill two vacancies on the Environmental Sustainability Commission and provided direction to staff to place 1) Brennan Edwards, 2) Joseph Orcutt, and 3) Ronnie Johal on the eligibility list for a period of 12 months to fill potential vacancies. Following the dismissal of a Commission member on November 5, 2025, staff contacted Brennan Edwards and he declined appointment to

the commission at this time. Staff then contacted Joseph Orcutt, the second person on the Environmental Sustainability Commission eligibility list, to determine his interest in filling the remainder of the term for the vacant position, Mr. Orcutt agreed to fill the vacant seat, pending the City Council's approval. To avoid confusion Staff would note that there is a similarly named Planning Commissioner, however, the Mr. Orcutt being appointed to the Sustainability Commission is a separate and distinct individual.

If approved by the City Council, Mr. Orcutt will serve the remainder of the current term for the vacant seat, beginning on the date of appointment and expiring on December 31, 2025.

FISCAL IMPACT

There is no fiscal impact as a result of this agenda item.

PUBLIC OUTREACH/ INTEREST

None, because there is an eligibility list.

STRATEGIC PLAN

This agenda item supports the City's Governance Strategy, and specifically implements the following goal:

Governance
Goal 1: Model Good Governance, Teamwork, and Transparency.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council, by motion, appoint Joseph Orcutt as the next qualified applicant from the existing eligibility list to fill the vacant position on the Environmental Sustainability Commission for the remainder of the current term, beginning on the date of appointment and expiring on December 31, 2027.

Prepared by: Necy Lopez, Deputy City Clerk

Reviewed by: April B. A. Quintanilla, City Clerk
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachment A: Resolution 2024-042

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2024-042

AMENDING THE COUNCIL POLICY ESTABLISHING A SELECTION PROCESS FOR APPOINTMENTS TO CITY ADVISORY BODIES TO ALLOW THE FULL CITY COUNCIL TO INTERVIEW CANDIDATES AND MAKE INFORMAL RECOMMENDATIONS OF SPECIFIC CANDIDATES FOR THE MAYOR TO CONSIDER AS PROPOSED APPOINTEES, SUBJECT TO FINAL APPROVAL OF THE CITY COUNCIL

WHEREAS, the *Council Policy Establishing a Selection Process for Appointments to City Advisory Bodies* (Appointment Policy) sets forth the process by which vacancies on City committees, subcommittees, and commissions are filled; and

WHEREAS, the most recent version of the Appointment Policy was adopted on December 21, 2021, by the City Council through Resolution 2021-200; and

WHEREAS, under Government Code Section 40605, the elected mayor of a general law city solely has the authority to appoint, subject to council approval, to council committees, sub-committees. and commissions, as well as any regional bodies to which the council sends a delegate; and

WHEREAS, the selection process contained in the Council's Appointment Policy does not fully comply with Government Code Section 40605 as it states that the City Council appoints to a sub-committee to interview candidates and appoints, based on the recommendations of the sub-committee, and no explicit authority of the Mayor to propose appointments is noted; and

WHEREAS, on March 5, 2024, the City Council discussed options to align the Appointment Policy with Government Code Section 40605; and

WHEREAS, after discussion, the City Council directed staff to return with a proposed amendment to the Appointment Policy that would allow the full City Council to interview candidates, in open session at a regular or special meeting; and

WHEREAS, the City Council had not reached consensus on what the next steps would be after the Council interviews had been completed and asked staff to return with two options for the City Council's further deliberation and final selection; and

WHEREAS, the City Council deliberated further at its meeting on March 19, 2024 and finalized the option set forth herein; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby amends the Appointment Policy as set forth in **Exhibit A**, as amended, such that the full City Council shall interview candidates, in open session at a regular or special meeting, and upon completing the interviews,

shall make ~~final~~ informal recommendations of specific candidates for the Mayor to consider as proposed appointees; and be it

FURTHER RESOLVED: That the amended Appointment Policy shall become effective immediately upon adoption of this Resolution; and be it

FURTHER RESOLVED: That the City Council authorizes the City Clerk to proceed with the process to fill vacancies as set forth in the newly amended Appointment Policy.

* *

The foregoing Resolution 2024-042 was adopted by the Tracy City Council on the 19th day of March 2024 by the following vote:

AYES:	COUNCIL MEMBERS:	ARRIOLA, BEDOLLA, EVANS, DAVIS
NOES:	COUNCIL MEMBERS:	YOUNG
ABSENT:	COUNCIL MEMBERS:	NONE
ABSTENTION:	COUNCIL MEMBERS:	NONE

NANCY D. YOUNG
Mayor of the City of Tracy, California

ATTEST: _____
ADRIANNE RICHARDSON
City Clerk and Clerk of the Council of the
City of Tracy, California

COUNCIL POLICY ESTABLISHING A SELECTION PROCESS FOR APPOINTMENTS TO CITY ADVISORY BODIES

(Exhibit "A" to Resolution No. 2024-042)

SECTION 1: PURPOSE

To establish a selection process for appointments to City advisory bodies including defining residency requirements, in accordance with Government Code sections 54970 et seq. This process acknowledges and is consistent with Government Code Section 40605, which requires that the elected mayor of a general law city solely has the authority to appoint, subject to council approval, to council committees, sub-committees. and commissions, as well as any regional bodies to which the council sends a delegate.

SECTION 2: SELECTION PROCESS FOR APPOINTEE BODIES

A. On or before December 31st of each year, the City Clerk shall prepare an appointment list of all regular and ongoing boards, commissions and committees that are appointed by the City Council of the City of Tracy. The list shall contain the following information:

   1. A list of all appointee terms which will expire during the next calendar year, with the name of the incumbent appointee, the date of the appointment, the date the term expires and the necessary qualifications for the position.

   2. A list of all boards, commissions and committees whose members serve at the pleasure of the Council and the necessary qualifications of each position.

   3. The list of appointments shall be made available to the public for a reasonable fee that shall not exceed actual cost of production. The Tracy Public Library shall receive a copy of the list.

B. Whenever a vacancy occurs in any board, commission or committee, whether due to expiration of an appointee's term, resignation, death, termination or other causes, a special notice shall be posted in the office of the City Clerk, The Tracy Public Library, the City website, and in other places as directed within twenty (20) days after the vacancy occurs. Final appointment to the board, commission or committee shall not be made by the City Council for at least ten (10) working days after the posting of the notice in the Clerk's office. If Council finds an emergency exists, the Council may fill the unscheduled vacancy immediately.

C. Appointments shall be made for the remainder of the term created by the vacancy except as follows:

   1. If appointee will fill an un-expired term with six months or less remaining, the appointment shall be deemed to be for the new term.

2. If the vacancy is filled by an emergency appointment the appointee shall serve only on an acting basis until the final appointment is made pursuant to section 2.

D. The Council and Mayor shall use the following selection process to provide an equal opportunity for appointment to a board, commission or committee:

1. The full Council shall, in open session at a regular or special meeting, review applications, interview applicants and make ~~final~~ informal recommendations of specific candidates for the Mayor to consider as proposed appointees for appointment to the board, commission or committee.

2. Upon receiving the recommendations of the Council, the Mayor will propose an appointee to the board, commission or committee, which proposed appointee shall be approved or disapproved, by majority vote, of the Council. The Mayor ~~shall~~ may endeavor to propose appointees that are recommended by the Council, but the Mayor may propose alternate appointees pursuant to mayoral authority under Government Code 40605. ~~The alternates shall be chosen from the eligibility list, if it has been created pursuant to section 4 below.~~

3. If the Council disapproves an appointee proposed by the Mayor, the Mayor shall propose an alternate appointee, which shall be either approved or disapproved by the Council, by majority vote. This process shall continue until all vacancies on the board, commission or committee are filled; the Mayor may elect to reopen the application process~~.~~

4. If there are more qualified candidates than the number of current vacancies, the Council may establish an eligibility list that will be used to fill future vacancies that occur in the following twelve (12) months.

E. An individual already serving on a City of Tracy board, committee or commission may not be appointed to serve on an additional City of Tracy board, committee, or commission concurrently.

SECTION 3: DEFINITION OF RESIDENCY REQUIREMENTS

A. The following definitions shall be used to determine whether residency requirements are met for boards and commissions to which the Tracy City Council appoints members:

1. Tracy Planning Area means the geographical area defined in the City of Tracy General Plan and any amendments thereto.

2. City of Tracy means within the city limits of the City of Tracy.

3. Citizen means a resident of the City of Tracy.

4. Tracy School District means the geographical area served by the Tracy Unified School District.

5. Sphere of Influence shall be the geographical area approved by the Local Agency Formation Commission (LAFCo) of San Joaquin County and any amendments thereto.

B. Residency, as defined above and as set forth in the applicable bylaws for each board or commission, shall be verified annually by the City Clerk. The residency must be verifiable by any of the following means:

1. Voter registration,

2. Current California Driver's License or Identification,

3. Utility bill information (phone, water, cable, etc.),

4. Federal or State tax returns.

C. Members of boards or commissions shall notify the City Clerk in writing within thirty (30) days of any change in residency. If the change in residency results in the board member or commissioner no longer meeting the residency requirements, the member shall tender their resignation to the City Clerk who shall forward it to the City Council.

December 2, 2025

Agenda Item 1.L

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Ranch Fence, Inc., for on-call fencing services, in an amount not-to-exceed $75,000 per fiscal year, and authorizing the City Manager to grant up to four one-year extensions.

EXECUTIVE SUMMARY

This item is to consider authorizing a General Services Agreement (December 2, 2025 – June 30, 2026) with Ranch Fence, Inc. (Contractor) for general fencing repair, installation, and restoration. Including but not limited to fence post replacement, panel repair, gate realignment, restoration of fencing components to improve safety, preserve visual appeal, and ensure compliance with applicable codes and standards. The initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

The proposed General Services Agreement has a not-to-exceed amount of $75,000 per fiscal year and authorizes the City Manager to approve up to four one-year extensions.

BACKGROUND AND LEGISLATIVE HISTORY

The City maintains approximately 86 public parks, each containing various fencing systems, including perimeter fencing, decorative gates, safety barriers, and enclosure structures. Over time, these components naturally deteriorate due to age, weather exposure, and routine use, which can affect both their functionality and aesthetic appearance. In certain instances, unforeseen events such as vehicle collisions or vandalism necessitate immediate repair or replacement to ensure public safety.

In addition to park facilities, the City maintains a broad range of public infrastructure and properties that incorporate fencing elements. Maintaining these assets in safe, durable, and visually consistent conditions is a key component of the City's commitment to responsible asset management and the delivery of high-quality public services.

As a steward of public assets, the City has an ongoing obligation to preserve, maintain, and rehabilitate its fencing systems to protect public investments, ensure the safety of park users and residents, and uphold the community's aesthetic standards.

The proposed on-call services contract for fencing repairs, replacements, and installations will assist the City in complying with applicable safety and maintenance

standards, preserving the integrity of its public infrastructure, and maintaining the overall appearance and character of the community-built environment.

ANALYSIS

Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on October 07, 2025, for general masonry construction. The Notice was posted on the City's website, and one (1) response was received by the established deadline of October 20, 2025.

Staff conducted a comprehensive review of the submittal from Ranch Fence, Inc, confirming that the company met all requirements outlined in the Notice. Ranch Fence demonstrated the necessary skills, experience, and certifications to provide the requested services.

The recommended agreement is for a one-year term, with a not-to-exceed amount of $75,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions.

FISCAL IMPACT

There is no additional fiscal impact as the Parks Maintenance Division operating budgets have accounted for this ongoing program expense in their respective budgets, Fund 101, 107, 271, 272, and 273.

PUBLIC OUTREACH/ INTEREST

This is an operational item for the Parks, Recreation and Community Services Department. No public outreach was conducted.

CEQA DETERMINATION

This is an operational item, and CEQA does not apply.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted Public Safety and Quality of Life strategies.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Ranch Fence, Inc., for on-call fencing services, in an amount not-to-exceed $75,000 per fiscal year, and authorizing the City Manager to grant up to four year extensions.

Prepared by: Roy Valadez, Management Analyst II

Reviewed by: Brian MacDonald, Director of Parks, Recreation, and Community Services
Richard Joaquin, Asst. Director of Parks, Recreation & Community Services
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A: General Services Agreement – Ranch Fence, Inc.

CITY OF TRACY
GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Ranch Fence, Inc., a California Corporation (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain Contractor to provide on-call fencing services to the City; and

B. Pursuant to Tracy Municipal Code 2.20.180, on October 07, 2025, the City issued a Notice Inviting Bids (Notice) to provide on-call fencing services to the City (Project). On October 20, 2025, Contractor submitted its bid for the Project to the City. City has determined that the Contractor possesses the skills, experience, and certification required to provide the services.

C. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

D. This Agreement is being executed pursuant to Resolution No. 2025-____ approved by Tracy City Council on December 2, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Hillary Fryer. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use or replace any subcontractors or subconsultants, without the City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement, and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026, unless terminated in accordance with Section 6.

2.2 OPTION TO EXTEND: This Agreement may be extended for an additional four, one- year extension terms (a total of four years in one (1) year increments) by the City Manager following a written determination that Contractor has satisfactorily met all the requirements of this Agreement.

3. **Compensation.** City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $ 75,000.00 per fiscal year. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. **Indemnification.** Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. **Insurance.** Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than $4,000,000 general aggregate and $2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than $1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than $1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to

the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. The services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City's employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:
City of Tracy
Attn: Parks, Recreation and Community Services
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
Ranch Fence Inc.
Jarrod Twiss
5071 Cole Road
Mariposa, Ca 95338

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11. Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy, a Municipal Corporation

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

_____
April Quintanilla, City Clerk

Approved as to form:

_____
L. David Nefouse, City Attorney

Ranch Fence, Inc.

_____
By: Courtney E. Twiss
Title: Chief Executive Officer
Date: 11-3-2025

Federal Employer Tax ID No.

_____
By: Jarrod John Twiss
Title: Chief Financial Officer
Date: 11-3-2025

Exhibits:

A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

Point of Contact:
Hillary Fryer
5071 Cole Road
Mariposa, CA 95338
209-640-9238

Timeline: The City will issue a request for service to the Contractor, which shall be responded to within 8 hours, and an on-site diagnosis shall be scheduled between 24-48 hours. Upon arrival at the site, Contractor shall diagnose issues related to fencing structures and components as designated by the City. Contractor shall provide a detailed list of problems found, recommended repairs, and a quote of the cost for the repair(s) or replacement within 36 hours.

Should the City wish to proceed with the recommended repairs, a notice to proceed will be issued and Contractor shall submit a schedule, acceptable to the City, of when the service will be completed.

Scope of Work:

The Contractor shall provide all labor, materials, and equipment for fencing projects. Examples of services may include, but are not limited to, fence post replacement, panel repair, gate realignment, restoration of fencing components to improve safety, preserve visual appeal, and ensure compliance with applicable codes and standards. Calls for service shall vary based on the nature of the work required. There are no identified projects at the time of this proposal.

Objectives:

The contractor shall:

- Ensure all Fencing features and structures are safe, structurally sound, and visually consistent with municipal standards.
- Perform timely repairs to damaged Fencing units.
- Provide responsive, on-call support for Fencing work.

Location of Services:

- Fencing work may be required at any or all the following:
- Public parks and playgrounds
- Athletic fields and sports complexes
- Recreation and community centers

Fencing Types and Materials:

- Wood Privacy Fence (with and without lattice top panels)
- Wooden Gates
- Split Rail Fence
- Concrete split rail fence
- Chain Link Fencing and gates, including but not limited to:
- Variety of Mesh Sizes
- Galvanized or other coatings
- Top Wire
- Top Pole

- Cyclone Fence
- Privacy
- Barbed Wire Top
- Razor
- Wrought Iron/Ornamental Fencing/Square Tubing Metal Fencing
- Barbed Wire Fencing
- Metal Swing Gates
- Metal Sliding Gates
- Pressure treated lumber or approved wood preservative treated for any lumber buried or in contact with soil
- Galvanized or other approved treatment of posts buried or in contact with soil

Contractor Requirements:

- Possess a valid Fencing contractor license in the State of California
- Be bonded and insured to perform commercial and municipal work
- Comply with all Cal/OSHA Title 8, City safety standards
- Dust control, noise abatement, and debris management procedures will be followed at every site.
- Maintain accurate documentation of work performed
- Coordinate all work with designated City of Tracy Staff
- Be able to respond to emergency service calls within 4 hours
- Contractor shall comply with all applicable prevailing wage laws.
- Environmental Sensitivity: Avoid disturbance to landscaping, irrigation systems, or tree
- roots in environmentally sensitive areas.
- Coordination with City Staff: Projects at athletic fields or community centers must be coordinated to avoid disruption of scheduled activities.

Pre-Work Safety and Utility Clearance

- Contractor shall contact Underground Service Alert (USA 811) a minimum of 48 hours prior to excavation, if applicable.
- Contractor shall install temporary fencing or barricades to protect the public during work activities, if applicable.

Installation / Repair Activities

Depending on the work order, typical activities will include:

a) Site Preparation

- Demolition and disposal of damaged or obsolete fencing materials.
- Clearing and grading of fence line as needed.
- Verification of property lines or facility boundaries prior to installation.

b) Fence Post Installation

Layout and marking per approved plans or standard spacing.

- Drilling of post holes (typically 8–12" diameter, 24–36" deep depending on fence type).
- Installation of posts using galvanized steel, pressure-treated lumber, or
- ornamental iron, per specifications.
- Concrete footing placement (typically 2,500–3,000 psi mix) with posts
- plumbed and aligned.

c) Panel and Fabric Installation

- For chain link fencing: tension wire and fabric attached with galvanized ties
- and tension bars.
- For wood fences: use of redwood or cedar panels; lattice top optional per site
- design.
- For ornamental iron or tube steel fencing: welding or mechanical fastening per
- manufacturer specifications.

d) Gate Fabrication and Installation

- Fabricate swing or sliding gates to match existing fence type.
- Install gate posts with adequate reinforcement for expected loads and
- clearances.
- Include hardware and latching mechanisms compliant with UL-325 and City
- safety requirements.
- Include safety gate guideposts, where applicable

e) Finishing and Inspection

- Apply protective coatings or paint as specified (e.g., galvanized touch-up,
- powder coat or stain).
- Clean and clear jobsite
- Conduct joint inspection with City representative.

Quality Assurance and Control

- All materials will meet ASTM and Caltrans Section 80/83 standards for fencing and
- metalwork.
- Pressure-treated lumber will comply with AWPA U1 – Use Category 4B for ground
- contact.
- Galvanized materials will be G90 coating or better; all welds touched up per ASTM
- A780.
- The Project Manager will inspect progress and submit photographic documentation.
- Final inspection performed with City staff before project close-out.

Deliverables:

- Written estimates, timelines, and work plans for each assigned project
- Final inspections and compliance certifications as required
- Warranty documentation for completed work
- Material and labor cost breakdowns for each project

Hourly Rates and Materials:

Labor shall be on an hourly rate basis, invoices for actual time on the job. Travel time shall not be paid except for Emergency Calls as defined below. In no case shall the City pay for job estimates or for time taking out permits. If applicable, the Contractor is responsible for obtaining necessary permit however the City is responsible for any applicable Permit Fees.

- For the purposes of this bid, regular hourly rates shall be Monday through Friday, 7:00am to 4:00 pm.
- Overtime hourly rates shall apply for calls after 4:00 pm through 7:00 am, Monday through Friday, and 7:00 am through 4:00 pm on Saturday.
- Emergency hourly rates shall apply for all calls after 4:00 pm on Saturday and all hours on Sundays and Holidays. Emergency work under this Agreement shall be for a single emergency repair or facility inspection.

- The hourly rate shall be for the laborers required to perform the Work and includes all tools and equipment.
- Hourly rates for specialized work may be itemized with an hourly rate and submitted with a Contractor's bid proposal.

All invoices from the Contractor shall be itemized detailing hours worked and hourly rate. On those occasions when parts and materials are also called for, the Contractor's invoice shall include copies of invoices for materials purchased and the percentage of markup over wholesale prices shown if there is a markup. No work is to be performed until a Purchase Order is issued.

The Contractor shall indicate response time when notified by the City. For an emergency call out as determined by the City, response time shall be one (4) hour or less. The City will allow a travel time charge of one (2) hour for any emergency or after-hour call outs.

EXHIBIT B - Compensation

COST OF SERVICES

ITEM NO.	DESCRIPTION	HOURLY RATE
1	Journeyperson – Laborer Rate Monday to Friday (7:00 a.m. to 4:00 p.m.)	$ 140 /hr
2	Journeyperson – Laborer Rate Monday to Friday (4:00 p.m. to 7:00 a.m.) and Saturday Overtime (7:00 am to 4:00 pm)	$ 280 /hr
3	Journeyperson – Laborer Rate Sundays and Holiday Overtime	$ 280 /hr
4	Foreman Journeyperson-Laborer Rate Monday to Friday (7:00 a.m. to 4:00 p.m.)	$ 160 /hr
5	Foreman Journeyperson– Laborer Rate Monday to Friday (4:00 p.m. to 7:00 a.m.) and Saturday Overtime (7:00 am to 4:00 pm)	$ 320 /hr
6	Foreman Journeyperson – Laborer Rate Sundays and Holiday Overtime	$ 320 /hr
7	**DESCRIPTION**	**PERCENTAGE %**
8	Contractor Overhead and Profit Mark-Up as % of Construction Costs	50%

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION APPROVING A GENERAL SERVICES AGREEMENT WITH RANCH FENCE, INC. FOR ON-CALL FENCING SERVICES, IN AN AMOUNT NOT-TO-EXCEED $75,000 PER FISCAL YEAR, AND AUTHORIZING THE CITY MANAGER TO GRANT UP TO FOUR ONE-YEAR EXTENSIONS.

WHEREAS, the Parks and Recreation Department is responsible for the maintenance of various fencing elements, including entry gates, perimeter fencing, decorative gates, safety barriers, and enclosure structures; and

WHEREAS, the City maintains approximately 86 public parks, each containing various fencing systems, including perimeter fencing, decorative gates, safety barriers, and enclosure structures. Over time, these components naturally deteriorate due to age, weather exposure, and routine use, which can affect both their functionality and aesthetic appearance. and

WHEREAS, in some cases, unforeseen events such as vehicle collisions or vandalism necessitate immediate repair or replacement to ensure public safety; and

WHEREAS, Beyond the park system, the City maintains a wide range of public infrastructure and facilities that incorporate fencing elements. Ensuring these assets remain safe, durable, and visually consistent is an important component of the City's commitment to responsible asset management and high-quality public service delivery; and

WHEREAS, Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on October 07, 2025, for general fencing repair and restoration. The Notice was posted on the City's website, and one (1) response was received by the established deadline of October 20, 2025; and

WHEREAS, Staff conducted a comprehensive review of the submittal from Ranch Fence, Inc., confirming that the company met all requirements outlined in the Notice. Ranch Fence, Inc., demonstrated the necessary skills, experience, and certifications to provide the requested services; and

WHEREAS, the recommended agreement is for a one-year term, with a not-to-exceed amount of $75,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions; and

WHEREAS, the initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing; and

WHEREAS, the term of this agreement shall begin on December 2, 2025, and end on June 30, 2026.

WHEREAS, the funding for the Services of the Agreement is from the Parks Maintenance Division operating budgets; and

WHEREAS, the City seeks to enter into the Agreement with Contractor.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct; and be it,

RESOLVED: That the City Council hereby approves the Agreement with Contractor for the Services for a not-to-exceed amount of $75,000 per fiscal year and authorizing the City Manager to grant up to four, one-year extensions consistent with the terms of the Agreement if Contractor satisfactorily meets its obligations under the Agreement, and be it,

FURTHER RESOLVED: After review and approval by the City Attorney's Office, the City authorizes the execution of the Agreement and authorizes any actions that may be necessary or advisable to effectuate the purposes of this Resolution.

* * * * * * * * * * * * * *

The foregoing Resolution 2025 - was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.M

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Jet Mulch, Inc., for on-call playground wood fiber and mulch installation Services, in an amount not-to-exceed $150,000 per fiscal year and authorizing the City Manager to approve up to four one-year extensions.

EXECUTIVE SUMMARY

This item is to consider authorizing a General Services Agreement (December 2, 2025, – June 30, 2026) with Jet Mulch, Inc. (Contractor) for the installation of playground wood fiber at designated play areas and walk-on bark at designated planting areas.

The initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

The proposed General Services Agreement has a not-to-exceed amount of $150,000 per fiscal year and authorizes the City Manager, upon the recommendation of the Director of Parks, Recreation and Community Services, to approve up to four one-year extensions based on the recommendation from the Director of Parks, Recreation, and Community Services.

BACKGROUND AND LEGISLATIVE HISTORY

The Parks and Recreation Department is responsible for the maintenance of City playgrounds and planting areas. Staff monitors all City playgrounds and planting areas and installs material as needed.

The City manages over 75 playgrounds and has an obligation to maintain safe, accessible environments for all users. To meet safety standards and comply with the Americans with Disabilities Act (ADA), the City has been utilizing American Society for Testing and Materials (ASTM)-certified engineered wood fiber in its playgrounds. The material is soft and absorbent, so that if someone inadvertently falls, the engineered wood fiber would absorb much of the impact, reducing the risk of severe harm. The City contracts out the supply and installation of engineered wood fiber for playground surface areas, using specialized equipment that efficiently distributes the material evenly across playground surfaces.

In addition, the City maintains numerous planting areas where mulch is used as a top dressing. Mulch enhances the aesthetic appeal of these spaces while reducing water consumption and controlling weed growth. By insulating the soil, mulch decreases water evaporation and improves soil health by breaking up compacted clay, facilitating better air and water penetration.

ANALYSIS

Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on September 30, 2025, for the installation of playground Wood Fiber at designated play areas and walk-on bark at designated planting areas. The Notice was posted on the City's website, and one (1) response was received by the established deadline of October 14, 2025.

Staff conducted a comprehensive review of the submittal from Jet Mulch, Inc, confirming that the company met all requirements outlined in the Notice. Jet Mulch demonstrated the necessary skills, experience, and certifications to provide the requested services.

The recommended agreement is for a one-year term, with a not-to-exceed amount of $150,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions, based on the recommendation of the Director of Parks and Recreation.

FISCAL IMPACT

There is no additional fiscal impact as the Parks Maintenance Division operating budgets have accounted for this ongoing program expense in their respective budgets, Fund 101, 107, 271, 272, and 273.

PUBLIC OUTREACH/ INTEREST

This is an operational item for the Parks, Recreation and Community Services Department. No public outreach was conducted.

CEQA DETERMINATION

This is an operational item, and CEQA does not apply.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted Public Safety and Quality of Life strategies.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution approving a General Services Agreement with Jet Mulch, Inc. for on-call playground Wood Fiber and Mulch Installation Services, in an amount not-to-exceed $150,000 per fiscal year and authorizing the City Manager to approve up to four one-year extensions.

Prepared by: Roy Valadez, Management Analyst II

Reviewed by:

Brian MacDonald, Director of Parks, Recreation, and Community Services
Richard Joaquin, Asst. Director of Parks, Recreation and Community Services
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A: General Services Agreement – Jet Mulch, Inc.

CITY OF TRACY
GENERAL SERVICES AGREEMENT

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and Jet Mulch, Inc., a California Corporation (**Contractor**). City and Contractor are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain Contractor for the installation of playground wood fiber at designated play areas and walk-on bark at designated planting areas; and

B. On September 30, 2025, the City issued a Notice Inviting Bids for the Playground Wood Fiber and Mulch Installation (**Project**). On October 14, 2025, Contractor submitted its bid for the Project to the City. City has determined that Contractor possesses the skills, experience, and certification required to provide the services;

C. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

D. This Agreement is being executed pursuant to Resolution No. 2025-__ approved by the Tracy City Council on December 2, 2025.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Ryan Gamboa. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use or replace any subcontractors or subconsultants, without the City's prior written consent. A failure to obtain the City's prior written consent for any change or replacement in personnel or subcontractor may result in the termination of this Agreement.

2. Time of Performance. Time is of the essence in the performance of services under this Agreement, and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for time extensions to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

2.1 Term. The term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026, unless terminated in accordance with Section 6. OPTION TO EXTEND: This Agreement may be extended for an additional four one-year periods by the City Manager following a written determination that Contractor has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference, for services performed under this Agreement.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $150,000.00. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval. Effective on the date of execution of this Agreement, Contractor's billing rates under this Agreement may be annually increased by the lesser of 3% or the annual increase in the Cost-of-Living Index – All Items, for the Sacramento Metropolitan Region.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed, including times, dates, and names of persons performing the services.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

3.3 Payment. Within 30 days after the City's receipt of the invoice, the City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.

4. Indemnification. Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

The provisions of this section survive completion of the services or the termination of this Agreement and are not limited by the provisions of Section 5 relating to insurance.

5. Insurance. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.

5.1 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than $4,000,000 general aggregate and $2,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

5.2 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than $1,000,000 per accident for bodily injury and property damage.

5.3 Workers' Compensation coverage shall be maintained as required by the State of California.

5.4 Professional Liability "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than $1,000,000 per claim.

5.5 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

5.5.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

5.5.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be in excess of the Contractor's insurance and shall not contribute with it.

5.6 Notice of Cancellation. Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to

the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.

5.7 Authorized Insurers. All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.

5.8 Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance and endorsements, in a form satisfactory to the City, before the City signs this Agreement.

5.9 Substitute Certificates. Contractor shall provide a substitute certificate of insurance no later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement.

5.10 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary. Failure to provide or maintain any insurance policies or endorsements required herein may result in the City terminating this Agreement.

6. Termination. The City may terminate this Agreement by giving ten days' written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.

7. Dispute Resolution. If any dispute arises between the City and Contractor that cannot be settled after engaging in good faith negotiations, the City and Contractor agree to resolve the dispute in accordance with the following:

7.1 Each Party shall designate a senior management or executive-level representative to negotiate the dispute;

7.2 The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.

7.3 If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiations between legal counsel. If the aforementioned process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.

7.4 The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days, and shall be concluded within fifteen (15) days from the commencement of the mediation.

7.5 The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.

7.6 The dispute resolution process is a material condition to this Agreement and must be exhausted prior to either Party initiating legal action. This dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 et seq.

8 Labor Code Compliance. Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); employment of apprentices (§1777.5), certified payroll records (§1776), hours of labor (§1813 and §1815), debarment of contractors and subcontractors (§1777.1) and the performance of other requirements on "public works" and "maintenance" projects. The services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws. Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. Ownership of Work. All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not the City's employee, and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor warrants that this Agreement was not obtained or secured through rebates, kickbacks, or other unlawful consideration either promised or paid to any City official or employee. For breach of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. Notices. All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party to the addresses listed below. Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated below, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated below.

To City:

City of Tracy
Attn: Parks, Recreation and Community Services Department
333 Civic Center Plaza
Tracy, Ca 95376

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:

Jet Mulch, Inc.
Attn: Ryan Gamboa
P.O. Box 1667
Capitola, CA 95010

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.

14.2 Amendments. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both Parties.

14.3 Waivers. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

14.4 Assignment and Delegation. Contractor may not assign, transfer or delegate this Agreement or any portion of it without the City's written consent. Any attempt to do so will be void. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.

14.5 Jurisdiction and Venue. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.

14.6 Compliance with the Law. Contractor shall comply with all applicable local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer, and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor shall also comply with all applicable anti-discrimination federal and state laws, including but not limited to, the California Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.).

14.7 Business Entity Status. Contractor is responsible for filing all required documents and/or forms with the California Secretary of State and meeting all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents

that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

14.8 Business License. Before the City signs this Agreement, Contractor shall obtain a City of Tracy Business License. Contractor shall maintain an active City of Tracy Business License during the term of this Agreement.

14.9 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

14.10 Construction of Agreement. Each Party hereto has had an equivalent opportunity to participate in the drafting of this Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting Party shall not apply hereto.

14.11. Severability. If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.

14.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and the Contractor's proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and the Contractor's proposal (if any), the Exhibits shall control.

14.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations, or agreements. All exhibits attached hereto are incorporated by reference herein.

15. Signatures. The individuals executing this Agreement on behalf of Contractor represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of Contractor.

[SIGNATURES ON FOLLOWING PAGE]

The Parties agree to the full performance of the terms set forth here.

City of Tracy, a Municipal Corporation

By: Dan Arriola
Title: Mayor
Date: _____

Attest:

_____
April Quintanilla, City Clerk

Approved as to form:

_____
L. David Nefouse, City Attorney

Contractor
Jet Mulch, Inc. a California Corporation

By: Mario Gamboa
Title: CEO
Date: 10/16/2025

Federal Employer Tax ID No. 680394810

By: Ryan K. Gamboa
Title: CFO
Date: 10/16/25

Exhibits:

- A Scope of Work, including personnel and time of performance (See Agreement sections 1 and 2.)
- B Compensation (See Agreement section 3.)

EXHIBIT A - Scope of Work

Point of Contact:
Ryan Gamboa
595 Merlot Drive
Fremont, California 94539
925-726-9494

Timeline
The Contractor shall commence work only after receiving a Task Order from the Parks Operations Superintendent or their designee. Upon receipt, the Contractor shall promptly schedule the work and diligently pursue its completion. All work must be fully completed within ninety (90) days from the designated start date.

At least five (5) days prior to beginning work, the Contractor shall notify the Parks Operations Superintendent (or designee) responsible for material application, specifying the location and anticipated start date. The Contractor must also provide a detailed schedule outlining when work will be performed and completed in all areas. This schedule may need to be adjusted based on site usage and recommended installation dates.

Scope of Work
Work shall include all labor, equipment, and materials necessary to furnish and install ASTM-engineered wood playground fiber at designated play areas or walk-on bark at designated planting areas throughout the City. City staff may enlist the assistance of the Contractor to help specify quantities of material to refurbish area(s). Contractor shall spread material in a smooth, even layer throughout the designated areas. At play area entrances and handicap access areas, material shall be raked so that the top is flush with the adjacent access surface to create a smooth and even transition between the hard surface and the newly installed material.

Material Applied
The playground fiber used shall be composed of engineered wood fiber designed for installation in playgrounds. It shall be clean, blunt-end, virgin wood material, meeting ASTM standards F1292 for impact absorption, F2075 material purity, F1951 for handicap/wheelchair access, and C136-14. All mulch shall be walk-on bark.

Methods of Application
Prior to the start of work and if requested, Contractor is to provide documentation that the material to be used meets the required ASTM standards and a sample for City approval. Contractor shall be equipped with a blower truck that can quickly and efficiently apply ASTM-engineered wood playground fiber.

Inspection and Acceptance
Upon completion of the installation, the Public Works Superintendent (or designee) shall make the final inspection and acceptance. Until that acceptance is complete, no payment shall be made to Contractor for the work performed.

Protection of Existing Improvements
The Contractor shall be responsible for the protection of public and private property adjacent to the work from damage and shall exercise due caution to avoid damage to such property.

Unless otherwise provided, the Contractor shall repair or replace all existing improvements (i.e., sidewalks, driveways, fences, signs, structures, etc.) damaged as a result of operations. Repairs and replacements shall restore the existing structure and shall match it in finish and dimension.

Trees, lawns, and shrubbery shall be protected from damage or injury. If such landscaping should be damaged or removed because of the Contractor's operations, they shall be restored or replaced, at the Contractor's expense, in as nearly the original condition and locations as are reasonably possible, with approval by the City.

EXHIBIT B - Compensation

Cost Price Sheet

UNIT	PRICE	UNIT OF MEASURE
Labor Rate to Install	$24.77	Per Cubic Yard
ASTM Engineered Wood Fiber	$12.90	Per Cubic Yard
Walk-On Bark	$21.00	Per Cubic Yard

Contractor's billing rates under this Agreement may be annually increased by the lesser of 3% or the annual increase in the Cost-of-Living Index – All Items, for the Sacramento Metropolitan Region.

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION APPROVING A GENERAL SERVICES AGREEMENT WITH JET MULCH, INC. FOR ON-CALL PLAYGROUND WOOD FIBER AND MULCH INSTALLATION SERVICES, IN AN AMOUNT NOT-TO-EXCEED $150,000 PER FISCAL YEAR, AND AUTHORIZING THE CITY MANAGER TO APPROVE UP TO FOUR ONE-YEAR EXTENSIONS.

WHEREAS, the Parks and Recreation Department is responsible for the maintenance of City playgrounds and planting areas. Staff monitor all City playgrounds and planting areas and install material as needed.

WHEREAS, the City maintains over 75 playgrounds, ensuring they are safe and accessible per safety standards and the Americans with Disabilities Act (ADA). It uses American Society for Testing and Materials (ASTM)-certified engineered wood fiber, a soft, impact-absorbing material, to reduce injury risk. The City contracts specialized services for the supply and even installation of this material on playground surfaces; and

WHEREAS, the City uses mulch in many planting areas to enhance appearance, reduce water use, and control weeds. Mulch insulates soil, lowers evaporation, and improves soil health by loosening compacted clay for better air and water flow.

WHEREAS, Pursuant to the Tracy Municipal Code, Article 4, Section 2.20.180, staff issued a Notice Inviting Bids (Notice) on September 30, 2025, for the installation of playground wood fiber at designated play areas and walk-on bark at designated planting areas. The Notice was posted on the City's website, and one (1) response was received by the established deadline of October 14, 2025; and

WHEREAS, Staff conducted a comprehensive review of the submittal from Jet Mulch, Inc., confirming that the company met all requirements outlined in the Notice. Jet Mulch demonstrated the necessary skills, experience, and certifications to provide the requested services; and

WHEREAS, the recommended agreement is for a one-year term, with a not-to-exceed amount of $150,000 per fiscal year. In addition, it authorizes the City Manager to approve up to four one-year extensions.

WHEREAS, the initial term shall be a partial year to align the Agreement's renewal and expiration with the fiscal year. Thereafter, all renewal terms shall follow the full fiscal year unless otherwise agreed in writing.

WHEREAS, the term of this Agreement shall begin on December 2, 2025, and end on June 30, 2026

WHEREAS, the funding for the Services of the Agreement is from the Parks Maintenance Division operating budgets; and

WHEREAS, the city seeks to enter into the Agreement with Contractor.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the above recitals are true and correct; and be it,

RESOLVED: That the City Council hereby approves the Agreement with Contractor for the Services for a not-to-exceed amount of $150,000 per fiscal year and authorizing the City Manager to grant up to four, one-year extensions consistent with the terms of the Agreement if Contractor satisfactorily meets its obligations under the Agreement; and be it,

FURTHER RESOLVED: After review and approval by the City Attorney's Office, the City authorizes the execution of the Agreement and authorizes any actions that may be necessary or advisable to effectuate the purposes of this Resolution.

* * * * * * * * * * * * * *

The foregoing Resolution 2025 - was adopted by the Tracy City Council on the 2nd day ofDecember 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.N

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution authorizing the City Manager, or their designee, to execute all necessary loan, regulatory, and subordination agreements, and ancillary documents, and any non-material amendments, in a form approved by the City Attorney, between the City of Tracy, the Housing Authority of the County of San Joaquin, DCDC Tracy Apartments Phase I, LP, and NewPoint Real Estate Capital, LLC for the disbursement of a $4,000,000 loan from Low and Moderate Income Housing Asset Fund monies and $925,880 in federal HOME Investment Partnerships Program funds to support the development of the Tracy Senior Apartments Phase I Affordable Housing Project; and authorizing the City Manager or their designee to take all steps necessary to carry out the purpose and intent of this Resolution.

EXECUTIVE SUMMARY

In July 2020, the City Council by Resolution R2020-134, allocated $4,000,000 from the Low-and Moderate-Income Housing Asset Fund (LMIHF) and $925,880 in federal HOME Investment Partnerships Program (HOME) funds to the Housing Authority of the County of San Joaquin (HACSJ) to support the development of affordable rental housing in Tracy. These funds are now proposed to support the Tracy Senior Apartments Phase I affordable housing project, which will expand the City's supply of quality senior housing. This action authorizes the City Manager, or their designee, to execute all necessary loan, regulatory, and subordination agreements, and ancillary documents, and any non-material amendments, in a form approved by the City Attorney and authorizes the City Manager or their designee to take all steps necessary to carry out the purpose and intent of the Resolution.

BACKGROUND AND LEGISLATIVE HISTORY

Pursuant to Assembly Bills X1 26 and 1484, collectively known as the Redevelopment Dissolution Statutes, the dissolution of the Tracy Community Development Agency on February 1, 2012, transferred all rights, powers, duties, obligations, and "housing assets" to the City of Tracy. In accordance with Health and Safety Code Section 34176(d), the City maintains a separate LMIHF, which must be used exclusively for affordable housing activities consistent with the Community Redevelopment Law (beginning with Section 33000). In 2020, through Resolution No. 2020-134, the City Council allocated $4,000,000 from the LMIHF to the HACSJ for the development of affordable housing.

The HOME program, administered by the U.S. Department of Housing and Urban Development (HUD), provides funding to support affordable housing and community development for low- and moderate-income households. The City of Tracy receives an annual pass-through allocation from the County of San Joaquin, reviews and selects eligible projects, and administers the distribution of funds locally. Between Fiscal Years 2018/19 and 2023/24, the City Council awarded $925,880 in HOME funds to HACSJ to

support the development of an affordable housing project. The funds have remained available for an eligible project.

City of Tracy HOME Program HACSJ Allocations	
Program FY	Amount
FY2018/2019	$81,107
FY2019/2020	$154,074
FY2020/2021	$165,455
FY2021/2022	$163,461
FY2022/2023	$180,173
FY2023/2024	$181,610
Total:	**$925,880**

The Tracy Senior Apartments Phase I affordable housing project is proposed on a 1.94-acre portion of a larger 6.85-acre site located at 301 West Street. The property is bordered by single-family homes to the east and south, multi-family apartments to the west, and Fourth Street to the north. The project includes the development of two three-story residential buildings, each containing 55 units, to provide very low-income housing with off-street parking, landscaping, and related site improvements. There will be two phases, with each building featuring 54 one-bedroom units, approximately 450 square feet each, and one two-bedroom manager's unit, about 950 square feet, for a total of 55 units per phase. The documents accompanying this resolution pertain specifically to Phase I of the development.

ANALYSIS

The City of Tracy and HACSJ recognize the critical importance of expanding affordable housing opportunities in Tracy. Approximately 80 percent of Tracy's housing stock consists of single-family homes. As the city continues to grow and housing costs rise, low-and moderate-income households face increasing challenges in securing stable, affordable housing. The Tracy Senior Apartments Phase I project directly supports the goals of the City's Housing Element by increasing the number of affordable units, promoting equitable access to housing, and advancing inclusive community development. Expanding the availability of affordable housing is essential to sustaining economic growth, preventing displacement, and ensuring that Tracy remains a diverse and livable community for residents of all income levels.

To advance this effort, DCDC Tracy Apartments Phase I, LP, an affiliate of HACSJ, will develop the project and serve as the borrower under a Development Loan Agreement with the City. The agreement provides for two fully deferred, non-interest-bearing loans: $4,000,000 from the LMIHF and $925,880 from the federal HOME program. Repayment of both loans is deferred for 60 years, becoming due upon maturity, property transfer, or default. The loans are secured by a Deed of Trust and governed by an Affordable Housing Regulatory Agreement that establishes affordability, occupancy, and reporting

requirements. The Regulatory Agreement ensures that all units remain affordable to very low-and low-income senior households for a minimum of 60 years (20 years for HOME compliance), with annual income and rent certifications submitted to the City. The City's lien position will be subordinate to the senior permanent financing, as provided under a recorded Subordination Agreement with the project's senior lender, NewPoint Real Estate Capital, LLC.

To facilitate the implementation of this project and enable the disbursement of previously allocated funds, staff recommends that the City Council authorize the City Manager, or their designee, to execute all necessary loan, ancillary, and subordination documents, and any non-material amendments, in a form approved by the City Attorney, between the City, HACSJ, DCDC Tracy Apartments Phase I, LP, and NewPoint Real Estate Capital, LLC. These documents include, but are not limited to, the Development Loan Agreement, Affordable Housing Regulatory Agreement, Subordination Agreement, Non-Interest-Bearing Notes secured by Deeds of Trust for both the LMIHF and HOME loans, and the corresponding Deed of Trust and Security Agreements. These documents are included as attachments to this report.

Approval of this action will finalize the City's financial participation in the project and allow the City Manager to execute the required loan documents to release the previously allocated LMIHF and HOME funds. This step represents the culmination of prior Council actions supporting the project and will enable HACSJ and its partners to proceed with project financing and construction.

FISCAL IMPACT

The proposed Resolution will not impact the General Fund or any other unrestricted fund. Allocations of LMIHF monies were granted in 2020 via Resolution No. 2020-134 and have remained available for an eligible project. HOME is a federally funded grant program. These funds were awarded to HACSJ between Fiscal Years 2018/19 and 2023/24. This action does not seek any additional funding.

COORDINATION

The Community and Economic Development Department coordinated with the City Attorney's Office, the Finance Department, San Joaquin County, and the HACSJ.

CEQA DETERMINATION

This action does not require CEQA review.

STRATEGIC PLAN

This agenda item aligns with the City Council's strategic priority for Quality of Life, specifically Goal 4: Increase the local supply of affordable housing.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution authorizing the City Manager, or their designee, to execute all necessary loan, regulatory, and subordination agreements, and all ancillary documents, and any non-material amendments, in a form approved by the City Attorney, between the City of Tracy, the Housing Authority of the County of San Joaquin, DCDC Tracy Apartments Phase I, LP, and NewPoint Real Estate Capital, LLC for the disbursement of a $4,000,000 loan from Low and Moderate Income Housing Asset Fund monies and $925,880 in federal HOME Investment Partnerships Programs funds to support the development of the Tracy Senior Apartments Phase I Affordable Housing Project; and authorizing the City Manager, or their designee, to take all steps necessary to carry out the purpose and intent of the Resolution.

Prepared by:	Alexandra Pineda, Economic Development Analyst Jorge T. Barrera, J.D., Economic Development Manager
Reviewed by:	Forrest Ebbs, Director of Community and Economic Development Sara Castro, Finance Director L. David Nefouse, City Attorney Arturo M. Sanchez, Assistant City Manager
Approved by:	Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A - Development Loan Agreement
Attachment B - Exhibit E to Attachment A (Development Loan Agreement) Investor Rider (Required by Tax Credit Investor)
Attachment C - Affordable Housing Regulatory Agreement
Attachment D - Subordination Agreement with US Bank
Attachment E - Subordination Agreement with HUD Mixed Finance
Attachment F - Subordination Agreement with NewPoint
Attachment G - Non-Interest-Bearing (Promissory) Note Secured by Deed of Trust (LMIHF Loan)
Attachment H - Non-Interest-Bearing (Promissory) Note Secured by Deed of Trust (HOME Loan)
Attachment I - Deed of Trust and Security Agreement (LMIHF Loan and HOME Loan)

ATTACHMENT A

DEVELOPMENT LOAN AGREEMENT
(Tracy Apartments Phase I)

By and Among

CITY OF TRACY

And

DCDC Tracy Apartments Phase I LP

Dated as of December [___], 2025

ARTICLE 1 DEFINITIONS AND EXHIBITS 2

Section 1.1 Definitions. 2
Section 1.2 Exhibits. 5

ARTICLE 2 LOAN 5

Section 2.1 Amounts. 5
Section 2.2 Interest. 5
Section 2.3 Repayment. 6
Section 2.4 Reports and Accounting. 6
Section 2.5 Prepayment. 7
Section 2.6 Loan Disbursement. 7
Section 2.7 Subordination of Deed of Trust and Regulatory Agreement. 8
Section 2.8 Development Fee. 8
Section 2.9 Nonrecourse. 8

ARTICLE 3 PREDEVELOPMENT AND CONSTRUCTION OF IMPROVEMENTS 9

Section 3.1 Scope of Work. 9
Section 3.2 Permits and Approvals. 9
Section 3.3 Construction Contract. 9
Section 3.4 Closing of Approved Financing; Evidence of Availability of Funds. 9
Section 3.5 Approved Development Budget; Revisions to Budget. 10
Section 3.6 Commencement of Construction. 10
Section 3.7 Completion of Construction. 10
Section 3.8 Development Pursuant to Plans and Laws; Prevailing Wages; Accessibility Standards. 10
Section 3.9 Change in Construction of Improvements. 11
Section 3.10 Equal Opportunity. 12
Section 3.11 Construction Responsibilities. 12
Section 3.12 Mechanics Liens and Notices of Completion. 12
Section 3.13 Progress Reports. 13
Section 3.14 Inspections. 13

ARTICLE 4 BORROWER ONGOING OBLIGATIONS 13

Section 4.1 Applicability. 13
Section 4.2 Information. 13
Section 4.3 Records. 13
Section 4.4 Marketing Plan. 14
Section 4.5 Operation of Development as Affordable Housing. 14
Section 4.6 Management Responsibilities. 14
Section 4.7 Insurance. 14
Section 4.8 Transfers. 15
Section 4.9 Non-Discrimination. 17
Section 4.10 Maintenance. 17
Section 4.11 Taxes and Assessments. 17
Section 4.12 Hazardous Materials. 17
Section 4.13 HOME, LMIHF and Other Governmental Requirements. 19

Section 4.14 Anti-Lobbying Certification. 23

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BORROWER 23

Section 5.1 Representations and Warranties. 23

ARTICLE 6 DEFAULT 24

Section 6.1 Events of Default. 24
Section 6.2 Remedies. 26
Section 6.3 Right of Contest. 26
Section 6.4 Remedies Cumulative. 27
Section 6.5 Survival. 27

ARTICLE 7 GENERAL PROVISIONS 27

Section 7.1 Relationship of Parties. 27
Section 7.2 Amendments. 27
Section 7.3 Operating Memoranda. 28
Section 7.4 Non-Liability of Lender Officials, Employees and Agents. 28
Section 7.5 No Third-Party Beneficiaries. 28
Section 7.6 Action by the Lender. 28
Section 7.7 Enforced Delay 28
Section 7.8 Waivers. 29
Section 7.9 Title of Parts and Sections. 29
Section 7.10 Notices, Demands and Communications. 29
Section 7.11 Applicable Law. 30
Section 7.12 Parties Bound 30
Section 7.13 Attorneys' Fees. 30
Section 7.14 Severability. 30
Section 7.15 Conflict of Interest. 30

Exhibit A: Legal Description of the Property
Exhibit B: Approved Development Budget
Exhibit C: Scope of Work
Exhibit D: Approved Financing
Exhibit E: Investor Rider

DEVELOPMENT LOAN AGREEMENT
(Tracy Apartments Phase I)

This Development Loan Agreement (the "Agreement") is entered into as of December [___], 2025 (the "Effective Date"), by and among the City of Tracy, a political subdivision of the State of California (the "City"), and DCDC Tracy Apartments Phase I LP, a California limited partnership (the "Borrower"), with reference to the following facts, purposes, and intentions.

RECITALS

A. Prior to or concurrent with the execution of this Agreement, Borrower and the Housing Authority of the County of San Joaquin (the "Authority") will enter into that certain Option to Purchase (Tracy Apartments Phase I) pursuant to which Borrower will obtain an option (the "Option") to lease that certain real property located in the City, as more particularly described in the attached Exhibit A (the "Property"). If Borrower exercises the Option, Borrower will assign this Agreement and any other Loan Documents to DCDC Tracy Apartments Phase I LP, a California limited partnership (the "Partnership") and the Authority will transfer a leasehold interest in the Property to the Partnership for the Partnership to develop a multifamily housing development of fifty-five (55) units for households with an elderly preference (including a resident manager's unit) and attendant site improvements serving the residential units (the "Improvements"). The Property and the Improvements together constitute the "Development".

B. The City, acting in its capacity as housing successor to the former redevelopment agency of the City pursuant to Health and Safety Code Section 34176(b), has established a Low and Moderate Income Housing Fund ("LMIHF") to provide affordable housing.

C. The City has received HOME Investment Partnership Program funds from HUD pursuant to the Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12701 *et seq*,). Such funds must be used by the City in accordance with 24 C.F.R. 94 et seq.

D. Pursuant to this Agreement, the Borrower wishes to borrow from the City and the City wishes to extend to the Borrower a loan of up to Four Million Dollars ($4,000,000) of LMIHF funds to develop of the Development.

E. Pursuant to this Agreement, the Borrower wishes to borrow from the City and the City wishes to extend to the Borrower a loan of up to Nine Hundred Twenty Five Thousand Eight Hundred Eighty Dollars ($925,880) of HOME Program funds for construction.

F. Through the Regulatory Agreement to be entered into by Lender and Borrower pursuant to this Agreement, the Lender will impose occupancy and affordability restrictions on the Property to meet HOME Program and LMIHF affordability requirements.

NOW, THEREFORE, in consideration of the recitals and the mutual promises and covenants set forth in this Agreement, the Parties agree as follows:

ARTICLE 1
DEFINITIONS AND EXHIBITS

Section 1.1 Definitions.

The following capitalized terms have the meanings set forth in this Section 1.1 wherever used in this Agreement, unless otherwise provided:

(a) "Affiliate" will mean an entity under the: (i) direct or indirect management or control of the managing member in the case of a limited liability company; (ii) direct or indirect management or control of the managing general partner in the case of a partnership; and (iii) (a) direct or indirect control by virtue of governing boards that overlap by fifty percent (50%) or more of their members, or (b) direct or indirect control of a majority of the directors in the case of a corporation.

(b) "Agreement" will mean this Development Loan Agreement.

(c) "Approved Development Budget" will mean the pro forma development budget, including sources and uses of funds to be attached to this Agreement and incorporated in this Agreement as Exhibit B.

(d) “Approved Lender” will mean U.S. Bank National Banking Association, a national banking association.

(e) "Approved Financing" will mean loans to be listed in Exhibit D for the purpose of financing the Development, in addition to the Loan. The Development has obtained an allocation of Low Income Housing Tax Credits from the California Tax Credit Allocation Committee ("TCAC") and an equity investment from an investor limited partner, which will also be listed in Exhibit D.

(f) "Borrower" will mean DCDC Tracy Apartments Phase I LP, a California limited partnership, and its successors and assigns.

(g) “Business Day” will mean Monday through Friday, except for Federal or State holidays.

(h) "CEQA" will mean the California Environmental Quality Act (Public Resource Code 21000 et seq.), and it’s implementing regulations.

(i) "City" will mean the City of Tracy, a political subdivision of the State of California.

(j) “Construction Plans” will mean all construction documentation upon which the Borrower, and the Borrower’s contractors, will rely in obtaining a building permit from the City and building the Improvements (including landscaping, parking, and

common areas) and will include, but not necessarily be limited to, final architectural drawings, landscaping plans and specifications, final elevations, building plans and specifications (also known as “working drawings”), façade improvement design, ADA improvement plan and a time schedule for construction.

(k) "Default" will have the meaning set forth in Section 6.1 below.

(l) "Development" will mean the Borrower’s leasehold interest in the Property and the Borrower’s fee interest in the Improvements.

(m) "Effective Date" will mean the date this Agreement is entered into by the Lender and the Borrower as first written above.

(n) “Environmental Contingency” will mean completion and approval of a NEPA Environmental Review in accordance with 24 CFR Part 58 and/or Part 50, as applicable, and in accordance with the California Environmental Quality Act (“CEQA”) by the governmental agencies with jurisdiction over Optionee's proposed project to be located on the Real Property (each a "Responsible Entity"). Borrower’s obligation to proceed with exercise of the Option and the City’s commitment to provide the HOME Funds is conditioned upon any Responsible Entity's determination to proceed with its participation in Borrower's proposed Development based on the results of the NEPA Environmental Review and CEQA Environmental Review. This condition will be deemed satisfied upon the issuance to the applicable Responsible Entity of an “Authority to Use Grant Funds” with respect to the Borrower's proposed Development. If the Borrower terminates the Option Agreement based on the results of the NEPA Environmental Review, either Party may terminate this Agreement.

(o) "Extended Use Agreement" will mean an extended low-income housing commitment entered into between the Borrower and the California Tax Credit Allocation Committee pursuant to Section 42(h)(6) of the United States Internal Revenue Code of 1986, as amended.

(p) "General Partner" will mean any general partner of the Borrower.

(q) "Hazardous Materials" will have the meaning set forth in Section 4.13 below.

(r) "Hazardous Materials Claim" will have the meaning set forth in Section 4.13 below.

(s) "Hazardous Materials Law" will have the meaning set forth in Section 4.13 below.

(t) “HOME Deed of Trust and Security Agreement” will mean the deed of trust to be recorded against the Borrower’s leasehold interest in the Property securing the HOME Note and naming the City as beneficiary, as executed by the Borrower.

(u) "HOME Funds" will mean the HOME Investment Partnership Program funds the City is utilizing to make the HOME Loan pursuant to the Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12701 *et seq*.)

(v) "HOME Loan Documents" will mean this Agreement, the HOME Note, the HOME Deed of Trust and Security Agreement and the Regulatory Agreement.

(w) “HOME Note” will mean the promissory note that will evidence Borrower's obligation to repay the HOME Loan.

(x) "HUD" will mean the United States Department of Housing and Urban Development.

(y) "Improvements" will mean the improvements to be constructed on the Property, consisting of the fifty five (55) units (including a manager's unit) to house households with an elderly preference and attendant site improvements serving the residential units, as more particularly described in the Scope of Work attached as Exhibit C.

(z) "Lender" will mean the City.

(aa) “LMIHF Deed of Trust and Security Agreement” will mean the deed of trust to be recorded against the Borrower’s leasehold interest in the Property securing the LMIHF Note and naming the City as beneficiary, as executed by the Borrower.

(bb) "LMIHF Funds" will mean Low and Moderate Income Housing Funds the City is utilizing to make the LMIHF.

(cc) "LMIHF Loan Documents" will mean this Agreement, the LMIHF Note, the LMIHF Deed of Trust and Security Agreement and the Regulatory Agreement.

(dd) “LMIHF Note” will mean the promissory note that will evidence Borrower's obligation to repay the LMIHF Loan.

(ee) “Loan Documents” will mean the HOME Loan Documents and the LMIHF Loan Documents.

(ff) “NEPA” will mean the National Environmental Policy Act.

(gg) "Official Records" will mean the official land records of the County of San Joaquin.

(hh) “Option” will mean an option between the Authority and the Borrower or the Borrower’s assignee to obtain a leasehold interest in the Property.

(ii) "Parties" will mean the Lender and the Borrower, collectively.

(jj) "Party" will mean the Lender or the Borrower, individually.

(kk) "Property" will mean the land described in Exhibit A of this Agreement.

(ll) "Regulatory Agreement" will mean the Regulatory Agreement as executed by Borrower and the City, and recorded against the Borrower’s leasehold interest in the Property in the Official Records.

(mm) "Scope of Work" will mean the description of the basic physical characteristics of the Development. The Scope of Work is attached to this Agreement as Exhibit C.

(nn) “Term” will mean the term of the Loan Documents, which will consist of the period commencing as of the Effective Date and continuing until the later of: (i) fifty five (55) years after the Effective Date, (ii) expiration of the Extended Use Agreement; or (iii) such later date as may be required in connection with the Approved Financing.

(oo) "Transfer" will have the meaning set forth in Section 4.9 below.

(pp) "Unit" will mean one of the fifty-four (54) housing units to be constructed on the Property with an elderly preference, exclusive of the resident manager's unit.

Section 1.2 Exhibits.

The following exhibits are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A: Legal Description of the Property
Exhibit B: Approved Development Budget & Schedule
Exhibit C: Scope of Work
Exhibit D: List of Approved Financing
Exhibit E: Investor Rider

ARTICLE 2
LOAN

Section 2.1 Amounts.

(a) HOME Loan. Subject to the terms and conditions set forth in the HOME Loan Documents, the Lender agrees to lend, and the Borrower agrees to borrow the HOME Loan in the total principal amount of Nine Hundred Twenty Five Thousand Eight Hundred Eighty Dollars ($925,880). The Borrower will use the proceeds of the Loan for the development expenses in the Development Budget.

(b) LMIHF Loan. Subject to the terms and conditions set forth in the LMIHF Loan Documents, the Lender agrees to lend, and the Borrower agrees to borrow the LMIHF Loan in the total principal amount of Four Million Dollars ($4,000,000). The Borrower will use the proceeds of the Loan for development expenses as set forth in the Development Budget.

Section 2.2 Interest.

The HOME Loan will not bear interest, and the LMIHF Loan will not bear interest.

Section 2.3 Repayment.

(a) Fully Deferred. Repayment of each of the HOME Loan and the LMIHF Loan are fully deferred throughout the Term of the HOME Loan and LMIHF Loan.

(b) Payment in Full. Regardless of subparagraph (a) above, all principal and any interest on each of the HOME Loan and LMIHF Loan will be due upon the earliest of:

(i) a Transfer of the Development other than a Transfer approved by the Lender or permitted without Lender approval as provided in Section 4.9;

(ii) the occurrence of a Default for which the Lender, subject to the rights of lenders of Approved Loans and the limited partners of the Borrower, exercises the Lender's right to cause the HOME Loan and the LMIHF Loan indebtedness to become immediately due and payable, or for which the HOME Loan and LMIHF Loan indebtedness is automatically specified to become immediately due and payable pursuant to applicable subsections of Section 6.1 below; or

(iii) the date of the end of the Term.

Section 2.4 Reports and Accounting.

(a) Cost Certification. No later than the date that Borrower submits a form 8609 to the California Tax Credit Allocation Committee, the Borrower will furnish to the Lender an audited statement of Development Costs, duly certified by an independent firm of certified public accountants.

(b) Books and Records. The Borrower will keep and maintain on the Property, or at its principal place of business, full, complete, and appropriate books, records, and accounts relating to the Development, including all such books, records, and accounts necessary or prudent to evidence and substantiate all expenditures and payments. Books, records, and accounts relating to the Borrower's compliance with the terms, provisions, covenants, and conditions of this Agreement will be kept and maintained in accordance with generally accepted accounting principles consistently applied and will be consistent with requirements of this Agreement. All such books, records, and accounts will be open to and available for inspection by the Lender, its auditors or other Lender authorized representatives at reasonable intervals during normal business hours. Copies of all tax returns and other reports that the Borrower may be required to furnish any governmental agency will at all reasonable times be open for inspection by the Lender at the place that the books, records, and accounts of the Borrower are kept upon prior reasonable notice to the Borrower.

(c) Audits. The receipt by the Lender of the cost certification pursuant to subsection (a) above will not bind the Lender as to the correctness of such statement. Within one (1) year after the receipt of any such statement, the Lender or any designated agent or employee of the Lender, will be entitled to audit the books, records, and accounts pertaining to the cost certification. Such audit will be conducted during normal business hours at the principal place of business of the Borrower and other

places where records are kept. Immediately after the completion of an audit, the Lender will deliver a copy of the results of such audit to the Borrower.

Section 2.5 Prepayment.

The Borrower may pay the principal and any interest due on either or both the HOME Loan and the LMIHF Loan in advance of the time for payment of such loans as provided in this Agreement, without penalty; provided, however, that the Borrower acknowledges that the provisions of the Regulatory Agreement will be applicable to the Development for the full Term, even though the Borrower may have prepaid one or both of the HOME Loan and LMIHF Loan.

Section 2.6 Loan Disbursement.

(a) On or after the Environmental Contingency Date, if the Borrower has met the following conditions or provided the following information to the Lender:

(i) The Development has met the Environmental Contingency and the Borrower has agreed to any mitigation measures required by the environmental reviews.

(ii) The Borrower has exercised the Option.

(iii) The Borrower has received written confirmation from the City that the Borrower has met all requirements necessary to receive a building permit for the Development, subject only to payment of required City fees.

(iv) Borrower's general contractor has executed a construction contract for the Development.

(v) Evidence that all the construction period Approved Financing is expected to close simultaneously with the disbursement under subsection (b).

(vi) Evidence of the insurance coverage meeting the requirements of Section 4.7 below.

(vii) The LMIHF Deed of Trust and Security Agreement, the HOME Deed of Trust and Security Agreement, and the Regulatory Agreement are to be recorded against the Borrower's leasehold interest in the Property in the Official Records simultaneously with the recordable documents associated with the Approved Financing.

(viii) A title insurer has committed to issuing an ALTA Lender's Policy of insurance insuring the priority of: (1) the Regulatory Agreement; (2) in lower priority, the LMIHF Deed of Trust and Security Agreement in the amount of the LMIHF Loan; and, (3) in lower lien priority, the HOME Deed of Trust and Security Agreement in the amount of the HOME Loan, subject only to the liens of any Approved Financing and such exceptions and exclusions as are reasonably acceptable to the Lender, and containing such endorsements as the Lender has reasonably required.

(ix) Evidence reasonably satisfactory to the Lender that the Borrower exists in good standing at the time of the proposed disbursement, that the Borrower has delivered certified resolutions duly authorizing Borrower's entry into and performance under the Loan Documents.

(b) Upon the Borrower's meeting the Preconditions in subsection (a), the Lender will disburse the full amount of the Loan into an escrow held by the Title Company or to a deposit account with an Approved Lender (the "City Loan Escrow"). Draws of the Loan funds will be made from the City Loan Escrow upon approval by the Approved Lender so long as the Approved Lender has not received a notice from the City that a Default nor any act, failure, omission, or condition that would constitute a Default under this Agreement has occurred;

Section 2.7 Subordination of Deed of Trust and Regulatory Agreement.

The Regulatory Agreement, LMIHF Deed of Trust and Security Agreement, and the HOME Deed of Trust and Security Agreement will be subordinated to the lien of a deed of trust and regulatory agreement executed in connection with any Approved Financing, on condition that the subordination agreement(s) provide the Lender with rights to cure any defaults by the Borrower with a cure period of at least thirty (30). Upon a determination by the City Manager or their designee that the conditions in this Section have been satisfied, the City Manager or their designee will be authorized to execute the approved subordination agreement without the necessity of any further action or approval.

For the sake of clarity, the Regulatory Agreement will be recorded senior to the HOME Deed of Trust and Security Agreement which will be recorded senior to the LMIHF Deed of Trust and Security Agreement.

Section 2.8 Development Fee.

The amount and the terms of the HOME Loan and the LMIHF Loan, as provided in this Article 2, have been established by taking into account the anticipated costs of development, including a maximum development fee to be paid to Borrower for development and construction management services in an amount not to exceed $2,500,000 (the "Development Fee"). The Development Fee may be use or deferred, as necessary so that these funds may be utilized to pay Development cost-overruns.

Section 2.9 Nonrecourse.

Following execution of this Agreement, the Home Note, and the LMIHF Note; and execution and recordation of the Regulatory Agreement, the HOME Deed of Trust and Security Agreement, and the LMIHF Deed of Trust and Security Agreement, none of the Borrower or the Borrower's partners, officers, directors, employees, and agents will not have any direct or indirect personal liability for payment of the principal of, or interest on, the HOME Loan or LMIHF Loan or the performance of the covenants of the Borrower under any of the Loan Documents. The sole recourse of the Lender with respect to the principal of, or interest on, the HOME Loan and the LMIHF Loan and defaults by the Borrower in the performance of the Borrower's covenants under this Agreement, the HOME Note, the LMIHF Note, the HOME Deed of Trust and Security Agreement, and

the LMIHF Deed of Trust and Security Agreement will be to the Property as described in the Regulatory Agreement and each deed of trust.

ARTICLE 3
PREDEVELOPMENT AND CONSTRUCTION OF IMPROVEMENTS

Section 3.1 Scope of Work.

Borrower has submitted to Lender and the Lender has approved the scope of development work to be performed at the Development (the "Scope of Work"), attached as Exhibit C.

Section 3.2 Permits and Approvals.

The Borrower will apply for and obtain all governmental approvals necessary for development and operation of the Improvements. The Borrower's application for the governmental approvals will be substantially consistent with the Scope of Work. The Development has received the following land use approvals from the City: (a) approval of a Mitigated Negative Declaration Mitigation with Mitigation Monitoring and Reporting for a general plan amendment, rezoning, and development review permit for a 1.94 acre site for both the Development and a Phase II of an additional 55 units; (b) a general plan map amendment from residential medium density to residential high density for a 1.94 acre site for both the Development and a Phase I of an additional 55 units; (c) a rezone from medium density residential to high density residential zone for a 1.94 acre site for both the Development and a Phase II of an additional 55 units; and (d) a development review permit and density bonus for a 1.94 acre site for both the Development and a Phase II of an additional 55 units.

The Borrower acknowledges that execution of this Agreement by the City does not constitute approval by the City of any further required permits or applications and in does not limit the discretion of the City with regard to additional permit or application approval.

Section 3.3 Construction Contract.

All construction work and professional services will be performed by persons or entities licensed or otherwise authorized to perform the applicable construction work or service in the State of California. Each contract that the Borrower enters into for construction of the Improvements will provide that at least five percent (5%) of the costs incurred will be payable only upon substantial completion of construction. The construction contract will incorporate all applicable requirements set forth in Section 4.13 below.

Section 3.4 Closing of Approved Financing; Evidence of Availability of Funds.

All Approved Financing necessary to purchase the Property and construct the Improvements, as shown in Exhibit D, will be closed by the Borrower simultaneously wit, Lender's funding of the HOME Loan and LMIHF Loan.

Section 3.5 Approved Development Budget; Revisions to Budget.

At least thirty (30) days before the date of closing of the HOME Loan and the LMIHF Loan Borrower will submit the Development Budget to be attached as Exhibit B. If the Development Budget provides sources, including the HOME Loan and LMIHF Loan that are adequate to meet the costs set forth in the Development Budget, the Lender will approve the Development Budget. Borrower will submit any required amendments to the Development Budget to the Lender for approval within ten (10) Business Days of the date Borrower receives information indicating that actual costs of the Development exceed the total of the Approved Financing and the Loans, or that an additional or substitute source of Approved Financing is requested. If the revised Development Budget does not exceed the available funding sources, no concurrence or approval by the Lender will be required. Failure of the Lender to respond in writing within fifteen (15) Business Days of receipt of a proposed Development Budget or a proposed required amendment to the Approved Development Budget will be deemed approval by the Lender.

Section 3.6 Commencement of Construction.

Borrower will cause the commencement of construction no later than December 31, 2026.

Section 3.7 Completion of Construction.

Borrower will diligently prosecute construction to completion and will cause the completion of the construction of the Development no later than thirty (30) months after commencement of construction of the Development.

Section 3.8 Development Pursuant to Plans and Laws; Prevailing Wages; Accessibility Standards.

(a) Borrower will develop the Development in conformance with the Construction Plans approved by the City as part of the building permit issuance process.

(b) Borrower will cause all work performed in connection with the Development to be performed in compliance with: (i) all applicable laws, ordinances, rules and regulations of federal, state, Lender or municipal governments or agencies now in force or that may be enacted hereafter; and (ii) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency having jurisdiction. The work will proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and Borrower will be responsible to the Lender for the procurement and maintenance thereof, as may be required of Borrower and all entities engaged in work on the Development.

(c) The Borrower will indemnify, hold harmless and defend (with counsel reasonably acceptable to the Lender) the Lender against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including the Borrower, its contractor and subcontractors) to pay prevailing wages as determined pursuant to the prevailing wage

provisions of the federal Davis-Bacon Act and implementing rules and regulations in connection with the construction of the Development or any other work undertaken or in connection with the Property.

(d) To the extent required by California Labor Code Sections 1720 et seq. the Borrower will, and will cause the contractor and subcontractors to, pay prevailing wages in the construction of the Development as those wages are determined pursuant to Labor Code Sections 1720 et seq. and implementing regulations of the Department of Industrial Relations, if applicable. In such event, the Borrower will, and will cause the contractor and subcontractors to, keep and retain such records as are necessary to determine if such prevailing wages have been paid as required pursuant to Labor Code Sections 1720 et seq. In such case, during the construction of the Development, Borrower will, or will cause the contractor to, post at the Property the applicable prevailing rates of per diem wages. Borrower will indemnify, hold harmless and defend the City against any claim for damages, compensation, fines, penalties or other amounts arising out of the failure or alleged failure of any person or entity (including Borrower, its contractor and subcontractors) to pay prevailing wages as determined pursuant to Labor Code Sections 1720 et seq. and implementing regulation or comply with the other applicable provisions of Labor Code Sections 1720 et seq. and implementing regulations of the Department of Industrial Relations in connection with construction of the Development or any other work undertaken or in connection with the Property.

(e) The Borrower will construct the Development to comply with all applicable federal and state disabled persons accessibility requirements including but not limited to the Federal Fair Housing Act, Title II and/or Title III of the Americans with Disabilities Act of 1990, and Title 24 of the California Code of Regulations. In compliance with Section 504 of the Rehabilitation Act of 1973 (29 USC 794 et seq.), a minimum of eight (8) of the Development's residential units will be constructed to be fully accessible to households with a mobility impaired member and an additional three (3) residential units will be fully accessible to hearing and/or visually impaired persons.

Section 3.9 Change in Construction of Improvements.

If the Borrower desires to make any material change in the Improvements which are not substantially consistent with the Construction Plans, the Borrower will submit a written change order for the proposed change to the Lender for its approval. No change which is required for compliance with building codes or other government health and safety regulation will be deemed material. If the Improvements, as modified by any such proposed change, will conform to the requirements of this Agreement, the Lender will approve the change by notifying the Borrower in writing. For purposes of this Section 3.9, a material change will mean: (1) a change of any specific line item in the Approved Development Budget by more than $250,000; or (2) a change that is more than 10% of any specific line item in the Approved Development Budget and is more than 5% of the total Approved Development Budget. Lender will utilize best efforts to approve or disapprove change orders within five (5) Business Days of receipt of a request for approval. If no response is received within seven (7) Business Days, the change order will be deemed approved by the Lender. If the Lender rejects a proposed change, the Lender will provide the Borrower with the specific reasons therefore.

The approval of changes in the Construction Plans by the Lender pursuant to this Section will be in addition to any approvals required to be obtained from the City pursuant to building permit requirements.

Section 3.10 Equal Opportunity.

During the development of the Development there will be no discrimination on the basis of race, color, creed, religion, age, sex, sexual orientation, marital status, national origin, ancestry, or disability in the hiring, firing, promoting, or demoting of any person engaged in the construction work.

Section 3.11 Construction Responsibilities.

(a) It will be the responsibility of Borrower to coordinate and schedule the work to be performed so that commencement and completion of construction will take place in accordance with this Agreement.

(b) Borrower will be solely responsible for all aspects of Borrower's conduct in connection with the Development, including (but not limited to) the quality and suitability of the plans and specifications, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the Lender with reference to the Development is solely for the purpose of determining whether Borrower is properly discharging its obligations to the Lender and should not be relied upon by Borrower or by any third parties as a warranty or representation by the Lender as to the quality of the design or construction of the Development.

Section 3.12 Mechanics Liens and Notices of Completion.

(a) Subject to the requirements of Approved Financing, if any claim of lien is filed against the Property, then Borrower will, within thirty (30) days after such filing or service, either pay and fully discharge the lien or effect the release of such lien by delivering to the Lender a surety bond equal to the amount claimed in the lien, or provide the Lender with other assurance satisfactory to the Lender that the claim of lien or stop notice will be paid or discharged.

(b) If Borrower fails to discharge any lien, encumbrance, charge, or claim in the manner required in this Section or provide a surety bond or other assurance, then in addition to any other right or remedy, the Lender may (but will be under no obligation to) discharge such lien, encumbrance, charge, or claim at Borrower's expense.

(c) Borrower will file a valid notice of cessation or notice of completion upon cessation of construction on the Development for a continuous period of thirty (30) days or more.

Section 3.13 Progress Reports.

Until such time as Borrower has completed construction of the Development, Borrower will provide the Lender with quarterly progress reports during construction regarding the status of the construction of the Development.

Section 3.14 Inspections.

Borrower will permit and facilitate, and will require its contractors to permit and facilitate, observation and inspection at the Development by the Lender and by public authorities during reasonable business hours for the purposes of determining compliance with this Agreement.

ARTICLE 4
BORROWER ONGOING OBLIGATIONS

Section 4.1 Applicability.

The conditions and obligations set forth in this Article 4 will apply throughout the Term, unless a different period of applicability is specified for a particular condition or obligation.

Section 4.2 Information.

The Borrower will provide any information reasonably requested by the Lender in connection with the Development.

Section 4.3 Records.

(a) The Borrower will keep complete and appropriate books, records, and accounts relating to the Development in adequate detail to demonstrate the Borrower's compliance with the terms and provisions of this Agreement. All such books, records, and accounts will be open to and available for inspection and copying by HUD, the Lender, its auditors, or other authorized representatives at reasonable intervals during normal business hours. The Borrower will maintain the records pertaining to the Development for a period of not less than five (5) years after the creation of such records in compliance with all HUD records and accounting. If any litigation, claim, negotiation, audit exception, monitoring, inspection, or other action relating to the use of the Lender Loan is pending at the end of the record retention period stated in this Agreement, then the Borrower will retain such records until such action and all related issues are resolved.

(b) The Lender will notify the Borrower and Borrower's Limited Partner of any records the Lender deems insufficient. The Borrower will have thirty (30) calendar days after the receipt of such a notice to correct any deficiency in the records specified by the Lender in such notice, or if a period longer than thirty (30) days is reasonably necessary to correct the deficiency, then the Borrower will begin to correct the deficiency within thirty (30) days and complete the correction of the deficiency as soon as reasonably possible.

Section 4.4 Marketing Plan.

(a) No later than ninety (90) days before anticipated completion of construction of the Development, Borrower will submit to the Lender for approval Borrower's plan for marketing the Development to income-eligible households as required pursuant to the Regulatory Agreement, including information on affirmative marketing efforts and compliance with fair housing laws.

(b) Upon receipt of the Marketing Plan, the Lender will promptly review the Marketing Plan and will approve or disapprove it within fifteen (15) days after submission. If the Marketing Plan is not approved, Borrower will submit a revised Marketing Plan within fifteen (15) days. If the Lender does not respond within fifteen (15) days, the Lender will be deemed to have approved such plan.

(c) Borrower must submit form HUD 935.2a in accordance with HUD requirements.

Section 4.5 Operation of Development as Affordable Housing.

(a) Promptly following the completion of construction of the Improvements, the Borrower will continuously operate and maintain the Development as multifamily housing rented to tenants in conformity with: (i) the Regulatory Agreement recorded against the Property, (ii) HUD's requirements for use of the HOME Funds, and (iii) any requirements related to use of the LMIHF Funds.

(b) The maximum household income of a household occupying a Unit, and the total charges for rent, utilities, and related services to each household occupying a Unit, will be maintained as provided in the Regulatory Agreement.

(c) The Borrower will comply with all applicable federal and state fair housing laws.

Section 4.6 Management Responsibilities.

The Borrower will be responsible for all management functions with respect to the Development, including without limitation the selection of tenants, certification and annual recertification of household size and income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. The Lender will have no direct responsibility over management of the Development; however, the Borrower will operate the Development, in accordance with the Regulatory Agreement. The Borrower will retain a professional property management company approved by the Lender in its reasonable discretion to perform its management duties under this Agreement. A resident manager will also be required. Lender approves Domus Management Company as the initial property manager.

Section 4.7 Insurance.

(a) Throughout the Term, the Borrower will maintain and keep in force, at the Borrower's sole cost and expense, the following insurance applicable to the Development in a form acceptable to the Lender with evidence of such coverage

provided to the Lender within thirty (30) days after the Effective Date, but in no event later than the initial disbursement of Loan funds pursuant to this Agreement:

(i) Worker's Compensation insurance, in scope and amount required by law.

(ii) Commercial General Liability insurance with limits not less than Two Million Dollars ($2,000,000) each occurrence. The City will be named as additional insureds on this policy.

(iii) Comprehensive Automobile Liability insurance with limits not less than One Million Dollars ($1,000,000) each occurrence.

(iv) If and upon the Borrower's acquisition of the Property during the Term, property insurance covering the improvements on the Property covering all risks of loss, excluding earthquake and flood, for one hundred percent (100%) of the replacement value, with deductible, if any, acceptable to the Lender, naming the City as Loss Payees, as their interests may appear.

(b) The Borrower will cause any general contractor, demolition contractor, or agent working on the Development under direct contract with the Borrower to maintain insurance of the types and in at least the minimum amounts described in subsections (a)(i) through (a)(iii) above, and will require that such insurance will meet all of the general requirements of subsection (d) below. Liability and Comprehensive Automobile Liability insurance to be maintained by such contractors and agents pursuant to this subsection will name as additional insureds the City, board members, officers, agents, and employees.

(c) Insurance is to be placed with insurers that are admitted insurance carriers in the State of California, or must otherwise be approved by the City.

(d) Borrower will furnish Lender with original endorsements of effective coverage for policies on which the City is included as additional insureds as required by this Agreement, and will furnish original certificates of insurance for all other required policies.

(e) All policies will include provisions that the policies will not be cancelled or allowed to expire without renewal unless the City has received a minimum of thirty (30) days written notice of such cancellation or expiration. Certificates of Insurance and additional insured endorsements will be subject to approval by the City.

Section 4.8 Transfers.

(a) Definition. The term "Transfer" means:

(i) Any total or partial sale, lease, assignment, or other conveyance with respect to this Agreement or any interest in the Development, or any agreement to do any of the foregoing; or

(ii) Any total or partial sale, assignment, or other conveyance with respect to any ownership interest in the Borrower or any agreement to do any of the foregoing.

(b) Purpose of Restrictions on Transfer. This Agreement is entered into solely for the purpose of the Borrower's construction and operation of the Development in accordance with the terms of this Agreement and the Regulatory Agreement. The qualifications and identity of the Borrower are of particular concern to the Lender, in view of:

(i) The importance of the development of the Property to the general welfare of the community;

(ii) The public assistance that have been made available by the Lender for the purpose of making such development possible;

(iii) The reliance by the Lender upon the unique qualifications and ability of the Borrower to serve as the catalyst for development of the Property and upon the continuing interest which the Borrower will have in the Property to assure the quality of the use, operation, and maintenance deemed critical by the Lender in the development of the Property; and

(iv) The importance to the Lender of the standards of use, operation, and maintenance of the Property.

(c) Permitted Transfers Without Prior Lender Approval. The following Transfers are permitted at any time without the prior approval of the Lender: (i) the rental of a Unit by the Borrower in the ordinary course of business and in compliance with the Regulatory Agreement; (ii) the removal or replacement of a general partner of the Borrower pursuant to the terms of the Borrower's partnership agreement if Borrower is a limited partnership; (iii) the transfer of the interests of Borrower's limited partners if Borrower is a limited partnership to: (a) any Affiliates of the limited partners, (b) to any party from and after payment in full of such limited partner's capital contributions, or (c) to Delta Community Developers Corp. ("DCDC") or the Housing Authority of the County of San Joaquin ("HACSJ") or any Affiliate of DCDC or HACSJ; (iv) the assignment of this Agreement and the Loan Documents to a limited partnership in which DCDC or HACSJ or an Affiliate of DCDC or HACSJ is a general partner, or a limited liability company in which DCDC or HACSJ or an Affiliate of DCDC or HACSJ is a member is a general partner; (v) the assignment of this Agreement and the Loan Documents to a limited liability company of which DCDC or HACSJ or an Affiliate of DCDC or HACSJ, is a member or manager; or (vi) sale of the Property or partnership interests pursuant to an option or right of first refusal as provided in the limited partnership agreement of the Borrower if the Borrower is a limited partnership.

(d) Permitted Transfers with Prior Approval; Lender Pre-Approved Transfers.

(i) Except as permitted under subsection (d), any Transfer will be permitted only after (i) the Lender has delivered to the Borrower its prior written approval of such Transfer, and (ii) the transferee has assumed the Borrower's obligations under this Agreement by signing an assignment and assumption agreement,

in a form prepared by the Lender, and such other reasonable documentation as the Lender may reasonably require to evidence such transferee's assumption of the Borrower's duties and obligations under the Loan Documents.

(ii) The Lender approves the grant of the security interests in the Property for Approved Financing.

Section 4.9 Non-Discrimination.

The Borrower covenants by and for itself and its successors and assigns that there will be no discrimination against or segregation of a person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code, nor will the Borrower or any person claiming under or through the Borrower establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Property. With respect to familial status, this Section will not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in this Section will be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code will apply to this Section.

Section 4.10 Maintenance.

The Borrower agrees that, prior to completion of the Improvements, the portions of the Property undergoing construction will be maintained in a neat and orderly condition to the extent practicable and in accordance with industry health and safety standards, and that, once the Improvements are completed, the Development will be well maintained by the Borrower as to both external and internal appearance of the Improvements, the common areas, and the open spaces. The Borrower will maintain the Development in good repair and working order, as provided in the Regulatory Agreement.

Section 4.11 Taxes and Assessments.

The Borrower will pay all real and personal property taxes, assessments and charges and all franchise, income, employment, social security benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Property; provided, however, that the Borrower will have the right to contest in good faith, any such taxes, assessments, or charges.

Section 4.12 Hazardous Materials.

(a) Certain Covenants and Agreements. The Borrower covenants and agrees that:

(i) Except as disclosed to the Lender in writing and based on the Environmental Reports, the Property has not been a site for the use, generation,

manufacture, storage, treatment, release, threatened release, discharge, disposal, transportation, or presence of any Hazardous Materials.

(ii) The Borrower will keep and maintain the Property in compliance with all applicable Hazardous Materials Laws, and will not cause or permit the Development or any portion thereof to be a site for the use, generation, treatment, manufacture, storage, disposal, or transportation of Hazardous Materials in violation of Hazardous Materials Laws in, on or under the Development.

(iii) The Borrower will keep and maintain the Development and each portion thereof in compliance with, and will not cause or permit the Development or any portion thereof, to be in violation of, any applicable Hazardous Materials Laws.

(iv) Upon receiving actual knowledge of the same the Borrower will immediately advise the Lender in writing of: (A) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against the Borrower or the Development pursuant to any applicable Hazardous Materials Laws; (B) any and all claims made or threatened by any third party against the Borrower or the Development relating to damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in the foregoing clause (A) and this clause (B) are referred to as "Hazardous Materials Claims"); (C) the presence of any Hazardous Materials in, on or under the Development; or (D) the Borrower's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Development classified as "borderzone property" under the provisions of California Health and Safety Code Sections 25220 et seq., or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Development under any Hazardous Materials Laws. The Lender will have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Hazardous Materials Claims and to have its reasonable attorney's fees in connection therewith paid by the Borrower.

(v) Without the Lender's prior written consent, which will not be unreasonably withheld, conditioned, or delayed, the Borrower will not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the Development (other than in emergency situations or as required by governmental agencies having jurisdiction), nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Materials Claims.

(b) Indemnity. The Borrower agrees to indemnify, protect, hold harmless, and defend the City, councilmembers, elected and appointed officials, officers, employees and agents from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, administrative and judicial proceedings and orders, judgments, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith (including, but not limited to, reasonable attorney's fees and expenses) (the "Environmental Claims"), arising directly or indirectly, in whole or in part, out of: (1) the failure of the Borrower or any other person or entity to comply with any applicable Hazardous Materials Law relating in any way whatsoever to the handling, treatment, presence, removal, storage, decontamination, cleanup, transportation or disposal of Hazardous Materials into, on, under or from the

Development; (2) the presence in, on or under the Development of any Hazardous Materials or any releases or discharges of any Hazardous Materials into, on, under or from the Development; or (3) any activity carried on or undertaken on or off the Development, subsequent to the conveyance of the Property to the Borrower, and whether by the Borrower or any successor in title or any employees, agents, contractors or subcontractors of the Borrower or any successor in title, or any third persons at any time occupying or present on the Development, in connection with the handling, treatment, removal, storage, decontamination, cleanup, transport or disposal of any Hazardous Materials at any time located or present on or under the Development. The foregoing indemnity will further apply to any residual contamination on or under the Development, or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, treatment, storage, transport or disposal of any such Hazardous Materials, and irrespective of whether any of such activities were or will be undertaken in accordance with Hazardous Materials Laws. The provisions of this subsection will survive expiration of the Term or other termination of this Agreement, and will remain in full force and effect. Notwithstanding the foregoing, the Borrower will not be liable for any Environmental Claims resulting from the negligence or willful misconduct of the City or first arising after the City is the party in possession of the Development.

Section 4.13 HOME, LMIHF and Other Governmental Requirements.

(a) Borrower will comply with all applicable laws and regulations governing the use of the HOME funds as set forth in the Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12701 *et seq*,) and the LMIHF funds as set forth in Health and Safety Code Section 34176(b), including but not limited to the requirements of the Regulatory Agreement. In the event of any conflict between this Agreement and applicable laws and regulations governing the use of the HOME funds, the applicable laws and regulations will govern.

(b) The laws and regulations governing the use of the LMIHF Loan funds and/or HOME Loan funds include (but are not limited to) the following:

(i) Environmental and Historic Preservation. 24 C.F.R. Part 58, which prescribes procedures for compliance with the National Environmental Policy Act of 1969 (42 U.S.C. Sections 4321-4361), and the additional laws and authorities listed at 24 C.F.R. Section 58.5.

(ii) Applicability of Federal Regulations. The applicable policies, guidelines, and requirements of 2 CFR part 200, 24 CFR part 92.

(iii) Debarred, Suspended or Ineligible Contractors. The prohibition on the use of debarred, suspended, or ineligible contractors set forth in 24 C.F.R. Part 24.

(iv) Civil Rights, Housing and Community Development, and Age Discrimination Acts. The Fair Housing Act (42 U.S.C. Section 3601 et seq.) and implementing regulations at 24 C.F.R. Part 100; Title VI of the Civil Rights Act of 1964 as amended; Title VIII of the Civil Rights Act of 1968 as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as

amended; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794, et seq.); the Age Discrimination Act of 1975 (42 U.S.C. Section 6101, et seq.); Executive Order 11063 as amended by Executive Order 12259 and implementing regulations at 24 C.F.R. Part 107; Executive Order 11246 as amended by Executive Orders 11375, 12086, 11478, 12107; Executive Order 11625 as amended by Executive Order 12007; Executive Order 12432; Executive Order 12138 as amended by Executive Order 12608; Executive Orders referenced in 24 C.F.R. 570.607, as revised by Executive Order 13279.

(v) Lead-Based Paint. The requirement of the Lead-Based Paint Poisoning Prevention Act, as amended (42 U.S.C. Section 4821 et seq.), the Residential Lead-Based Paint Hazard Reduction Act (42 U.S.C. Section 4851 et seq.), and implementing regulations at 24 C.F.R. Part 35.

(vi) Relocation. The requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. Section 4601, et seq.) and implementing regulations at 49 C.F.R. Part 24; Section 104(d) of the Housing and Community Development Act of 1974 and implementing regulations at 24 C.F.R. Part 42; 24 C.F.R. Section 92.353; and California Government Code Section 7260 et seq. and implementing regulations at 25 California Code of Regulations Sections 6000 et seq. If and to the extent that development of the Development results in the permanent or temporary displacement of residential tenants, homeowners, or businesses, then Borrower will comply with all applicable local, state, and federal statutes and regulations with respect to relocation planning, advisory assistance, and payment of monetary benefits. Borrower will prepare and submit a relocation plan to the City for approval. Borrower will be solely responsible for payment of any relocation benefits to any displaced persons and any other obligations associated with complying with such relocation laws. The Borrower will indemnify, defend (with counsel reasonably chosen by the City), and hold harmless the City against all claims which arise out of relocation obligations to residential tenants, homeowners, or businesses permanently or temporarily displaced by the Development.

(vii) Discrimination against the Disabled. The requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794), and federal regulations issued pursuant thereto, which prohibit discrimination against the disabled in any federally assisted program, the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. Sections 4151-4157) and the applicable requirements of Title II and/or Title III of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12131 et seq.), and federal regulations issued pursuant thereto.

(viii) Clean Air and Water Acts. The Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Part 1500, as amended from time to time.

(ix) Uniform Administrative Requirements. The requirements of 24 CFR Part 92.505 regarding cost and auditing requirements.

(x) Training Opportunities. The requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u ("Section

3"), requiring that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the Project Areas and agreements for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the areas of the project. Borrower agrees to include the following language in all subcontracts executed under this Agreement:

(A) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. Section 1701u. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, will, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(B) The parties to this contract agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

(C) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause; and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice will describe the Section 3 preference; will set forth minimum number and job titles subject to hire; availability of apprenticeship and training positions; the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work will begin.

(D) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 135.

(E) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. Part 135.

(F) Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

(G) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. Section 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment will be given to Indians, and (ii) preference in the award of contracts and subcontracts will be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

(xi) Labor Standards. The Borrower will comply with applicable labor requirements set forth in 24 C.F.R. Section 92.354. The prevailing wage requirements of the Davis-Bacon Act and implementing rules and regulations (40 U.S.C. Sections 3141-3148); the Copeland "Anti-Kickback" Act (40 U.S.C. Section 276(c)) which requires that workers be paid at least once a week without any deductions or rebates except permissible deductions; the Contract Work Hours and Safety Standards Act – CWHSSA (40 U.S.C. Sections 3701-3708) which requires that workers receive "overtime" compensation at a rate of 1-1/2 times their regular hourly wage after they have worked forty (40) hours in one (1) week; and Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended, as applicable.

(xii) Drug Free Workplace. The requirements of the Drug Free Workplace Act of 1988 (P.L. 100-690) and implementing regulations at 24 C.F.R. Part 24.

(xiii) Anti-Lobbying; Disclosure Requirements. The disclosure requirements and prohibitions of 31 U.S.C. Section 1352 and implementing regulations at 24 C.F.R. Part 87.

(xiv) Historic Preservation. The Borrower will comply with the historic preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. Section 470) and the procedures set forth in 36 C.F.R. Part 800.

(xv) Faith Based Activities. The requirements of 24 C.F.R. Section 92.257 regarding eligible use of funds by organizations that are religious or faith-based.

(xvi) HUD Regulations. Any other HUD regulations present or as may be amended, added, or waived in the future pertaining to the Loan funds, including but not limited to HUD regulations as may be promulgated regarding subrecipients.

Section 4.14 Anti-Lobbying Certification. The Borrower certifies, to the best of the Borrower's knowledge or belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

(b) No funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Agreement imposed by 31 USC 1352. Any person who fails to file the required certification will be subject to a civil penalty of not less than Ten Thousand Dollars ($10,000) and no more than One Hundred Thousand Dollars ($100,000) for such failure.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF THE BORROWER

Section 5.1 Representations and Warranties.

The Borrower represents and warrants to the Lender as follows:

(a) Organization. The Borrower is a duly organized, validly existing California nonprofit public benefit corporation and is in good standing under the laws of the State of California and has the power and authority to own its property and carry on its business as now being conducted.

(b) Authority of the Borrower. The Borrower has full power and authority to execute and deliver this Agreement and to make and accept the borrowings contemplated under this Agreement, to execute and deliver the Loan Documents and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, and to perform and observe the terms and provisions of all of the above.

(c) Authority of Persons Executing Documents. This Agreement and the Loan Documents have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of the Borrower, and all actions required under the Borrower's organizational documents and applicable

governing law for the authorization, execution, delivery and performance of this Agreement and the Loan Documents have been duly taken to the extent such actions are required as of the date of execution and delivery of the above-named documents.

(d) Valid Binding Agreements. This Agreement and the Loan Documents constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid, and binding obligations of the Borrower enforceable by and against it in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights of creditors generally and general principles of equity.

(e) No Breach of Law or Agreement. Neither the execution nor delivery of this Agreement and the Loan Documents by the Borrower, nor the performance by the Borrower of any provision, condition, covenant, or other term will conflict with or result in a breach of any statute, rule, or regulation, or any judgment, decree, or order of any court, board, commission, or agency binding on the Borrower, or any provision of the organizational documents of the Borrower, or will conflict with or constitute a breach of or a default under any agreement to which the Borrower is a party, or will result in the creation or imposition of any lien upon any assets or property of the Borrower, other than liens established pursuant to this Agreement.

(f) Compliance with Laws; Consents and Approvals. The development of the Property will comply with all applicable laws, ordinances, rules, and regulations of federal, state, and local governments and agencies and with all applicable directions, rules, and regulations of the fire marshal, health officer, building inspector and other officers of any such government or agency.

(g) Pending Proceedings. The Borrower is not in default under any law or regulation or under any order of any court, board, commission, or agency, and there are no claims, actions, suits, or proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or the Property, at law or in equity, before or by any court, board, commission or agency whatsoever which might, if determined adversely to the Borrower, materially and adversely affect the Borrower's ability to repay the Loan or impair the security to be given to the Lender pursuant to this Agreement.

ARTICLE 6
DEFAULT

Section 6.1 Events of Default.

Each of the following will constitute a "Default" by Borrower under this Agreement:

(a) Failure to Construct. Subject to Section 7.7, failure of Borrower to commence and complete construction of the Development within the times set forth in Article 3 above.

(b) Breach of Loan Documents. Failure by Borrower to duly perform, comply with, or observe any of the conditions, terms, or covenants of any of the Loan

Documents, and such failure having continued uncured for thirty (30) days after receipt of written notice thereof from the Lender to the Borrower or, if the breach cannot be cured within thirty (30) days, the Borrower will not be in breach so long as Borrower is diligently undertaking to cure such breach; provided, however, that if a different period or notice requirement is specified under any other section of this Agreement, the specific provisions will control.

(c) Default Under Other Loans. Failure to make any payment or perform any of Borrower's covenants, agreements, or obligations under the documents evidencing and securing the Approved Financing or any other financing for the Development following expiration of all applicable notice and cure periods.

(d) Insolvency. A court having jurisdiction will have made or entered any decree or order: (i) adjudging Borrower to be bankrupt or insolvent, (ii) approving as properly filed a petition seeking reorganization of Borrower or seeking any arrangement for Borrower under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction, (iii) appointing a receiver, trustee, liquidator, or assignee of Borrower in bankruptcy or insolvency or for any of their properties, or (iv) directing the winding up or liquidation of Borrower, if any such decree or order described in clauses (i) to (iv), inclusive, will have continued unstayed or undischarged for a period of sixty (60) days; or Borrower will have admitted in writing its inability to pay its debts as they fall due or will have voluntarily submitted to or filed a petition seeking any decree or order of the nature described in clauses (i) to (iv), inclusive. The occurrence of any of the events of Default in this paragraph will act to accelerate automatically, without the need for any action by the Lender, the indebtedness evidenced by the Note.

(e) Suspension; Termination. Borrower will have voluntarily suspended its business or, if Borrower is a partnership, the partnership will have been dissolved or terminated, other than a technical termination of the partnership for tax purposes. The occurrence of any of the events of default in this paragraph will act to accelerate automatically, without the need for any action by the Lender, the indebtedness evidenced by the Note.

(f) Liens on Property and the Development. There will be filed any claim of lien (other than liens approved in writing by the Lender) against the Development or any part of the Development, or any interest or right made appurtenant to the Development, or the service of any notice to withhold proceeds of the Loan and the continued maintenance of said claim of lien or notice to withhold for a period sixty (60) days without discharge or satisfaction thereof or provision therefore (including, without limitation, the posting of bonds) satisfactory to the Lender.

(g) Unauthorized Transfer. Any Transfer other than as permitted by Section 4.9.

(h) Representation or Warranty Incorrect. Any Borrower representation or warranty contained in this Agreement, or in any application, financial statement, certificate, or report submitted to the Lender in connection with any of the Loan Documents, proving to have been incorrect in any material and adverse respect when made.

(i) Applicability to General Partner. In the event the Borrower is a partnership, the occurrence of any of the events set forth in subsections (e), (f) or (g) in relation to the managing general partner of the Borrower.

Section 6.2 Remedies.

The occurrence of any Default under this Agreement following the expiration of all applicable notice and cure periods will, either at the option of the Lender or automatically where so specified, relieve the Lender of any obligation to make or continue the Loan and will give the Lender the right to proceed with any and all remedies set forth in this Agreement and the Loan Documents, including but not limited to the following:

(a) Acceleration of Notes. Subject to the rights of Lenders of Approved Financing and the limited partner of the Partnership, the Lender will have the right to cause all indebtedness of the Borrower to the Lender under this Agreement, the HOME Note and the LMIHF Note, together with any accrued interest thereon, to become immediately due and payable. The Borrower waives all right to presentment, demand, protest, or notice of protest or dishonor. Subject to the rights of Lenders of Approved Financing and the limited partner of the Partnership, the Lender may proceed to enforce payment of the indebtedness and to exercise any or all rights afforded to the Lender as a creditor and secured party under the law including the Uniform Commercial Code, including foreclosure under the Deed of Trust. The Borrower will be liable to pay the Lender on demand all reasonable expenses, costs, and fees (including, without limitation, reasonable attorney's fees, and expenses) paid or incurred by the Lender in connection with the collection of the Loan and the preservation, maintenance, protection, sale, or other disposition of the security given for the HOME Loan and/or LMIHF Loan.

(b) Specific Performance. The Lender will have the right to mandamus or other suit, action or proceeding at law or in equity to require Borrower to perform its obligations and covenants under the Loan Documents or to enjoin acts on things which may be unlawful or in violation of the provisions of the Loan Documents.

(c) Right to Cure at Borrower's Expense. The Lender will have the right (but not the obligation) to cure any monetary default by Borrower under a loan other than the Loan. The Borrower agrees to reimburse the Lender for any funds advanced by the Lender to cure a monetary default by Borrower upon demand therefore, together with interest thereon at the lesser of the maximum rate permitted by law or ten percent (10%) per annum from the date of expenditure until the date of reimbursement.

The limited partner of Borrower, if Borrower is a limited partnership, will have the right but not the obligation to cure on behalf of the Borrower.

Section 6.3 Right of Contest.

Borrower will have the right to contest in good faith any claim, demand, levy, or assessment the assertion of which would constitute a Default under this Agreement.

Any such contest will be prosecuted diligently and in a manner unprejudicial to the Lender or the rights of the Lender under this Agreement.

Section 6.4 Remedies Cumulative.

Subject to the nonrecourse provisions contained in Section 2.9 above, no right, power, or remedy given to the Lender by the terms of this Agreement or the Loan Documents is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy will be cumulative and in addition to every other right, power, or remedy given to the Lender by the terms of any such instrument, or by any statute or otherwise against Borrower and any other person. Neither the failure nor any delay on the part of the Lender to exercise any such rights and remedies will operate as a waiver thereof, nor will any single or partial exercise by the Lender of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

Section 6.5 Survival.

Upon termination of this Agreement under this Article 6, those provisions of this Agreement that recite that they survive termination of this Agreement will remain in effect and be binding upon the parties notwithstanding such termination.

ARTICLE 7
GENERAL PROVISIONS

Section 7.1 Relationship of Parties.

Nothing contained in this Agreement will be interpreted or understood by any of the Parties, or by any third persons, as creating the relationship of employer and employee, principal and agent, limited or general partnership, or joint venture between the Lender and the Borrower or the Borrower's agents, employees, or contractors, and the Borrower will at all times be deemed an independent contractor and will be wholly responsible for the manner in which the Borrower or its agents, or both, perform the services required of the Borrower by the terms of this Agreement for the development of the Development. In regard to the development of the Development, the Borrower will be solely responsible for all matters relating to payment of the Borrower’s employees, including compliance with Social Security, withholding and all other laws and regulations governing such matters, and will include requirements in each contract that contractors will be solely responsible for similar matters relating to their employees. The Borrower agrees to be solely responsible for its own acts and those of its agents and employees.

Section 7.2 Amendments.

No alteration or variation of the terms of this Agreement will be valid unless made in writing by the Parties.

Section 7.3 Operating Memoranda.

The Parties acknowledge that the provisions of this Agreement require a close degree of cooperation, and that new information and future events may demonstrate that changes are appropriate with respect to the details of performance of the Parties under this Agreement. The Parties desire, therefore, to retain a certain degree of flexibility with respect to the details of performance for those items covered in general terms under this Agreement. If and when, from time to time during the Term of this Agreement, the Parties find that refinements or adjustments regarding details of performance are necessary or appropriate, they may effectuate such refinements or adjustments through operating memoranda approved by the Parties which, after execution, will be attached to this Agreement as addenda and become a part of this Agreement. This Agreement describes some, but not all, of the circumstances in which the preparation and execution of operating memoranda may be appropriate.

Operating memoranda may be executed on the Lender's behalf by the City Manager or their designee. Operating memoranda will not require prior notice or hearing and will not constitute an amendment to this Agreement. Any significant modification to the terms of performance under this Agreement will be processed as an amendment of this Agreement and must be approved by the City Manager or their designee.

Section 7.4 Non-Liability of Lender Officials, Employees and Agents.

No board member, official, employee, or agent of the Lender will be personally liable to the Borrower, or any successor in interest, in the event of any Default or breach by the Lender, or for any amount which may become due to the Borrower or its successor or on any obligation under the terms of this Agreement.

Section 7.5 No Third-Party Beneficiaries.

There will be no third-party beneficiaries to this Agreement.

Section 7.6 Action by the Lender.

Except as may be otherwise specifically provided in this Agreement, whenever any approval, notice, direction, consent, request, extension of time, waiver of condition, termination, or other action by the Lender is required or permitted under this Agreement, such action may be given, made, or taken by the City Manager, or their designee and any such action will be in writing. The City authorizes the City Manager, or their designee, to deliver such approvals, consents, and extensions of time under this Agreement, or to waive requirements under this Agreement, on behalf of the City. Any consents or approvals required under this Agreement will not be unreasonably withheld or made, except where it is specifically provided that a sole discretion standard applies.

Section 7.7 Enforced Delay.

In addition to specific provisions of this Agreement, performance by any Party will not be deemed to be in default where delays or defaults are due to: (i) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of the public enemy, war, blockade, insurrection, riot, act of terrorism, epidemic, or pandemic; (ii) labor dispute, strike, work

slowdown, or work stoppage; (iii) order or judgment of any government authority, if not the result of willful or negligent action of a Party, including but not limited to, government required shut down orders, closures, or quarantines due to any of the conditions under subsection (i) of this definition; (iv) adoption of or change in any applicable laws after the date of execution of this Agreement; (v) any actions by a Party that may cause delay; or (vi) any other similar cause or similar event beyond the reasonable control of the a Party or the Parties. An extension of time for any cause will be deemed granted if notice by the Party claiming such extension is sent to the other Parties within ten (10) Business Days from the commencement of the cause.

Section 7.8 Waivers.

Any waiver by the Lender of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the Lender to take action on any breach or default of Borrower or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to Borrower to perform any obligation under this Agreement will not operate as a waiver or release from any of Borrower's obligations under this Agreement. Consent by the Lender to any act or omission by Borrower will not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the Lender's written consent to future waivers.

Section 7.9 Title of Parts and Sections.

Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and will be disregarded in interpreting this Agreement Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and will be disregarded in interpreting this Agreement.

Section 7.10 Notices, Demands and Communications.

Formal notices, demands, and communications among the City and the Borrower will be sufficiently given if and will not be deemed given unless dispatched by (a) certified mail, postage prepaid, return receipt requested; (b) delivered by express delivery service, return receipt requested; or (c) delivered personally, with a delivery receipt to the principal office of the City and the Borrower as follows:

City: City of Tracy
333 Civic Center Plaza
Tracy, CA 95376
Attention: City Manager

With a copy to: City of Tracy
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

Borrower: DCDC Tracy Apartments Phase I LP
2575 Grand Canal Boulevard, Suite 220
Stockton, CA 95207

Attention: Executive Director, Delta Community Developers Corpl

With a copy to: Goldfarb & Lipman LLP
1300 Clay Street, 11th Floor
Oakland, CA 94612
Attention: M David Kroot

Such written notices, demands, and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as provided in this Section. Receipt will be deemed to have occurred on the date shown on a written receipt as the date of delivery, the date delivery was refused, or the date the item was returned as undeliverable.

Section 7.11 Applicable Law.

This Agreement will be governed by California law.

Section 7.12 Parties Bound.

Except as otherwise limited in this Agreement, the provisions of this Agreement will be binding upon and inure to the benefit of the Parties and their successors, and assigns.

Section 7.13 Attorneys' Fees.

In any action or proceeding which either Party brings against the other to enforce its rights under this Agreement, the unsuccessful Party will pay all costs incurred by the prevailing Party, including reasonable attorneys' fees (at an hourly rate not to exceed a reasonable or average rate charged by other attorneys in the San Joaquin or Sacramento County area with similar experience), which amounts will be a part of the judgment in any action or proceeding. The prevailing Party shall be the Party who recovered a greater relief in the action or proceeding. The court may determine that there is no Party prevailing in an action or proceeding.

Section 7.14 Severability.

If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions will continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Section 7.15 Conflict of Interest.

(a) Except for approved eligible administrative or personnel costs, no person described in subsection (b) below who exercises or has exercised any functions or responsibilities with respect to the activities funded pursuant to this Agreement or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with

whom they have family or business ties, during, or at any time after, such person's tenure. Borrower will exercise due diligence to ensure that the prohibition in this Section is followed.

(b) The conflict of interest provisions above apply to any person who is an employee, agent, consultant, officer, or any immediate family member of such person, or any elected or appointed official of the City, or any person related within the third (3rd) degree of such person.

[SIGNATURES ON FOLLOWING PAGES]

WHEREFORE, this Agreement has been entered into by the undersigned as of the date first above written.

BORROWER:

DCDC TRACY APARTMENTS PHASE I LP,
a California limited partnership

By: DCDC Tracy Apartments Phase I LLC,
a California limited liability company,
its managing general partner

By: Delta Community Developers Corp.,
a California nonprofit public benefit corporation,
its sole and manager member

By: _____
Peter W. Ragsdale, Executive Director

LENDER:

City of Tracy

By: _____
_____
_____

APPROVED AS TO FORM:
City Attorney

_____
_____
_____

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

The land referred to is situated in the State of California, City of Tracy, County of San Joaquin, and is described as follows:

EXHIBIT B

DEVELOPMENT BUDGET

[TO BE ATTACHED]

EXHIBIT C

SCOPE OF WORK

The Scope of Work includes the following:

Tracy Apartments Phase I located at 301 West Street, Tracy, CA will be a new 55-unit apartment community for low-income households with a senior preference.

The project proposes a housing apartment complex that will serve low-income households with a preference for seniors. The project will include development of 55 units and a community center. The project will include 54 one-bedroom units and 1 two-bedroom manager's unit. Additionally, the following will be provided in the community center building: a common meeting room and laundry facilities. The community building will be an area where services can be provided to the tenants such as health checks, nutrition counseling, other trainings, and social gatherings.

EXHIBIT D

APPROVED FINANCING

[TO BE ATTACHED]

EXHIBIT E

INVESTOR RIDER

[TO BE ATTACHED]

LOAN RIDER
(Borrower's Limited Partner Provisions)

This Loan Rider (the "Rider") is attached to and made a part of that certain Development Loan Agreement dated as of December __, 2025 (the "Loan Agreement"), entered into by and between the City of Tracy, a political subdivision of the State of California ("Lender") and DCDC Tracy Apartments Phase I LP, a California limited partnership (the "Borrower"), and modifies the Loan Agreement and all of the other documents entered into by Borrower in connection with the Loan (collectively, the "Loan Documents") respecting that certain mortgage loan in the aggregate amount of $4,925,880 (the HOME loan in the amount of $925,880 and the LMIHF loan in the amount of $4,000,000) from Lender (the "Loan"), all with respect to the development of a 54 unit multifamily residential development, situated in Tracy, California (the "Project"). Capitalized terms used but not defined herein shall have the respective meanings assigned thereto in the Borrower's Partnership Agreement (as defined herein). The Borrower and Lender hereto agree that the following terms and agreements shall be part of and shall modify or supplement each of the Loan Documents, and shall prevail in the event of conflict or inconsistency between this Rider and the Loan Documents:

1. Non-recourse Obligation. Payment and performance of the obligations set forth in the Loan Documents shall be non-recourse to Borrower and Borrower's general and limited partners, and the Lender's sole recourse with respect to the Loan shall be the right to foreclose under the Deed of Trust and Security Agreement (HOME Loan and LMIHF Loan) and other collateral forming part of the Loan Documents; provided that this provision shall not restrict any exceptions to non-recourse liability set forth in the Loan Documents, respecting such matters as fraud, waste and similar matters respecting actions of the general partner of Borrower.

2. General Partner Change. The withdrawal, removal, transfer and/or replacement of the general partner of Borrower pursuant to the terms of the Second Amended and Restated Agreement of Limited Partnership of Borrower ("Borrower's Partnership Agreement") shall not constitute a default under any of the Loan Documents, and any such actions shall not accelerate the maturity of the Loan; provided that Borrower agrees to notify the Lender of any proposed replacement general partner prior to replacement, and, upon replacement, shall notify the Lender of the name and contact information of the replacement general partner with reasonable promptness.

3. Transfer of Limited Partner Interests. Nothing in the Loan Documents shall limit or restrict the ability of Borrower's limited partner, U.S. Bancorp Community Development Corporation, its successors and assigns (the "Limited Partner") to transfer, sell or assign its ownership interest in Borrower, from time to time, without consent of Lender, provided that said Limited Partner remains liable for payment of any then unpaid capital contributions to Borrower, as and when payable, as set forth in Borrower's Partnership Agreement, notwithstanding any such transfer, sale or assignment. In particular, Lender hereby consents to any transfers, sales or assignments of limited partnership interests in Borrower to any affiliate of the Limited Partner or any entity in which the Limited Partner, or an affiliate, is the manager or managing general partner and agrees that such transfers shall not constitute defaults under the Loan Documents.

4. Replacement of Management Agent. The Lender acknowledges that Borrower's Limited Partner has the right, under the Borrower's Partnership Agreement, to direct the general

partner to remove the Project property management agent. Borrower agrees to give Lender notice of the proposed replacement management agent, and the Lender agrees to consent to same, assuming that such replacement property manager is acceptable to Borrower's Limited Partner and has experience in managing projects occupied by low-income households pursuant to Section 42 of the Internal Revenue Code.

5. **Notice.** All notices to Borrower's Limited Partner shall be sent in accordance with the procedures for delivering notices set forth in the Loan Documents to the following address or such alternate or additional contact names and/or addresses of which Lender is so notified in writing by the Limited Partner:

U. S. Bancorp Community Development Corporation
505 North Seventh Street
SL-MO-T10F
USB Project No.: 31680
Attn: Director of LIHTC Asset Management
St. Louis, MO 63101

With a copy to:

Buchalter APC
1000 Wilshire Blvd., Suite 1500
Los Angeles, CA 90017
Attn: Mercedes Martin, Esq.
Email: mmartin@buchalter.com

6. **Notice and Cure Rights.** The Lender agrees to give Borrower's Limited Partner written notice of any and all defaults by the Borrower under the Loan Documents, and an opportunity, at the Limited Partner's option, to cause the cure of such default within the cure periods set forth below, prior to exercising any remedies under the Loan Documents. The Lender agrees that the Limited Partner will have ten (10) days after the Limited Partner's receipt of notice of such default to cure, or cause the cure of a monetary default under the Loan Documents, and thirty (30) days (or such longer period as is set forth in the Loan Documents) after the Limited Partner's receipt of such notice to cure any non-monetary defaults under the Loan Documents, or, as to non-monetary defaults, such longer period as is reasonably necessary for the Limited Partner to cause cure, provided that cure is commenced within the above cure period and diligently prosecuted, including, without limitation, such time period as is necessary to remove Borrower's general partner, if necessary in order to effect a cure. The Lender agrees to accept cure by the Limited Partner as if such cure were made by Borrower.

7. **Insurance and Condemnation Proceeds.** The Lender agrees that insurance and condemnation proceeds shall be used to rebuild or restore the Project provided that (i) if such proceeds are not reasonably sufficient to so rebuild or repair, sufficient additional funds are provided from other sources to rebuild or restore the Project and (ii) Lender shall have the right to reasonably approve plans and specifications for any major rebuilding and the right to reasonably approve disbursement of such proceeds under a construction escrow or similar

arrangement, subject to the prior rights of any senior lenders.

8. Partial Subordination to Section 42 Extended Use Commitment. Notwithstanding anything herein to the contrary, if the Lender takes title to the Project through foreclosure or deed of lieu of foreclosure, the Property shall remain subject to the provisions of Section 42(h)(6)(E)(ii) of the Internal Revenue Code or any similar successor provision of the Code. This section shall apply notwithstanding the order of recording of any of the Loan Documents and the Extended Use Commitment, executed in connection with the allocation of federal low income housing tax credits to the Borrower for the Project pursuant to Section 42 of such Code.

9. Debt Service Coverage Requirements. So long as Borrower is current on all debt service payments payable under the Loan, the failure to meet any debt service coverage requirements at any time or times shall not constitute a default under the Loan.

10. Force Majeure. There shall be no default under the Loan Documents for construction or rehabilitation delays beyond the reasonable control of the Borrower, provided that such delays do not exceed 180 days or such longer period as may be specified in the Loan Documents.

11. Purchase Rights. The Lender consents to those purchase options and rights of first refusal in favor of the general partner of Borrower or its designee which are set forth in Borrower's Partnership Agreement, and agrees that transfer of title to the Project in accordance therewith shall not constitute a default under the Loan Documents, provided that Borrower gives Lender prior written notice of such transfer and contact information for such transferee, and provided that the transferee agrees to assume the duties and obligations of the Borrower respecting the Loan on the same terms as those imposed on the Borrower.

12. Lender Approvals. Lender agrees that all approvals and consents of the Lender under the Loan Documents shall not be unreasonably withheld, delayed or conditioned. Further, amendments to Borrower's Partnership Agreement entered into in order to effect transfers or assignments of the Limited Partner's or the General Partner's interest pursuant to Sections 2, 3 and 11 above shall not require the consent or approval of the Lender.

13. Third Party Beneficiary. Borrower's Limited Partner, and its successors and assigns, is a third party beneficiary of the rights of Borrower under the Loan Documents, as modified by this Rider and has the right to directly enforce such rights.

Recording requested by
And when recorded mail to:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Exempt from recording fees pursuant to
Cal. Gov't Code § 27383 & §27388.1

AFFORDABLE HOUSING REGULATORY AGREEMENT

(Tracy Apartments Phase I)

This Affordable Housing Regulatory Agreement (the "**Agreement**") dated as of December [____], 2025 (the ("**Effective Date**"), is entered into between the **CITY OF TRACY**, a political subdivision of the State of California (the "**City**") and **DCDC TRACY APARTMENTS PHASE I LP**, a California limited partnership (the "**Owner**"). The City and the Owner are sometimes referred to in this Agreement individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

The following recitals are a substantive part of this Agreement.

A. The Owner has a leasehold interest the land located in the City of Tracy, County of San Joaquin, State of California, more particularly described in Exhibit A attached to this Agreement (the "**Property**").

B. The City has received HOME Investment Partnerships Program ("**HOME**") funds under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990,

C. The City, as the housing successor to the City's redevelopment agency has Low and Moderate Income Housing Fund ("**LMIHF**") monies.

D. The City has approved a loan of the proceeds of the HOME Program funds and a loan of the proceeds of the LMIHF Program funds to the Owner for the development of the Property, which consists of a fifty-five (55) unit apartment dwelling with a preference for seniors (including a manager's unit) located on the Property in the City of Tracy (the "**Project**"), The Owner and the City have entered into HOME Program Promissory Note, a LMIHF Promissory Note, a Home Deed of Trust, a LMIHF Deed of Trust, and this Regulatory Agreement (the "**City Loan Documents**") The City Loan Documents require certain standards regarding affordable housing units for low and moderate income households pursuant to HOME and LMIHF requirements (each an "**Affordable Unit**", and collectively, the "**Affordable Units**").

E. The City and the Owner desire by the execution of this Agreement to assure the Project and the Affordable Units remain affordable for a minimum of fifty five (55) years following the date of recordation of this Agreement (the "**Effective Date**").

NOW THEREFORE, the Parties acknowledge and agree as follows:

ARTICLE 1. DEFINITIONS

1.01 "**Affiliate**" will mean an entity under the: (i) direct or indirect management or control of the managing member in the case of a limited liability company; (ii) direct or indirect management or control of the managing general partner in the case of a partnership; and (iii) (a) direct or indirect control by virtue of governing boards that overlap by fifty percent (50%) or more of their members, or (b) direct or indirect control of a majority of the directors in the case of a corporation.

1.02 "**Affordable Rent**", subject to any stricter requirements of the HOME or LMIHF programs, is the amount of rent considered as "affordable rent" for Lower Income Households and Very Low Income Households (as defined in this Agreement), adjusted for household size appropriate to the unit, pursuant to a regulatory agreement recorded against the Property by the California Tax Credit Allocation Committee ("**CTCAC**"). In the event that such affordable rents are no longer published by CTCAC, or are not updated for a period of at least 18 months, the City will provide the Owner with other affordable rents that are reasonably similar with respect to methods of calculation to those previously published by CTCAC.

1.03 "**Affordable Units**" means the units within the Housing Development occupied by Lower Income Households at Affordable Rent.

1.04 "**Applicable Laws**" means all applicable laws, ordinances, statutes, codes, orders, decrees, rules, regulations, official policies, standards and specifications (including any ordinance, resolution, rule, regulation standard, official policy, condition, or other measure) of the United States, the State of California, the County of San Joaquin, the City, or any other political subdivision in which the Housing Development is located, and of any other political subdivision, agency or instrumentality exercising jurisdiction over the Owner or the Housing Development.

1.05 "**Lower Income Households**" means households whose income does not exceed eighty percent (80%) of area median income as determined by the California Tax Credit Allocation Committee or its successor agency ("**CTCAC**") for households in San Joaquin County, California. In the event that such income determinations are no longer published by CTCAC, or are not updated for a period of at least 18 months, the City will provide the Owner with other income determinations that are reasonably similar with respect to methods of calculation to those previously published by CTCAC

1.06 "**Term**" will mean the period during which the Affordable Units must remain affordable to Lower Income Households and Very Low Income Households, which is fifty five (55) years following the Effective Date for the LMIHF requirements and the HOME requirements. The HOME requirements consist of twenty (20) years from the Effective Date for

the required HOME period of affordability and an additional thirty five years for the City's extended period of affordability pursuant to 24 CFR §92.252.

ARTICLE 2. RENT AND INCOME RESTRICTIONS

The following rent and income restrictions will apply to the Affordable Units in the Housing Development.

(a) At least twenty-six (26) of the Affordable Units will be rented to Lower Income Households at an Affordable Rent.

(b) On an annual basis, the Owner may adjust rents in occupied Affordable Units to the level allowed for the household size appropriate to the unit. The Owner may adjust the rent upon vacancy of an Affordable Unit to the level allowed for the household size appropriate to the unit.

(c) The determination of status as a Lower Income Household will be made by the Owner prior to initial occupancy of the Affordable Unit by such household.

ARTICLE 3. REPORTING REQUIREMENTS FOR HOUSING DEVELOPMENT

The Owner will submit an annual Certification of Continuing Compliance attached to this Agreement as Exhibit C. If requested by the City, the Owner will also make available the following information to support such Certification of Continuing Compliance:

(a) The number of persons per Affordable Unit;

(b) Initial occupancy date;

(c) Rent paid per month; and

(d) Gross income per year.

The Owner will maintain all necessary books and records, including property, personal and financial records, in accordance with requirements prescribed by the CTCAC Regulatory Agreement. Upon reasonable advance request for examination by the City, the Owner, at any time during normal business hours, will make available its records with respect to the matters covered by this Agreement. The Owner will permit the City to audit, examine, and make excerpts or transcripts from these records at the City's sole cost.

The first annual report and annual certification will be submitted to the City within ninety (90) days of the date of the initial rental of all the Affordable Units in the Housing Development. Subsequent annual reports will be submitted to the City on July 15th of each calendar year during the Term of this Agreement.

ARTICLE 4. PROVISION OF SERVICES AND MAINTENANCE OF PROPERTY

During the Term of this Agreement, the Owner will maintain, or cause to be maintained, the Property and the Housing Development in a manner consistent with Applicable Laws.

ARTICLE 5. LIMITATIONS ON TRANSFER

5.01 Prohibition. Except with respect to Permitted Transfers (as defined below), the Owner will not make any total or partial sale, transfer, conveyance, encumbrance to secure financing, assignment, or lease of the whole or any part of the Owner's interest in the Property, the Housing Development, or this Agreement without the prior written approval of the City, which approval will not be unreasonably withheld.

5.02 Permitted Transfers. The following Transfers are Permitted Transfers without the prior approval of the City: (i) the rental of a Unit by the Owner in the ordinary course of business and in compliance with this Agreement; (ii) the removal or replacement of a general partner of the Owner pursuant to the terms of the Owner's partnership agreement if the Owner is a limited partnership; (iii) the transfer of the interests of the Owner's limited partners if the Owner is a limited partnership to: (a) any Affiliates of the limited partners, (b) to any party from and after payment in full of such limited partner's capital contributions, or (c) to any Affiliate of the Owner; (iv) the assignment of this Agreement and the Loan Documents to a limited partnership in which Delta Community Developers Corp. a California nonprofit public benefit corporation ("**DCDC**") or the Housing Authority of the County of San Joaquin, a public body, corporate and politic ("**HACSJ**"), or a limited liability company Affiliate of DCDC or HACSJ, is a general partner; (v) the assignment of this Agreement and the other Loan Documents to a limited liability company of which DCDC or HACSJ, or an Affiliate of DCDC or HACSJ, is a member or manager; or (vi) sale of the Property or partnership interests pursuant to an option or right of first refusal as provided in the limited partnership agreement of the Owner if the Owner is a limited partnership..

5.03 City Consideration of Requested Transfer. The City agrees that it will not unreasonably withhold approval of a transfer request that requires City approval made pursuant to this Article provided: (a) the Owner delivers written notice to the City requesting such approval; (b) the proposed assignee or transferee possesses comparable operational experience and capability, and comparable net worth and resources, as the Owner, and (c) the assignee or transferee assumes the obligations of the Owner under this the City Loan Documents pursuant to a written assignment and assumption agreement in a form reasonably acceptable to the City. Such notice will be accompanied by evidence regarding the proposed assignee's or purchaser's qualifications and experience and its financial commitments and resources sufficient to enable the City to evaluate the proposed assignee or purchaser pursuant to the criteria set forth in this Agreement. The City will approve or disapprove the request within forty-five (45) days of the City's receipt of the Owner's notice and all information and materials required in this Agreement. Failure by the City to approve or disapprove the request within forty-five (45) days of the City's receipt of the Owner's notice and all information and materials required in this Agreement will be deemed to be approval by the City.

ARTICLE 6. NO DISCRIMINATION

The Owner covenants, by and for itself and any successors in interest, that there will be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor will the Owner, itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, Owners, subtenants, subleases or vendees in the Property.

ARTICLE 7. NO IMPAIRMENT OF LIEN

No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Agreement will defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust, or other financing or security instrument.

ARTICLE 8. DURATION

The covenants contained in this Agreement will be deemed to run with the Property and Housing Development until the end of the Term.

ARTICLE 9. SUCCESSORS AND ASSIGNS

The covenants contained in the Agreement will be binding upon the Owner and its successors and assigns, and such covenants will run in favor of the City and its successors in interest for the entire period during which such covenants will be in force and effect, without regard as to whether the City is or remains an owner of any land or interest in any land to which such covenants relate. The covenants contained in the Agreement, without regard to technical classification and designation, will be for the benefit of and will be enforceable only by the City and the City's successors in interest.

ARTICLE 10. SUBORDINATION AGREEMENT

In addition to the Owner's right to encumber the Owner's leasehold interest in the Property and the fee interest in the Project, the City will subordinate this Agreement to the mortgage liens and any regulatory agreements for the Approved Financing. Approved financing will mean loans listed on Exhibit E the purpose of financing the Development, in addition to the City Loan Documents. The Development expects to obtain an allocation of Low Income Housing

Tax Credits from the California Tax Credit Allocation Committee ("TCAC") and an equity investment from an investor limited partner, which is also listed on Exhibit E.

ARTICLE 11. DEFAULT AND REMEDIES

11.01 Default. Any failure by the Owner to perform any term or provision of this Agreement, the other City Loan Documents, or the Approved Financing will constitute a "**Default**": (1) if the Owner does not cure such failure within thirty (30) days following written notice of default from the City or the applicable beneficiary of Approved Financing, or (2) if such failure is not of a nature which can be cured within such thirty (30) day period, the Owner does not commence substantial efforts to cure the failure within thirty (30) days and thereafter prosecutes to completion with diligence and continuity the curing of such failure. Any notice of default given under this Agreement will identify the nature of the failure in performance which the City claims constitutes the Default and the manner in which such Default may be satisfactorily cured. Any failure or delay by the City in asserting any of its rights or remedies, including specific performance, as to any Default will not operate as a waiver of any Default or of any such rights or remedies or deprive the City of the City's right to institute and maintain any actions or proceedings which the City may deem necessary to protect, assert or enforce any such rights or remedies.

11.02 Rights and Remedies. In the event of any Default, the City and its successors and assigns will have the right to exercise any and all of the following rights and remedies:

(a) Declare a default under the City Loan Documents and proceed to nonjudicial or judicial foreclosure.

(b) Petition a court to appoint a receiver to take possession of the Property and bring any action necessary to enforce any rights of the City with respect to the operation of the Housing Development, and operate the Housing Development in accordance with the terms of this Agreement until such time as the City, in its sole discretion, will determine that the Owner is again in a position to operate the Housing Development in accordance with the terms of this Agreement.

(c) Maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach, including, without limitation, seeking specific performance.

ARTICLE 12. NOTICES, DEMANDS AND COMMUNICATIONS

All notices under this Agreement will be in writing and will be sent by: (a) United States Postal Service first class, certified mail, return receipt requested, postage prepaid, (b) by recognized express delivery service with a receipt showing the date of delivery, or (c) by personal delivery with a delivery receipt, addressed:

If to the City: City of Tracy

333 Civic Center Plaza
Tracy, CA 95376
Attention: City Manager

With a copy to: City Attorney
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

If to Owner: DCDC Tracy Apartments Phase I LP
2575 Grand Canal Boulevard, Suite 220
Stockton, CA 95207
Attention: Executive Director, Delta Community Developers Corp.

With a copy to: Goldfarb & Lipman LLP
1300 Clay Street, 11th Floor
Oakland, CA 94612
Attention: M David Kroot

or to any other address as either Party may have furnished to the other Party in writing pursuant to the requirements of this Section as a place for service of notice. Any notice so given will be deemed to have been given as of the date shown on the receipt as the date of delivery, the date that delivery is refused by the addressee, or the date the item is returned as undeliverable.

ARTICLE 13. ATTORNEYS' FEES

In any action or proceeding which either Party brings against the other to enforce its rights under this Agreement, the unsuccessful Party will pay all costs incurred by the prevailing Party, including reasonable attorneys' fees (at an hourly rate not to exceed a reasonable or average rate charged by other attorneys in the San Joaquin or Sacramento County area with similar experience), which amounts will be a part of the judgment in any action or proceeding. The prevailing Party shall be the Party who recovered a greater relief in the action or proceeding. The court may determine that there is no Party prevailing in an action or proceeding.

ARTICLE 14. HOME REQUIREMENTS

During the term of this Agreement, the Owner will comply with the HOME Program requirements set forth in Exhibit C.

ARTICLE 15. INSURANCE REQUIREMENTS

During the Term of this Agreement, the Owner will comply with the insurance requirements set forth in Exhibit D.

ARTICLE 16. MISCELLANEOUS

Each Party agrees to cooperate with the other Party in the implementation and administration of this Agreement and, in that regard, will execute any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement. This Agreement may be signed in multiple counterparts which, when signed by all Parties, will constitute a binding agreement. The words "include" and "including" will be construed as if followed by the words "without limitation." All exhibits and attachments to this Agreement are incorporated by reference as though fully restated in this Agreement. This Agreement will be interpreted as though prepared jointly by both Parties, and will be construed in accordance with and be governed by the laws of the State of California. Any suit, action or other legal proceeding arising out of this Lease will be brought in San Joaquin County, California. If any provision of this Agreement is found by final judgment of a court to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired by such judgment to the fullest extent allowed by law. A waiver by either Party of a breach of any of the covenants, conditions, or agreements to be performed under this Agreement by the other Party will not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions, or conditions of this Agreement. No waiver by the City of any of the conditions of this Agreement will be effective unless in writing expressly identifying the scope of the waiver and signed on behalf of an authorized official of the City. Any alteration, change, or modification of or to the Agreement, in order to become effective, will be made in writing and in each instance signed on behalf of each Party.

IN WITNESS WHEREOF, the City and the Owner have caused this Agreement to be executed on their behalf by their duly authorized respective officers, as of the Effective Date.

[SIGNATURES ON FOLLOWING PAGES]

CITY:

City of Tracy, a political subdivision
of the State of California

By: _____

APPROVED as to form:

_____

OWNER:

DCDC TRACY APARTMENTS PHASE I LP,
a California limited partnership

By: DCDC Tracy Apartments Phase I LLC,
a California limited liability company,
its managing general partner

By: Delta Community Developers Corp.,
a California nonprofit public benefit corporation,
its sole and manager member

By: _____
Peter W. Ragsdale, Executive Director

[Signatures must be notarized.]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

_____
Signature

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 20__, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

_____
Signature

EXHIBIT A

Legal Description

The land referred to is situated in the City of Tracy, County of San Joaquin, State of California, and is described as follows:

APN: _____

EXHIBIT B

CERTIFICATION OF CONTINUING COMPLIANCE

Tracy Apartments Date: _____

Total Affordable Housing Units in Housing Development:

Lower Income Units (not to exceed 80% of Median Income): _____

The Owner, in accordance with the Affordable Housing Agreement dated _____ (the "**Agreement**") does certify to the City of Tracy that the Owner is in continuing compliance with the Agreement, and that to the knowledge of the undersigned no default exists under the Agreement. Specifically, it is confirmed that each Lower Income currently residing in an Affordable in the Housing Development has qualified as a Low Income.

Signed:_____ Date:_____
Owner/ Agent

EXHIBIT C

HOME Requirements

PROJECT FUNDING

The City will lend HOME funds to the Owner on the terms and conditions of this Agreement, the Development Loan Agreement, the Non-Interest Bearing Note Secured by Deed of Trust (HOME Loan), the Non-Interest Bearing Note Secured by Deed of Trust (LMIHF Loan), the Deed of Trust and Security Agreement (HOME Loan and LMIHF)) between the City and the Owner of even date with this Agreement. The funds will be used only for development of the Project pursuant to the Loan Agreement.

3. ELIGIBLE USES OF FUNDS

Use of funds received pursuant to this Agreement will be in accordance with the requirements of Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, 24 CFR Part 92, Housing and Community Development Act of 1974, 24 CFR Part 570, all other regulations governing the HOME Program, and any amendments or policy revisions thereto which will be effective during the term of this Agreement, the twenty (20) year Term required by 24 CFR §92.252. A copy of said regulations is incorporated by reference in this Agreement. In addition, the Owner agrees to at all times comply with all other laws to the extent applicable.

4. UNIT SCHEDULE AND RENTS

During the twenty (20) year Term of this Agreement subject to the HOME program requirements, and beginning upon occupancy following the completion of the construction, the Owner will rent HOME assisted units in accordance with the schedule of assisted units set forth as follows:

Six (6) – one-bedroom units to be occupied by households at or below 50% of the Area Median Income as published annually by HUD (the "HOME Assisted Units").

For the HOME Assisted Units, the portion of the Rents paid by the tenant will not exceed Low HOME Rents less a utility allowance. Rents are established by HUD and published annually.

Notwithstanding anything to the contrary set forth in this Agreement, in the event of a loss or reduction of subsidy, rents for the HOME Assisted Units will be permitted to float up to 60% AMI levels if and to the extent required to maintain project feasibility.

ADMINISTRATIVE REQUIREMENTS

1. FINANCIAL MANAGEMENT

a. Accounting Standards

If applicable, the Owner agrees to comply with 2 CFR Part 200 Subpart D, "Standards for Financial and Program Management" and agrees to adhere to the accounting principles required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

b. Cost Principles

If applicable, the Owner will administer its program in conformance with 2 CFR Part 230, "Cost Principals for Non-Profit Organizations" and 2 CFR Part 215 and 220 "Cost Principles for Educational Institutions" –These principles will be applied for all costs incurred whether charged on a direct or indirect basis.

2. DOCUMENTATION AND RECORD-KEEPING

a. Records to be Maintained for HOME Program during the twenty (20) year portion of the Term:

The Owner will maintain all records required by the Federal regulations specified in 24 CFR Part 92.508, that are pertinent to the activities to be funded under this Agreement. IF applicable, such records will include but not be limited to:

I. Records concerning the use of funds for CHDO operating expenses and demonstrating compliance with the requirements of 92.208, 92.300(e) and 92.300(f), if applicable.

II. Records required for qualification as a CHDO.

b. Retention

The Owner will retain all records pertinent to expenditures incurred under this contract for a period of five (5) years after the termination of all activities funded under this Agreement. If there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the three-year period, whichever occurs later.

d. Client Data

The Owner will maintain the following data demonstrating tenant eligibility for services provided: address, income level or other basis for determining eligibility, rent level paid by tenant, rental assistance received for the unit, and description of service provided. Such information will be made available to the City monitors or their designees for review upon request.

e. Disclosure

The Owner understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the City's or the Owner's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of minor, that of a responsible parent/guardian.

f. Audits & Inspections

All of the Owner's records with respect to any matters covered by this Agreement will be made available to the City or HUD, at any time during normal business hours, as often as the City or HUD deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. The Owner agrees to have an annual audit conducted in accordance with, as applicable, 2 CFR Part 200 Subpart F. The Owner will submit the annual audit to the City within 30 days of completion.

GENERAL TERMS AND CONDITIONS

1. The Owner agrees to submit project status reports to the City as reasonably requested, to comply with 24 CFR 92.504(c) and other applicable regulations.

2. The Owner agrees to compile and maintain racial, ethnic, gender, head of household and family size data showing the extent to which these categories of persons have leased a unit in the Project, and to submit this information to the Owner on an annual basis within 120 days after the end of each calendar year.

3. If the Owner has employees, the Owner will provide a drug-free workplace by:

   a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the subrecipient's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

   b. Establishing an ongoing drug-free awareness program to inform employees about:

      I. The dangers of drug abuse in the workplace;
      II. The Owner's policy of maintaining a drug-free workplace;

III. Any available drug counseling, rehabilitation, and employee assistance programs; and
IV. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

c. Making it a requirement that each employee to be engaged in the performance of activities funded in whole or in part by the HOME Program be given a copy of the statement required by paragraph 1;

d. Notifying the employee in the statement required by paragraph F.3.a. above that as a condition of employment the employee will:
I. Abide by the terms of the statement; and
II. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the City in writing, within ten calendar days after receiving notice under subparagraph F.3.d.II. from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal Borrower has designated a central point for the receipt of such notices. Notice will include the identification number(s) of each affected grant;

f. Taking all of the following actions, within 30 calendar days of receiving notice under subparagraph F.3.d.II., with respect to any employee who is so convicted:

I. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
II. Requiring such employee to participate satisfactorily in drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate Borrower;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation for paragraphs a, b, c, d, e, and f.

4. The Owner will maintain complete books of accounts and other records for the use of the Operating Expenses and operating income and expenses; including, but not limited to, records of preliminary notices, lien releases, invoices and receipts, and certificates of insurance pertaining to any contractor, subcontractor and/or consultant; and the same will be available for inspection and copying by the City upon reasonable notice to the Owner, if applicable.

5. The Owner agrees to purchase, if necessary, flood insurance if its Project is located in a flood hazard area and the nature of the Project requires such insurance.

6. The Owner agrees to affirmatively further fair housing.

7. The person signing on behalf of the Owner warrants and represents that said person has authority to enter into this Agreement on behalf of the Owner and to bind the same to this Agreement and further that the Owner has authority to enter into this Agreement and that there are no restrictions or prohibitions contained in any organizational document against entering into this Agreement.

8. The Owner agrees to participate in training to become informed about the HOME Program and changes in the HOME Program regulations and changes in the HOME Program regulations. The Owner agrees to become fully knowledgeable of the HOME regulations and agrees to follow all of the relevant regulations.

9. The HOME regulations are subject to change and reinterpretation by HUD. The Owner agrees to abide by any binding interpretations of the HOME regulations by HUD, even if HUD applies such interpretations retroactively.

10. If the Owner has employees, the Owner will provide Worker's Compensation Insurance coverage for all of its employees.

EMPLOYMENT PROVISIONS

1. Equal Employment Opportunity ((a) and (b) applicable to all contracts and subcontracts; (c) through (g) applicable to all non-exempt construction contracts and subcontracts which exceed $10,000).

   During the performance of this Agreement, BORROWER agrees as follows:

   a. The Owner will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, handicap, disability, sexual orientation, ancestry, national origin, or any other basis prohibited by applicable law. The Owner will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, age, handicap, disability, sexual orientation, ancestry, or national origin. Such action will include, but not be limited to the following: Employment, upgrading, demotion or transfer, recruitment, or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Owner agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

   b. The Owner will, in all solicitations or advertisements for employees placed by or on behalf of the Owner, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, handicap, disability,

sexual orientation, ancestry, national origin or any other basis prohibited by applicable law.

c. The Owner will send to each labor union or representative of workers with which it has a collective bargaining agreement or other written collective contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Owner's commitments under this section and will post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The Owner will comply with all applicable provisions of Executive Order 11246, Equal Employment Opportunity, of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The Owner will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by HUD and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

f. In the event of the Owner's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part pursuant to Paragraph F and H above and the Owner may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended, or as otherwise provided by law.

g. The Owner will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor, issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The Owner will take such action with respect to any subcontract or purchase order as HUD may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Owner becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by HUD, the Owner may request the United States to enter into such litigation to protect the interests of the United States.

J. EQUAL OPPORTUNITY IN PARTICIPATION

In conformance with all requirements imposed by or pursuant to 24 CFR 92.350, no person in the United States will on the ground of race, color, religion, sex, age, handicap, disability, sexual orientation, ancestry, national origin, citizenship status, or any other basis prohibited by

applicable law be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any activity funded in whole or in part with HOME funds.

Specific (not exclusive) Discriminatory Actions Prohibited:

The Owner may not directly or through contractual or other arrangements, on the ground of race, color, religion, sexual orientation, ancestry, national origin, citizenship status, age, handicap, disability, sex, or any other basis prohibited by applicable law:

1. Deny any facilities, services, financial aid, or other benefits provided under the activity.

2. Provide any facilities, services, financial aid, or other benefits that are different, or are provided in a different form from that provided to others under the activity.

3. Subject to segregated or separate treatment in any facility in, or in any matter or process related to, receipt of any service or benefit under or activity.

4. Restrict in any way access to, or in the enjoyment of any advantage or privilege enjoyed by others in connection with facilities, services, and financial aid or other benefits under or activity.

5. Treat an individual differently from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition which the individual must meet in order to be provided any facilities, services, or other benefit provided under or activity.

6. Deny an opportunity to participate in an activity as an employee.

K. BUSINESS AND EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME RESIDENTS

The Owner will conform with the rules and regulations set forth under Section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u), as amended, and the HUD regulations issued pursuant thereto at 24 CFR Part 135. This act requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the countywide area, and contracts for work in connection with the activity be awarded to business concerns which are located in, or owned in substantial part by, persons residing in the countywide area. In all solicitations for bids, the contractor must, before signing the contract, provide a preliminary statement of the work force needs and plans for possible training and employment of lower income persons. When the Owner utilizes the bidding procedure to let a bid, the invitation or solicitation for bids will advise prospective contractors of any applicable requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, and the clause will be inserted as a component part of any contract or subcontract. If the Owner solicits or requests an invitation for bids, every effort feasible will be made to contact minority organizations for a response to the solicitation or invitation for bidders.

L. MINORITY AND WOMEN'S BUSINESS OUTREACH

The Owner will comply with and participate in the minority and women's business outreach program established for the HOME Program, consistent with 24 CFR 92.350, 24 CFR 92.351, and Executive Orders 11625, 12432, and 12138.

M. NONDISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS

The Owner will comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 42 U.S.C. 2000d et.seq.) and the Fair Housing Act (42 U.S.C. 3601-20). In accordance with Title VI of the Civil Rights Act of 1964 (P.L. 88-352), in the sale, lease or other transfer of land acquired, leased or improved with assistance provided under this Agreement, the deed or lease for such transfer will contain a covenant prohibiting discrimination upon the basis of race, color, religion, sex, handicap, disability, sexual orientation, ancestry or national origin, in the sale, lease or rental, or in the use or occupancy of such land or any improvements erected or to be erected thereon. The Owner will comply with Title VIII of the Civil Rights Act of 1968 (P.L. 90-284) as amended and will administer all programs and activities related to housing and community development in a manner to affirmatively further fair housing.

N. LABOR STANDARDS

For any project involving the construction or rehabilitation of affordable housing with 12 or more units assisted with HOME funds, the Owner and all subcontractors engaged in contracts in excess of $2,000 for the construction, completion, rehabilitation, or repair of any building or work financed in whole or in part with assistance provided under this Agreement are subject to the federal labor standards provisions which govern the payment of wages and the ratio of apprentices and trainees to journey workers. Under the terms of the Davis-Bacon Act, as amended, the Owner is required to pay all laborers and mechanics employed on construction work wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor, and will pay overtime compensation in accordance with and subject to the provisions of the contract Work Hours and Safety Standards Act (40 U.S.C. 327-332), and the Owner will comply with all regulations issued pursuant to these Acts and with other applicable Federal laws and regulations pertaining to labor standards. Provided, that if wage rates higher than those required under the regulations are imposed by State or local laws, nothing hereunder is intended to relieve the Owner of its obligation, if any, to require payment of the higher rates.

O. FLOOD DISASTER PROTECTION

This Agreement is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). Use of any assistance provided under this Agreement for acquisition or construction in an area identified as having special flood hazards will be subject to the mandatory purchase of flood insurance in accordance with the requirements of Section 102(a) of said Act.

P. CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT
(Applicable to Contracts and Subcontracts Which Exceed $100,000)

The Owner will comply with and require each subcontractor to comply with all applicable standards of the Clean Air Act of 1970, the Clean Air Act of 1990, the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended, and the regulations of the Environmental Protection Borrower with respect thereto, at 40 CFR Part 15, as amended from time to time.

Q. PROVISION OF THE HATCH ACT

Neither the Owner nor the personnel employed by the Owner will use the funds in any way or to any extent engaged in the conduct of political activities in contravention of Chapter 15 of Title 5, United States Code.

R. LEAD-BASED PAINT

Any rehabilitation of residential structures with assistance provided under this Agreement will be made subject to the provisions for the elimination of lead-based paint hazards under 24 CFR Part 35, to the extent applicable. The Owner will comply with any applicable requirements of 24 CFR 92.355 for notification, inspection, testing, and abatement procedures concerning lead-based paint.

S. REAL PROPERTY ACQUISITION AND REHABILITATION AND DISPLACEMENT OF PERSONS AND BUSINESSES

The Owner will conduct any acquisition, rehabilitation, or demolition of real property, and any negotiations for acquisition, rehabilitation, or demolition of real property in compliance with 24 CFR 92.353, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and, if triggered by 24 CFR 92.353(e), Section 104(d) of the Housing and Community Development Act of 1974. Unless specifically permitted in EXHIBIT A, the Owner will not cause either temporary or permanent involuntary displacement of persons or businesses. If the Owner causes the involuntary temporary or permanent displacement of any person or business as a result of HOME Program activities, it will comply with the City's plan to assist persons displaced by HOME Program activities, and the Owner will provide all notices, advisory assistance, relocation benefits, and replacement dwelling units as required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the implementing regulations at 49 CFR 24. If triggered by 24 CFR 92.353(e), the Owner will also comply with Section 104(d) of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR 570.606.

T. LOBBYING RESTRICTIONS

The Owner agrees, to the best of its knowledge and belief: No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any borrower, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any

Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any borrower, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

It will require that the language of this paragraph S be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that the Owner will certify and disclose accordingly.

U. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this Agreement will be deemed to be inserted herein and the Agreement will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either Party the Agreement will forthwith be physically amended to make such insertion or correction.

EXHIBIT D

Insurance Requirements

Throughout the Term, the Owner will maintain and keep in force, at the Owner's sole cost and expense, the following insurance applicable to the Project in a form acceptable to the City with evidence of such coverage provided to the City within thirty (30) days after the Effective Date:

(a) Worker's Compensation insurance, in scope and amount required by law.

(b) Commercial General Liability insurance with limits not less than Two Million Dollars ($2,000,000) each occurrence. The City will be named as additional insureds on this policy.

(c) Comprehensive Automobile Liability insurance with limits not less than One Million Dollars ($1,000,000) each occurrence.

(d) Property insurance covering the improvements on the Property covering all risks of loss, excluding earthquake and flood, for one hundred percent (100%) of the replacement value, with deductible, if any, acceptable to the City, naming the City as Loss Payees, as their interests may appear.

(e) Insurance is to be placed with insurers that are admitted insurance carriers in the State of California, or must otherwise be approved by the City.

(f) The Owner will furnish the City with original endorsements of effective coverage for policies on which the City is included as additional insureds as required by this Agreement, and will furnish original certificates of insurance for all other required policies.

(g) All policies will include provisions that the policies will not be cancelled or allowed to expire without renewal unless the City has received a minimum of thirty (30) days written notice of such cancellation or expiration. Certificates of Insurance and additional insured endorsements will be subject to approval by the City.

EXHIBIT E

Approved Financing

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

U.S. BANK NATIONAL ASSOCIATION
c/o Buchalter
1000 Wilshire Blvd., Suite 1500
Los Angeles, CA 90017
Attention: Mercedes Martin, Esq.

(SPACE ABOVE FOR RECORDER'S USE)

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN THE ESTATES IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT (this "***Agreement***") is made as of December [___], 2025, by and among **DCDC TRACY APARTMENTS PHASE I LP**, a California limited partnership ("***Borrower***"), the **CITY OF TRACY**, a political subdivision of the State of California ("***Junior Lienholder***"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association ("***Senior Lienholder***").

RECITALS

A. Borrower owns (i) a leasehold estate in that certain real property more particularly described on Exhibit "A" ("**Real Property**"); (ii) all improvements ("**Improvements**") now or hereafter located on such Real Property; and (iii) that certain personal property more particularly described in the Senior Loan Documents (the "**Personal Property**"; together with the Real Property and the Improvements, the "**Property**").

B. Pursuant to that certain Construction Loan Agreement dated as of the date hereof by and between Senior Lienholder and Borrower (the "**Senior Loan Agreement**"), Senior Lienholder has agreed to make a loan to Borrower in the maximum principal amount of $[13,441,170] (the "**Loan**"). The Loan is evidenced by, among other things, that certain Promissory Note dated on or about the date hereof, made by Borrower to the order of Senior Lienholder in the aggregate principal amount of the Loan (as modified from time to time, the "**Senior Note**"), and is secured by, among other things, a Leasehold Construction Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing (as modified from time to time, including any riders, the "**Senior Deed of Trust**") dated on or about the date hereof, made by Borrower, as trustor, for the benefit of Senior Lienholder, as beneficiary, encumbering the Property, and recorded in the Official Records of San Joaquin County ("**Official Records**") substantially concurrently herewith. The Senior Deed of Trust, the Senior Note and the other Loan Documents (as defined in the Senior Loan Agreement) are hereinafter collectively referred to as the "***Senior Loan Documents***".

C. Each of the documents listed on **Exhibit "B"** together with all other documents and materials entered into with Junior Lienholder with respect to the Property shall be referred to collectively as the "***Junior Obligation Documents***".

D. As used herein, the term "***Junior Obligations***" means any and all indebtedness, claims, debts, liabilities or other obligations from Borrower to Junior Lienholder under the Junior Obligation Documents, together with all costs and expenses, including attorneys' fees, of collection thereof, whether the same accrues or is incurred before or after the commencement of any bankruptcy case by or against Borrower.

E. As used herein, the term "***Senior Lienholder Indebtedness***" means any and all indebtedness, claims, debts, liabilities or other obligations from Borrower to Senior Lienholder under the Senior Loan Documents, together with all interest accruing thereon and all costs and expenses, including attorneys' fees, of collection thereof, whether the same accrues or is incurred before or after the commencement of any bankruptcy case by or against Borrower.

F. Pursuant to the Senior Deed of Trust and the other Senior Loan Documents, Borrower is not entitled to further encumber the Property without the prior written consent of Senior Lienholder, which consent may be withheld in Senior Lienholder's sole discretion.

G. It is a condition precedent to Senior Lienholder to entering into the Senior Loan Documents and permitting the recordation of any of the recordable Junior Obligation Documents that the Senior Deed of Trust and the other Senior Loan Documents be and remain at all times a lien or charge upon the Property, prior and superior to the liens or charges of the Junior Obligation Documents.

H. Senior Lienholder is willing to permit the recordation of the recordable Junior Obligation Documents, provided that (1) the Senior Deed of Trust and the other Senior Loan Documents are a lien or charge upon the Property prior and superior to the liens or charges of the Junior Obligation Documents, and (2) Junior Lienholder will specifically subordinate the liens or charges of the Junior Obligation Documents to the lien or charge of the Senior Loan Documents.

I. Junior Lienholder is willing that the Senior Loan Documents shall constitute a lien or charge upon the Property which is prior and superior to the liens or charges of the Junior Obligation Documents. The parties hereto enter into this Agreement for the purposes set forth in these Recitals.

J. Capitalized terms used herein and not otherwise defined shall have the meanings set forth for them in the Senior Loan Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration are hereby acknowledged, and in order to induce Senior Lienholder to make the Loan, it is hereby declared, understood, and agreed as follows:

1. Subordination. The Senior Deed of Trust in favor of Senior Lienholder, and all amendments, modifications, extensions and renewals thereof, shall unconditionally be and remain at all times a lien or charge on the Property prior and superior to the lien or charge of the Junior Obligation Documents. Junior Lienholder intentionally and unconditionally subordinates the lien or charge of the Junior Obligation Documents in favor of the lien or charge upon said land of the Senior Deed of Trust in favor of Senior Lienholder, and understands that in reliance upon and in consideration of this subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this subordination.

2. Only Agreement Regarding Subordination. Senior Lienholder would not permit the recordation of the recordable Junior Obligation Documents without this Agreement. This Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Junior Obligation Documents to the lien or charge of the Senior Deed of Trust and shall supersede and cancel, but only insofar as would affect the priority between said deeds of trust and said covenants, conditions and restrictions, any prior agreements as to such subordination, including, but not limited to, those provisions, if any, contained in the Junior Obligation Documents which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

3. Loan Disbursements. In making disbursements pursuant to any of the Senior Loan Documents, Senior Lienholder is under no obligation or duty to, nor has Senior Lienholder represented that it will, see to the application of such proceeds by the Person or Persons to whom Senior Lienholder disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such Senior Loan Document(s) shall not defeat the subordination herein made in whole or in part.

4. Consent and Approval. Junior Lienholder has received and consents to and approves the Senior Loan Documents, including but not limited to any extension, modification and/or amendment of said agreements, between Borrower and Senior Lienholder, and consents to the subordination of the Junior Obligation Documents thereto. No decision by Junior Lienholder to review or not review the Senior Loan Documents, including but not limited to the disbursement provisions contained therein, shall impair or otherwise limit the enforceability of this Agreement.

5. Other Agreements. Junior Lienholder and Borrower declare, agree, and acknowledge that:

5.1 Subordination of Indebtedness. Any and all Junior Obligations are hereby subordinated and subject to any and all Senior Lienholder Indebtedness, as set forth herein.

5.2 Permitted Payments. Borrower may make payments under the Junior Obligation Documents, if required thereby, as long as all payments under the Senior Loan Agreement and the other Senior Loan Documents are current and not delinquent or in arrears, and only so long as at the time of such payment: (i) no Event of Default exists under the Senior Loan Agreement and no event of which Junior Lienholder has received notice exists which, with the lapse of time or the giving of notice or both, would be an Event of Default under the Senior

Lienholder Indebtedness; and (ii) the payment would not result in a violation of any of Borrower's financial covenants set forth in any of the documents evidencing the Loan ("Permitted Payments").

5.3 Payment Subordination. Except for any Permitted Payments, (a) all of the Senior Lienholder Indebtedness now or hereafter existing shall be first paid in full by Borrower before any payment shall be made by Borrower on the Junior Obligations, and (b) this priority of payment shall apply at all times until all of the Senior Lienholder Indebtedness has been repaid in full. In the event of any assignment by Borrower for the benefit of Borrower's creditors, or any bankruptcy proceedings instituted by or against Borrower, or the appointment of any receiver for Borrower or Borrower's business or assets, or of any dissolution or other winding up of the affairs of Borrower or of Borrower's business, and in all such cases respectively, Borrower's officers and any assignee, trustee in bankruptcy, receiver and other Person or Persons in charge are hereby directed to pay to Senior Lienholder the full amount of the Senior Lienholder Indebtedness before making any payments to Junior Lienholder due under the Junior Obligations.

5.4 Return of Prohibited Payments. Except as otherwise expressly agreed to herein, if Junior Lienholder shall receive any payments or other rights in any property of Borrower in connection with the Junior Obligations in violation of this Agreement, such payment or property shall immediately be delivered and transferred to Senior Lienholder after notice from Senior Lienholder to Junior Lienholder.

5.5 Repayment of Senior Lienholder Indebtedness. This Agreement shall remain in full force and effect until all Senior Lienholder Indebtedness is fully repaid in accordance with its terms and all of the terms of this Agreement have been complied with.

5.6 Standstill. Junior Lienholder agrees that, without the Senior Lienholder's prior written consent, it will not accelerate the Junior Obligations, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other collection or enforcement action.

5.7 Notices. Junior Lienholder shall send a copy of any notice of default with respect to the Junior Obligation Documents to Senior Lienholder at the address below at the same time such notice or statement is sent to Borrower. Nothing in this Agreement, however, shall be construed as a promise or undertaking by Senior Lienholder to cure any default of Borrower under the Junior Obligation Documents.

U.S. Bank National Association
c/o U.S. Bancorp Community Development Corporation
505 North Seventh Street
SL-MO-T10F
St. Louis, MO 63101
Attention: Director of LIHTC Asset Management

6. Senior Lienholder Agreements.

6.1 Senior Lienholder agrees that it shall not complete a foreclosure sale of the Property or record a deed-in-lieu of foreclosure with respect to the Property (each, a "Foreclosure

Remedy") unless Junior Lienholder has first been given thirty (30) days written notice of the Event(s) of Default giving Senior Lienholder the right to complete such Foreclosure Remedy, and unless Junior Lienholder has failed, within such thirty (30) period, to cure such Event(s) of Default; provided, however, that Senior Lienholder shall be entitled during such thirty (30) day period to continue to pursue all of its rights and remedies under the Senior Loan Documents, including, but not limited to, acceleration of the Loan (subject to any de-acceleration provisions specifically set forth in the Senior Loan Documents), commencement and pursuit of a judicial or non-judicial foreclosure (but not completion of the foreclosure sale), appointment of a receiver, enforcement of any guaranty (subject to any notice and cure provisions contained therein), and/or enforcement of any other Senior Loan Document. In the event Senior Lienholder has accelerated the Loan and Junior Lienholder cures all Events of Default giving rise to such acceleration within the thirty (30) day cure period described above, such cure shall have the effect of de-accelerating the Loan; provided, however, that such de-acceleration shall not waive or limit any of Senior Lienholder's rights to accelerate the Loan or exercise any other remedies under the Senior Loan Documents as to any future or continuing Events of Default. It is the express intent of the parties hereunder that Senior Lienholder shall have the right to pursue all rights and remedies except completion of a Foreclosure Remedy without liability to Junior Lienholder for failure to provide timely notice to Junior Lienholder required hereunder, and that Senior Lienholder's liability hereunder shall be expressly limited to actual and consequential damages to Junior Lienholder directly caused by Senior Lienholder's completion of a Foreclosure Remedy without Junior Lienholder receiving the notice and opportunity to cure described above. Senior Lienholder shall give Junior Lienholder notice at the address set forth below or such other address as Junior Lienholder may instruct Senior Lienholder in writing from time to time:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376
Attention: City Manager

City of Tracy
City of Attorney
333 Civic Center Plaza
Tracy, CA 95376

The provisions of this Section 6 are intended to supplement, and not to limit, waive, modify or replace, those provisions of law pertaining to notice and cure rights of subordinate lenders, including without limitation, those set forth in California Civil Code Sections 2924b and 2924c.

7. Bankruptcy Provisions. To the extent any payment under any Senior Loan Document (whether by or on behalf of Borrower, as proceeds of security or enforcement of any right of setoff, or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to a trustee, receiver or other similar party under the Bankruptcy Code or any federal or state bankruptcy, insolvency, receivership or similar law, then if such payment is recovered by, or paid over to, such trustee, receiver or other similar party, the Senior Indebtedness or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

8. Casualty Insurance and Condemnation Proceeds. In the event Senior Lienholder shall release, for the purposes of restoration of all or any part of the improvements, its right, title and interest in and to the proceeds under policies of insurance thereon, and/or its right, title and interest in and to any awards, or its right, title and interest in and to other compensation made for any damages, losses or compensation for other rights by reason of a taking in eminent domain, Junior Lienholder shall simultaneously release (and hereby agrees that it shall be irrevocably and unconditionally deemed to have agreed to release) for such purpose all of Junior Lienholder's right, title and interest, if any, in and to all such insurance proceeds, awards or compensation. Junior Lienholder agrees that the balance of such proceeds remaining after such restoration, or all of such proceeds in the event Senior Lienholder elects, in accordance with California law, not to release any such proceeds for any such restoration, shall be applied to the payment of amounts due under the Senior Loan Documents until all such amounts have been paid in full, prior to being applied to the payment of any amounts due under the Junior Obligation Documents. If Senior Lienholder holds such proceeds, awards or compensation and/or monitors the disbursement thereof, Junior Lienholder agrees that Senior Lienholder may also elect, in its sole and absolute discretion, to hold and monitor the disbursement of such proceeds, awards and compensation to which Junior Lienholder is or may be entitled. Nothing contained in this Agreement shall be deemed to require Senior Lienholder, in any way whatsoever, to act for or on behalf of Junior Lienholder or to hold or monitor any proceeds, awards or compensation in trust for or on behalf of Junior Lienholder, and all or any of such sums so held or monitored may be commingled with any funds of Senior Lienholder.

9. Effect of Other Agreements. The relationship between Borrower and Senior Lienholder under the Senior Loan Documents is, and shall at all times remain, solely that of borrower and lender. Based thereon, Junior Lienholder acknowledges and agrees that Senior Lienholder neither undertakes nor assumes any fiduciary responsibility or other responsibility or duty to Borrower or Junior Lienholder to guarantee or assist in Borrower's or Junior Lienholder's performance under any of the agreements between those parties and other third parties, including without limitation the Junior Obligation Documents.

10. Miscellaneous. This Agreement may be executed in multiple counterparts and the signature page(s) and acknowledgment(s) assembled into one original document for recordation, and the validity hereof shall not be impaired by reason of such execution in multiple counterparts. This Agreement is to be governed according to the laws of the State of California. In the event of action, suit, proceeding or arbitration to enforce any term of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party, as determined by the court or arbitrator, all of the prevailing party's costs and expenses, including without limitation attorneys' fees and expert witness fees, incurred by the prevailing party in connection therewith. If Junior Lienholder or any affiliate of Junior Lienholder shall acquire, by indemnification, subrogation or otherwise, any lien, estate, right or other interest in the Property, that lien, estate, right or other interest shall be subordinate to the Senior Deed of Trust and the other Senior Loan Documents as provided herein, and Junior Lienholder hereby waives, on behalf of itself and such affiliate, until all amounts owed under the Senior Loan Documents have been indefeasibly paid in full and all Senior Lienholder's obligations to extend credit under the Senior Loan Documents have terminated, the right to exercise any and all such rights it may acquire by indemnification, subrogation or otherwise. The Agreement shall inure to the benefit of, and the binding upon, the parties hereto and the respective successors and assigns.

[*Remainder of Page Intentionally Left Blank***]**

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

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH MAY ALLOW THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE PROPERTY.

JUNIOR LIENHOLDER:

CITY OF TRACY

By: _____
Name:_____
Title:_____

APPROVED AS TO FORM:
City Attorney

By: _____
Name: _____

[Signatures continued on next page]

BORROWER:

DCDC TRACY APARTMENTS PHASE I LP,
a California limited partnership

By: DCDC Tracy Apartments Phase I LLC,
a California limited liability company,
its managing general partner

By: Delta Community Developers Corp.,
a California nonprofit public benefit
corporation, its sole member

By: _____
Peter W. Ragsdale, Executive Director

[Signatures continued on next page]

SENIOR LIENHOLDER:

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: _____
Name: Jimena Dake
Title: Vice President

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____

COUNTY OF _____

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

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

WITNESS my hand and official seal.

_____ [Seal]
Notary Public

My Commission Expires:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____

COUNTY OF _____

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

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

WITNESS my hand and official seal.

_____ [Seal]
Notary Public

My Commission Expires:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____

COUNTY OF _____

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

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

WITNESS my hand and official seal.

_____ [Seal]
Notary Public

My Commission Expires:

EXHIBIT "A"

Legal Description

[To be inserted]

EXHIBIT "B"

Junior Obligation Documents

HOME and LMIHF Loans

1. Development Loan Agreement dated December 1, 2025, made between Borrower and Junior Lienholder (Unrecorded)

2. Non-Interest Bearing Note Secured by Deed of Trust (HOME Loan) in the original principal amount of $925,880 dated December 1, 2025, made by Borrower to the order of Junior Lienholder (Unrecorded)

3. Non-Interest Bearing Note Secured by Deed of Trust (LMIHF Loan) in the original principal amount of $4,000,000 dated December 1, 2025, made by Borrower to the order of Junior Lienholder (Unrecorded)

4. Deed of Trust and Security Agreement (HOME Loan and LMIHF Loan) dated December 1, 2025, made by Borrower for the benefit of Junior Lienholder, recording substantially concurrently herewith

5. Affordable Housing Regulatory Agreement dated December 1, 2025, between Borrower and Junior Lienholder, recording substantially concurrently herewith

ATTACHMENT E

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Housing Authority of the County of San Joaquin
2575 Grand Canal Boulevard, Suite 220
Stockton, CA 95207
Attention: Executive Director

No fee for recording pursuant to
Government Code Section 27383 and 27388.1

Recorder's Stamp

SUBORDINATION AGREEMENT
Tracy Apartments Phase I (the "Project")
(City of Tracy LMIHF and HOME Loan)

This Subordination Agreement (the "Subordination") is entered into this _____, 2025,CITY OF TRACY, a political subdivision of the State of California (the "City") and DCDC TRACY APARTMENTS PHASE I LP, a California limited partnership (the "Project Owner," and together with the City, the "Parties"), for the benefit of the United States of America, acting by and through the Secretary of Housing and Urban Development ("HUD").

WHEREAS, the Parties entered into that certain (i) Affordable Housing Regulatory Agreement, dated December [___], 2025, (ii) Development Loan Agreement, dated December [___], 2025 (iii) Low Moderate Income Housing Fund Promissory Note, dated December [___], (iv) HOME Investment Partnerships Program Promissory Note, dated December [___], 2025, and that (v) certain Leasehold Deed of Trust and Security Agreement, dated December [__], 2025 (collectively, the "Subordinate Documents"), evidencing a Nine Hundred Twenty Five Thousand Eight Hundred Eighty Dollars ($925,880) HOME Investment Partnerships Program loan (the "HOME Loan") and a Four Million Dollars ($4,000,000) Low and Moderate Income Housing Fund loan (the "LMIHF Loan") to the Project Owner, together (the "City Loan");

WHEREAS, the Housing Authority of the County of San Joaquin, a public body, corporate and politic (the "Authority") and Project Owner have entered into that certain Declaration of Trust/Restrictive Covenants (the "HUD Declaration") for the benefit of HUD, dated and recorded as of substantially even date herewith, with respect to that certain real property and improvements known as Tracy Apartments Phase I and more particularly described in Exhibit A hereto (the "Property");

WHEREAS, the Authority and Project Owner have entered into that certain Regulatory and Operating Agreement (the "Regulatory and Operating Agreement"), dated and recorded as of substantially even date herewith, with respect to the Property;

WHEREAS, HUD requires that the HUD Declaration and Regulatory and Operating Agreement be recorded as the superior encumbrance on the Property;

NOW, THEREFORE, in consideration of the terms and conditions of the HUD Declaration and at the mutual request of the Parties hereto, and pursuant to the requirements of HUD, the Parties do hereby agree as follows:

1. **Subordination to Declaration of Restrictive Covenants**. The Subordinate Documents, all modifications thereof, and the rights and interests of the City and Project Owner thereunder shall be and are hereby made and shall remain completely and unconditionally subject and subordinate to the encumbrance of the HUD Declaration and to the Regulatory and Operating Agreement, all extensions thereto and to all of the terms and conditions thereof.

2. The Subordination extends to and continues in effect with respect to any future amendment, extension, renewal, or any other modification of the HUD Declaration, Regulatory and Operating Agreement or the Subordinate Documents. The Parties acknowledge that if a RAD conversion of the public housing units results in release of the HUD Declaration, the RAD Use Agreement and any amendments thereto shall remain senior to the Subordinate Documents and the Parties shall agree to execute such further subordination agreement for recording as HUD may require.

3. **Binding Agreement; Amendment**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement cannot be modified or amended, except by a writing signed by all parties hereto and approved by HUD**.**

4. In the event of conflict between/among the Subordinate Documents and the HUD Declaration, the HUD Declaration and Regulatory and Operating Agreement controls.

5. This Subordination will survive bankruptcy and foreclosure.

6. This Subordination may be signed in counterparts.

7. The invalidity, in whole or in part, of any of the provisions set forth in this Subordination, shall not affect or invalidate any remaining provisions.

8. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

[SIGNATURE PAGE(S) TO FOLLOW]

[signature page to Subordination Agreement (City Loan Documents)]

OWNER:

DCDC TRACY APARTMENTS PHASE I LP,
a California limited partnership

By: DCDC Tracy Apartments Phase I LLC,
a California limited liability company,
its managing general partner

By: Delta Community Developers Corp.,
a California nonprofit public benefit corporation,
its sole and manager member

By: _____
Peter W. Ragsdale, Executive Director

By: Community Revitalization and Development Corporation,
a California nonprofit public benefit corporation,
its administrative general partner

By: _____
David Rutledge, President

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

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

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

WITNESS my hand and official seal.

_____
Name: _____
Notary Public

[signature page to Subordination Agreement (City Loan Documents)]

CITY:

CITY OF TRACY, a political subdivision
of the State of California

By: _____
Its: _____

APPROVED as to form:

_____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

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

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

WITNESS my hand and official seal.

_____
Name: _____
Notary Public

EXHIBIT A
Legal Description

[To be finalized]

The land is situated in the County of San Joaquin, City of Tracy, State of California, and described as follows:

Leasehold estate as created by that certain lease dated _____, 2025 made by and between The Housing Authority of the County of San Joaquin, a public body, corporate and politic, as lessor, and DCDC Tracy Apartments Phase I LP, a California limited partnership, as lessee, for the term of and upon the terms and conditions contained in said lease, memorandum thereof recorded _____, 2025, as Recorder's Serial Number _____. in and to the following:

Tract A:
Parcel 1, as shown on that certain map entitled, "Parcel Map of a portion of Section 28, T.2S., R.5E., M.D.B. & M. filed for record on September 19, 2025, in Book 27 of Parcel Maps at Page 136, San Joaquin County Records.

Tract B:
An easement for vehicular and pedestrian access as described in that certain Reciiprocal Use Easement Agreement dated _____, 2025 and recorded _____, 2025, as Recorder's Serial Number _____, San Joaquin County Records.

APN: 235-420-170-000

Recording requested by
And when recorded mail to:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Exempt from recording fees pursuant to
Cal. Gov't Code § 27383 & §27388.1

SUBORDINATION AGREEMENT

GOVERNMENTAL ENTITY

(Revised 2-25-2025)

Freddie Mac Loan Number: _____
Property Name: _____

SUBORDINATION AGREEMENT

GOVERNMENTAL ENTITY

(Revised 2-25-2025)

THIS SUBORDINATION AGREEMENT ("**Agreement**") is entered into this ___ day of _____, 20__, by and between (i) **NEWPOINT REAL ESTATE CAPITAL LLC**, a Michigan limited liability company ("**Senior Lender**") and (ii) **THE CITY OF TRACY**, a political subdivision of the State of California ("**Subordinate Lender**").

RECITALS

A. **DCDC TRACY APARTMENTS PHASE I LP**, a limited partnership organized under the laws of the State of California (**"Borrower"**) is the owner of the leasehold interest in certain land located in San Joaquin County, California, described in Exhibit A ("**Land**"). The Land is improved with a multifamily rental housing project ("**Improvements**").

B. Senior Lender has made or is making a loan to Borrower in the original principal amount of $ _____ ("**Senior Loan**") upon the terms and conditions of a Multifamily Loan and Security Agreement dated as of the date hereof between Senior Lender and Borrower ("**Senior Loan Agreement**") in connection with the Mortgaged Property. The Senior Loan is secured by a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the date of the Senior Loan Agreement ("**Senior Mortgage**") encumbering the Borrower's leasehold interest in the Land, the Improvements and related personal and other property described and defined in the Senior Mortgage as the "**Mortgaged Property**."

C. Pursuant to that certain [**Development Loan Agreement**] dated as of _____ between Subordinate Lender and Borrower ("**Subordinate Loan Agreement**"), Subordinate Lender has made or is making a loan to Borrower in the original principal amount of $ 4,925,880 ("**Subordinate Loan**"). The Subordinate Loan is or will be secured [**Deed of Trust and Security Agreement**] dated as of _____ ("**Subordinate Mortgage**") encumbering all or a portion of the Mortgaged Property.

D. The Senior Mortgage will be recorded in the San Joaquin Recorder's Office ("**Recording Office**"). The Subordinate Mortgage is recorded in the Recording Office at _____.

E. The execution and delivery of this Agreement is a condition of Senior Lender's making of the Senior Loan.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Definitions.** The following terms, when used in this Agreement (including, as appropriate, when used in the above recitals), will have the following meanings:

The terms "**Condemnation**," "**Imposition Reserve Deposits**," "**Impositions**," "**Leases,**" "**Rents**" and "**Restoration**," as well as any term used in this Agreement and not otherwise defined in this Agreement, will have the meanings given to those terms in the Senior Loan Agreement.

"**Bankruptcy Proceeding**" means any bankruptcy, reorganization, insolvency, composition, restructuring, dissolution, liquidation, receivership, assignment for the benefit of creditors, or custodianship action or proceeding under any federal or state law with respect to Borrower, any guarantor of any of the Senior Indebtedness, any of their respective properties, or any of their respective partners, members, officers, directors, or shareholders.

"**Borrower**" means all persons or entities identified as "Borrower" in the first Recital of this Agreement, together with their successors and assigns, and any other person or entity who acquires title to the Mortgaged Property after the date of this Agreement; provided that the term "Borrower" will not include Senior Lender if Senior Lender acquires title to the Mortgaged Property.

"**Casualty**" means the occurrence of damage to or loss of all or any portion of the Mortgaged Property by fire or other casualty.

"**Enforcement Action**" means any of the following actions taken by or at the direction of Subordinate Lender: the acceleration of all or any part of the Subordinate Indebtedness, the advertising of or commencement of any foreclosure or trustee's sale proceedings, the exercise of any power of sale, the acceptance of a deed or assignment in lieu of foreclosure or sale, the collecting of Rents, the obtaining of or seeking of the appointment of a receiver, the seeking of default interest, the taking of possession or control of any of the Mortgaged Property, the commencement of any suit or other legal, administrative, or arbitration proceeding based upon the Subordinate Note or any other of the Subordinate Loan Documents, the exercising of any banker's lien or rights of set-off or recoupment, or the exercise of any other remedial action against Borrower, any other party liable for any of the Subordinate Indebtedness or obligated under any of the Subordinate Loan Documents, or the Mortgaged Property.

"**Enforcement Action Notice**" means a Notice given from Subordinate Lender to Senior Lender following one or more Subordinate Mortgage Default(s) and the expiration of any applicable notice or cure periods, setting forth in reasonable detail the Subordinate

Mortgage Default(s) and the Enforcement Actions proposed to be taken by Subordinate Lender.

"**Lien**" means any lien, encumbrance, estate or other interest, recorded against or secured by the Mortgaged Property.

"**Loss Proceeds**" means all monies received or to be received under any insurance policy, from any condemning authority, or from any other source, as a result of any Condemnation or Casualty.

"**Notice**" means all notices, requests, demands, consents, approvals or other communication pursuant to this Agreement provided in accordance with the provisions of Section 10.

"**Regulatory Agreement**" means the **[Affordable Housing Regulatory Agreement]** between Borrower and Subordinate Lender dated as of _____, _____ and recorded at _____ in the Recording Office of San Joaquin, County, California.

"**Senior Indebtedness**" means the "Indebtedness" as defined in the Senior Loan Agreement.

"**Senior Lender**" means the "Lender" as defined in the Senior Mortgage. When any other person or entity becomes the legal holder of the Senior Note, such other person or entity will automatically become Senior Lender.

"**Senior Loan Documents**" means the "Loan Documents" as defined in the Senior Loan Agreement, as such documents may be amended.

"**Senior Mortgage Default**" means any act, failure to act, event, condition, or occurrence which constitutes, or which with the giving of Notice or the passage of time, or both, would constitute, an "Event of Default" as defined in the Senior Loan Agreement.

"**Senior Note**" means the promissory note or other evidence of the Senior Indebtedness and any replacement of the Senior Note.

"**Subordinate Indebtedness**" means all sums evidenced or secured or guaranteed by, or otherwise due and payable to Subordinate Lender pursuant to, the Subordinate Loan Documents.

"**Subordinate Lender**" means the person or entity named as such in the first paragraph of this Agreement and any other person or entity who becomes the legal holder of the Subordinate Note after the date of this Agreement.

"**Subordinate Loan Documents**" means the Subordinate Mortgage, the Subordinate Note, the Subordinate Loan Agreement, the Regulatory Agreement and all other

documents at any time evidencing, securing, guaranteeing, or otherwise delivered in connection with the Subordinate Indebtedness, as such documents may be amended.

"**Subordinate Mortgage Default**" means any act, failure to act, event, condition, or occurrence which allows (but for any contrary provision of this Agreement), Subordinate Lender to take an Enforcement Action.

"**Subordinate Note**" means the promissory note or other evidence of the Subordinate Indebtedness and any replacement of the Subordinate Note.

"**Surplus Cash**" means, with respect to any period, any revenues of Borrower remaining after paying, or setting aside funds for paying, all the following:

(a) All sums due or currently required to be paid under the Senior Loan Documents, including any reserves and Imposition Reserve Deposits.

(b) All reasonable operating expenses of the Mortgaged Property, including real estate taxes, insurance premiums, utilities, building maintenance, painting and repairs, management fees, payroll, administrative expenses, legal expenses and audit expenses (excluding any developer fees payable with respect to the Mortgaged Property).

2. Subordinate Lender's Representations and Warranties.

(a) Subordinate Lender represents and warrants that each of the following is true as of the date of this Agreement:

(i) Subordinate Lender is now the owner and holder of the Subordinate Loan Documents.

(ii) No Subordinate Mortgage Default has occurred and is continuing.

(iii) The current unpaid principal balance of the Subordinate Indebtedness is $_____.

(iv) No scheduled payments under the Subordinate Note have been prepaid.

(b) Without the prior written consent of Senior Lender, Subordinate Lender will not do any of the following:

(i) Pledge, assign, transfer, convey, or sell any interest in the Subordinate Indebtedness or any of the Subordinate Loan Documents.

(ii) Take any action which has the effect of increasing the Subordinate Indebtedness, except to cure a Senior Mortgage Default as contemplated under Section 5(a) of this Agreement.

(iii) Accept any prepayment of the Subordinate Indebtedness.

3. Terms of Subordination.

(a) Agreement to Subordinate. The Subordinate Indebtedness is and will at all times continue to be subject and subordinate in right of payment to the prior payment in full of the Senior Indebtedness. Each of the Subordinate Loan Documents is, and will at all times remain, subject and subordinate in all respects to the liens, terms, covenants, conditions, operations, and effects of each of the Senior Loan Documents.

(b) Subordination of Subrogation Rights. If Subordinate Lender, by indemnification, subrogation or otherwise, acquires any Lien on any of the Mortgaged Property, then that Lien will be fully subject and subordinate to the receipt by Senior Lender of payment in full of the Senior Indebtedness, and to the Senior Loan Documents, to the same extent as the Subordinate Indebtedness and the Subordinate Loan Documents are subordinate pursuant to this Agreement.

(c) Payments Before Senior Mortgage Default ; Soft Subordinate Debt. Until the occurrence of a Senior Mortgage Default, Subordinate Lender will be entitled to retain for its own account all payments of the principal of and interest on the Subordinate Indebtedness pursuant to the Subordinate Loan Documents; provided that Subordinate Lender expressly agrees that it will not accept any such payment that is made more than 10 days in advance of its due date and provided further that Subordinate Lender will not accept any payment in an amount that exceeds 75% of then available Surplus Cash.

(d) Payments After Senior Mortgage Default or Bankruptcy.

(i) Immediately upon Subordinate Lender's receipt of Notice or actual knowledge of a Senior Mortgage Default, Subordinate Lender will not accept any payments of the Subordinate Indebtedness, and the provisions of this Section 3(d) will apply.

(ii) If Subordinate Lender receives any of the following, whether voluntarily or by action of law, after a Senior Mortgage Default of which Subordinate Lender has actual knowledge (or is deemed to have actual knowledge as provided in Section 4(c)) or has been given Notice, such will be received and held in trust for Senior Lender:

(A) Any payment, property, or asset of any kind or in any form in connection with the Subordinate Indebtedness.

(B) Any proceeds from any Enforcement Action.

(C) Any payment, property, or asset in or in connection with any Bankruptcy Proceeding.

(iii) Subordinate Lender will promptly remit, in kind and properly endorsed as necessary, all such payments, properties, and assets described in Section 3(d)(ii) to Senior Lender. Senior Lender will apply any payment, asset, or property so received from Subordinate Lender to the Senior Indebtedness in such order, amount (with respect to any asset or property other than immediately available funds), and manner as Senior Lender determines in its sole and absolute discretion.

(e) Bankruptcy. Without the prior written consent of Senior Lender, Subordinate Lender will not commence, or join with any other creditor in commencing, any Bankruptcy Proceeding. In the event of a Bankruptcy Proceeding, Subordinate Lender will not vote affirmatively in favor of any plan of reorganization or liquidation unless Senior Lender has also voted affirmatively in favor of such plan.

4. Default Under Subordinate Loan Documents.

(a) Notice of Subordinate Mortgage Default and Cure Rights.

(i) Subordinate Lender will deliver to Senior Lender a copy of each Notice delivered by Subordinate Lender pursuant to the Subordinate Loan Documents within 5 Business Days of sending such Notice to Borrower. Neither giving nor failing to give a Notice to Senior Lender pursuant to this Section 4(a) will affect the validity of any Notice given by Subordinate Lender to Borrower.

(ii) For a period of 90 days following delivery to Senior Lender of an Enforcement Action Notice, Senior Lender will have the right, but not the obligation, to cure any Subordinate Mortgage Default. However, if such Subordinate Mortgage Default is a non-monetary default and is not capable of being cured within such 90-day period and Senior Lender has commenced and is diligently pursuing such cure to completion, Senior Lender will have such additional period of time as may be required to cure such Subordinate Mortgage Default or until such time, if ever, as Senior Lender takes either of the following actions:

(A) Discontinues its pursuit of any cure.

(B) Delivers to Subordinate Lender Senior Lender's written consent to the Enforcement Action described in the Enforcement Action Notice.

(iii) Senior Lender will not be subrogated to the rights of Subordinate Lender under the Subordinate Loan Documents as a result of Senior Lender having cured any Subordinate Mortgage Default.

(iv) Subordinate Lender acknowledges that all amounts advanced or expended by Senior Lender in accordance with the Senior Loan Documents or to cure a Subordinate Mortgage Default will be added to and become a part of the Senior Indebtedness and will be secured by the lien of the Senior Mortgage.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender.

(i) In the event of a Subordinate Mortgage Default, Subordinate Lender will not commence any Enforcement Action until 90 days after Subordinate Lender has delivered to Senior Lender an Enforcement Action Notice. During such 90-day period or such longer period as provided in Section 4(a), Subordinate Lender will be entitled to seek specific performance to enforce covenants and agreements of Borrower relating to income, rent, or affordability restrictions contained in the Regulatory Agreement, subject to Senior Lender's right to cure a Subordinate Mortgage Default set forth in Section 4(a).

(ii) Subordinate Lender may not commence any other Enforcement Action, including any foreclosure action under the Subordinate Loan Documents, until the earlier of:

(A) The expiration of such 90-day period or such longer period as provided in Section 4(a).

(B) The delivery by Senior Lender to Subordinate Lender of Senior Lender's written consent to such Enforcement Action by Subordinate Lender.

(iii) Subordinate Lender acknowledges that Senior Lender may grant or refuse consent to Subordinate Lender's Enforcement Action in Senior Lender's sole and absolute discretion. At the expiration of such 90-day period or such longer period as provided in Section 4(a) and, subject to Senior Lender's right to cure set forth in Section 4(a), Subordinate Lender may commence any Enforcement Action.

(iv) Senior Lender may pursue all rights and remedies available to it under the Senior Loan Documents, at law, or in equity, regardless of any Enforcement Action Notice or Enforcement Action by Subordinate Lender. No action or failure to act on the part of Senior Lender in the event of a Subordinate Mortgage Default or commencement of an Enforcement Action will constitute a waiver on the part of Senior Lender of any provision of the Senior Loan Documents or this Agreement.

(c) Cross Default. Subordinate Lender acknowledges that a Subordinate Mortgage Default constitutes a Senior Mortgage Default. Accordingly, upon the occurrence of a Subordinate Mortgage Default, Subordinate Lender will be deemed to have actual knowledge of a Senior Mortgage Default. If Subordinate Lender notifies Senior Lender in writing that any Subordinate Mortgage Default of which Senior Lender has received Notice has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Mortgaged Property pursuant to its rights under the Senior Loan Documents, any Senior Mortgage Default under the Senior Loan Documents arising solely from such Subordinate Mortgage Default will be deemed cured, and the Senior Loan will be reinstated.

5. Default Under Senior Loan Documents.

(a) Notice of Senior Mortgage Default and Cure Rights.

(i) Senior Lender will deliver to Subordinate Lender a copy of any Notice sent by Senior Lender to Borrower of a Senior Mortgage Default within 5 Business Days of sending such Notice to Borrower. Failure of Senior Lender to send Notice to Subordinate Lender will not prevent the exercise of Senior Lender's rights and remedies under the Senior Loan Documents.

(ii) Subordinate Lender will have the right, but not the obligation, to cure any monetary Senior Mortgage Default within 30 days following the date of such Notice. During such 30-day period Senior Lender will be entitled to continue to pursue its remedies under the Senior Loan Documents.

(iii) Subordinate Lender may, within 90 days after the date of the Notice, cure a non-monetary Senior Mortgage Default if during such 90-day period, Subordinate Lender keeps current all payments required under the Senior Loan Documents. If such a non-monetary Senior Mortgage Default creates an unacceptable level of risk relative to the Mortgaged Property, or Senior Lender's secured position relative to the Mortgaged Property, as determined by Senior Lender in its sole discretion, then during such 90-day period Senior Lender may exercise all available rights and remedies to protect and preserve the Mortgaged Property and the Rents, revenues and other proceeds from the Mortgaged Property.

(iv) All amounts paid by Subordinate Lender to Senior Lender to cure a Senior Mortgage Default will be deemed to have been advanced by Subordinate Lender pursuant to, and will be secured by the lien of, the Subordinate Mortgage. Notwithstanding anything in this Section 5(a) to the contrary, Subordinate Lender's right to cure any Senior Mortgage Default will terminate immediately upon the occurrence of any Bankruptcy Proceeding.

(b) Release of Mortgaged Property.

(i) Subordinate Lender consents to and authorizes any future release by Senior Lender of all or any portion of the Mortgaged Property from the lien, operation, and effect of the Senior Loan Documents. Subordinate Lender waives to the fullest extent permitted by law, all equitable or other rights it may have in connection with the release of all or any portion of the Mortgaged Property, including any right to require Senior Lender to do any of the following:

(A) To conduct a separate sale of any portion of the Mortgaged Property.

(B) To exhaust its remedies against all or any portion of the Mortgaged Property or any combination of portions of the Mortgaged Property or any other collateral for the Senior Indebtedness.

(C) To proceed against Borrower, any other party that may be liable for any of the Senior Indebtedness (including any general partner of Borrower if Borrower is a partnership), all or any portion of the Mortgaged Property or combination of portions of the Mortgaged Property or any other collateral, before proceeding against all or such portions or combination of portions of the Mortgaged Property as Senior Lender determines. Subordinate Lender waives to the fullest extent permitted by law any and all benefits under California Civil Code Sections 2845, 2849 and 2850.

(ii) Subordinate Lender consents to and authorizes, at the option of Senior Lender, the sale, either separately or together, of all or any portion of the Mortgaged Property. Subordinate Lender acknowledges that without Notice to Subordinate Lender and without affecting any of the provisions of this Agreement, Senior Lender may do any of the following:

(A) Extend the time for or waive any payment or performance under the Senior Loan Documents.

(B) Modify or amend in any respect any provision of the Senior Loan Documents.

(C) Modify, exchange, surrender, release, and otherwise deal with any additional collateral for the Senior Indebtedness.

(c) Termination Upon Foreclosure. The lien of the Subordinate Loan Documents will automatically terminate upon the acquisition by Senior Lender or by a third-party purchaser of title to the Mortgaged Property pursuant to a foreclosure of, deed in

lieu of foreclosure, or trustee's sale or other exercise of a power of sale or similar disposition under the Senior Mortgage.

6. Conflicts. If there is any conflict or inconsistency between the terms of the Subordinate Loan Documents and the terms of this Agreement, then the terms of this Agreement will control. Borrower acknowledges that the terms and provisions of this Agreement will not, and will not be deemed to do any of the following:

(a) Extend Borrower's time to cure any Senior Mortgage Default or Subordinate Mortgage Default.

(b) Give Borrower the right to receive notice of any Senior Mortgage Default or Subordinate Mortgage Default, other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents.

(c) Create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

7. Rights and Obligations of Subordinate Lender Under the Subordinate Loan Documents and of Senior Lender under the Senior Loan Documents.

(a) Insurance.

(i) All requirements pertaining to insurance under the Subordinate Loan Documents (including requirements relating to amounts and types of coverages, deductibles and special endorsements) will be deemed satisfied if Borrower complies with the insurance requirements under the Senior Loan Documents and of Senior Lender.

(ii) All original policies of insurance required pursuant to the Senior Loan Documents will be held by Senior Lender.

(iii) Nothing in this Section 7(a) will preclude Subordinate Lender from requiring that it be named as a mortgagee and loss payee, as its interest may appear, under all policies of property damage insurance maintained by Borrower with respect to the Mortgaged Property, provided such action does not affect the priority of payment of Loss Proceeds, or that Subordinate Lender be named as an additional insured under all policies of liability insurance maintained by Borrower with respect to the Mortgaged Property.

(b) Condemnation or Casualty.

In the event of a Condemnation or a Casualty, the following provisions will apply:

(i) The rights of Subordinate Lender (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Condemnation or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Condemnation or a Casualty, will be and remain subordinate in all respects to Senior Lender's rights under the Senior Loan Documents, and Subordinate Lender will be bound by any settlement or adjustment of a claim resulting from a Condemnation or a Casualty made by Senior Lender.

(ii) All Loss Proceeds will be applied either to payment of the costs and expenses of Restoration or to payment on account of the Senior Indebtedness, as and in the manner determined by Senior Lender in its sole discretion; provided however, Senior Lender agrees to consult with Subordinate Lender in determining the application of Casualty proceeds. In the event of any disagreement between Senior Lender and Subordinate Lender over the application of Casualty proceeds, the decision of Senior Lender, in its sole discretion, will prevail.

(iii) If Senior Lender holds Loss Proceeds, or monitors the disbursement of Loss Proceeds, Subordinate Lender will not do so. Nothing contained in this Agreement will be deemed to require Senior Lender to act for or on behalf of Subordinate Lender in connection with any Restoration or to hold or monitor any Loss Proceeds in trust for or otherwise on behalf of Subordinate Lender, and all or any Loss Proceeds may be commingled with any funds of Senior Lender.

(iv) If Senior Lender elects to apply Loss Proceeds to payment on account of the Senior Indebtedness, and if the application of such Loss Proceeds results in the payment in full of the entire Senior Indebtedness, any remaining Loss Proceeds held by Senior Lender will be paid to Subordinate Lender unless another party has asserted a claim to the remaining Loss Proceeds.

(c) Modification of Subordinate Loan Documents. Subordinate Lender agrees that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of Senior Lender, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon Senior Lender under the Senior Loan Documents. If Subordinate Lender either (i) amends the Subordinate Loan Documents in the manner set forth above or (ii) assigns the Subordinate Loan without Senior Lender's consent, then such amendment or assignment will be void ab initio and of no effect whatsoever.

(d) Modification of Senior Loan Documents. Senior Lender may amend, waive, postpone, extend, renew, replace, reduce or otherwise modify any provisions of the Senior Loan Documents without the necessity of obtaining the consent of or providing Notice to Subordinate Lender, and without affecting any of the provisions of this Agreement. Notwithstanding the foregoing, Senior Lender may not modify any provision of the Senior Loan Documents that increases the Senior Indebtedness, except for increases in the Senior Indebtedness that result from advances made by Senior Lender to protect the security or lien priority of Senior Lender under the Senior Loan Documents or to cure defaults under the Subordinate Loan Documents.

(e) Commercial or Retail Leases. If requested, Subordinate Lender will enter into attornment and non-disturbance agreements with all tenants under commercial or retail Leases, if any, to whom Senior Lender has granted attornment and non-disturbance, on the same terms and conditions given by Senior Lender.

(f) Consent Rights. Whenever the Subordinate Loan Documents give Subordinate Lender approval or consent rights with respect to any matter, and a right of approval or consent for the same or substantially the same matter is also granted to Senior Lender pursuant to the Senior Loan Documents or otherwise, Senior Lender's approval or consent or failure to approve or consent will be binding on Subordinate Lender. None of the other provisions of Section 7 are intended to be in any way in limitation of the provisions of this Section 7(f).

(g) Escrows. Except as provided in this Section 7(g), and regardless of any contrary provision in the Subordinate Loan Documents, Subordinate Lender will not collect any escrows for any cost or expense related to the Mortgaged Property or for any portion of the Subordinate Indebtedness. However, if Senior Lender is not collecting escrow payments for one or more Impositions, Subordinate Lender may collect escrow payments for such Impositions; provided that all payments so collected by Subordinate Lender will be held in trust by Subordinate Lender to be applied only to the payment of such Impositions.

(h) Certification. Within 10 days after request by Senior Lender, Subordinate Lender will furnish Senior Lender with a statement, duly acknowledged and certified setting forth the then-current amount and terms of the Subordinate Indebtedness, confirming that there exists no default under the Subordinate Loan Documents (or describing any default that does exist), and certifying to such other information with respect to the Subordinate Indebtedness as Senior Lender may request.

8. Refinancing. Subordinate Lender agrees that its agreement to subordinate under this Agreement will extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Indebtedness (including reasonable and necessary costs associated with the closing and/or the refinancing, and any reasonable increase in proceeds for rehabilitation in the context of a preservation transaction). All terms and covenants of this Agreement will inure to the benefit of any holder of any such

refinanced debt, and all references to the Senior Loan Documents and Senior Lender will mean, respectively, the refinance loan documents and the holder of such refinanced debt.

9. Governmental Powers. Nothing in this Agreement is intended, nor will it be construed, to in any way limit the exercise by Subordinate Lender of its governmental powers (including police, regulatory and taxing powers) with respect to Borrower or the Mortgaged Property to the same extent as if it were not a party to this Agreement or the transactions contemplated by this Agreement.

10. Notices.

(a) Any Notice required or permitted to be given pursuant to this Agreement will be in writing and will be deemed to have been duly and sufficiently given if (i) personally delivered with proof of delivery (any Notice so delivered will be deemed to have been received at the time so delivered), or (ii) sent by a national overnight courier service (such as FedEx) designating earliest available delivery (any Notice so delivered will be deemed to have been received on the next Business Day following receipt by the courier), or (iii) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any Notice so sent will be deemed to have been received on the date of delivery as confirmed by the return receipt), addressed to the respective parties as follows:

Notices intended for Senior Lender will be addressed to:

[Name]
[Address]
Attention:

Notices intended for Subordinate Lender will be addressed to:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

With a copy to: City Attorney
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

(b) Any party, by Notice given pursuant to this Section 10, may change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses, for its Notices, but Notice of a change of address will only be effective upon receipt. Neither party will refuse or reject delivery of any Notice given in accordance with this Section 10.

11. Reserved.

12. Miscellaneous Provisions.

(a) Assignments/Successors. This Agreement will be binding upon and will inure to the benefit of the respective legal successors and permitted assigns of the parties to this Agreement. Without prior notice to or the consent of the Subordinate Lender or the Borrower, the Senior Lender may freely transfer or assign the Senior Loan and the Senior Loan Documents, including this Agreement, in whole or in part, and the Subordinate Lender acknowledges and agrees that any future legal holder of the Senior Note will automatically be a legal successor and permitted assignee of Senior Lender hereunder, without the necessity of any further action or instrument. No other party will be entitled to any benefits under this Agreement, whether as a third-party beneficiary or otherwise.

(b) No Partnership or Joint Venture. Nothing in this Agreement or in any of the Senior Loan Documents or Subordinate Loan Documents will be deemed to constitute Senior Lender as a joint venturer or partner of Subordinate Lender.

(c) Further Assurances. Upon Notice from Senior Lender, Subordinate Lender will execute and deliver such additional instruments and documents, and will take such actions, as are required by Senior Lender to further evidence or implement the provisions and intent of this Agreement.

(d) Amendment. This Agreement may be amended, changed, modified, altered or terminated only by a written instrument signed by the parties to this Agreement or their successors or assigns.

(e) Governing Law. This Agreement will be governed by the laws of the State in which the Land is located.

(f) Severable Provisions. If any one or more of the provisions contained in this Agreement, or any application of any such provisions, is invalid, illegal, or unenforceable in any respect, the validity, legality, enforceability, and application of the remaining provisions contained in this Agreement will not in any way be affected or impaired.

(g) Term. The term of this Agreement will commence on the date of this Agreement and will continue until the earliest to occur of the following events:

(i) The payment of all the Senior Indebtedness; provided that this Agreement will be reinstated in the event any payment on account of the Senior Indebtedness is avoided, set aside, rescinded or repaid by Senior Lender.

(ii) The payment of all the Subordinate Indebtedness other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to this Agreement.

(iii) The acquisition by Senior Lender or by a third-party purchaser of title to the Mortgaged Property pursuant to a foreclosure of, deed in lieu of foreclosure, or trustee's sale or other exercise of a power of sale or similar disposition under the Senior Mortgage.

(iv) With the prior written consent of Senior Lender, without limiting the provisions of Section 4(b)(iv), the acquisition by Subordinate Lender of title to the Mortgaged Property subject to the Senior Mortgage pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale under) the Subordinate Mortgage.

(h) Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

(i) Entire Agreement. This Agreement represents the entire understanding and agreement between the parties regarding the matters addressed in this Agreement, and will supersede and cancel any prior agreements regarding such matters.

(j) Authority. Each person executing this Agreement on behalf of a party to this Agreement represents and warrants that such person is duly and validly authorized to do so on behalf of such party with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations under this Agreement.

(k) No Waiver. No failure or delay on the part of any party to this Agreement in exercising any right, power, or remedy under this Agreement will operate as a waiver of such right, power, or remedy, nor will any single or partial exercise of any such right, power or remedy preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power or remedy under this Agreement.

(l) Remedies. Each party to this Agreement acknowledges that if any party fails to comply with its obligations under this Agreement, the other parties will have all rights available at law and in equity, including the right to obtain specific performance of the obligations of such defaulting party and injunctive relief.

13. Attached Riders. The following Riders are attached to this Agreement: None.

14. Attached Exhibits. The following Exhibits, if marked with an "X" in the space provided, are attached to this Agreement:

|X| Exhibit A Description of the Land (required)
|X| Exhibit B Ground Lease Description (if applicable)

[SIGNATURE AND ACKNOWLEDGMENT PAGES FOLLOW]

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

SENIOR LENDER:

NEWPOINT REAL ESTATE CAPITAL LLC,
a Michigan limited liability company

By: _____
Name: _____
Title: _____

[Notary Block for recordation]

SUBORDINATE LENDER:

THE CITY OF TRACY

City of Tracy, a political subdivision
of the State of California

By: _____

APPROVED as to form:

_____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

)

COUNTY OF _____)

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

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

WITNESS my hand and official seal.

_____

Name: _____

Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

)

COUNTY OF _____)

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

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

WITNESS my hand and official seal.

_____

Name: _____

Notary Public

CONSENT OF BORROWER

Borrower acknowledges receipt of a copy of this Subordination Agreement, dated as of the date first written above, by and between **NEWPOINT REAL ESTATE CAPITAL LLC**, a Michigan limited liability company and **THE CITY OF TRACY** and consents to the agreement of the parties set forth in this Agreement.

BORROWER:

DCDC TRACY APARTMENTS PHASE I LP,
a California limited partnership

By: DCDC Tracy Apartments Phase I LLC,
a California limited liability company,
its managing general partner

By: Delta Community Developers Corp.,
a California nonprofit public benefit corporation,
its sole and manager member

By: _____
Peter W. Ragsdale, Executive Director

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

)

COUNTY OF _____)

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

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

WITNESS my hand and official seal.

_____

Name: _____

Notary Public

EXHIBIT A

LEGAL DESCRIPTION

Leasehold estate as created by that certain lease dated _____, 2025 made by and between The Housing Authority of the County of San Joaquin, a public body, corporate and politic, as lessor, and DCDC Tracy Apartments Phase I LP, a California limited partnership, as lessee, for the term of and upon the terms and conditions contained in said lease, memorandum thereof recorded _____, 2025, as Recorder's Serial Number _____. in and to the following:

Tract A:

Parcel 1, as shown on that certain map entitled, "Parcel Map of a portion of Section 28, T.2S., R.5E., M.D.B. & M. filed for record on September 19, 2025, in Book 27 of Parcel Maps at Page 136, San Joaquin County Records.

Tract B:

An easement for vehicular and pedestrian access as described in that certain Reciiprocal Use Easement Agreement dated _____, 2025 and recorded _____, 2025, as Recorder's Serial Number _____, San Joaquin County Records.

APN: 235-420-170-000**]**

NON-INTEREST BEARING NOTE SECURED BY DEED OF TRUST

(LMIHF Loan)

DO NOT DESTROY THIS ORIGINAL NOTE

When paid, the original of this NOTE, together with the DEED OF TRUST securing the NOTE, must be surrendered to the Trustee under the DEED OF TRUST for cancellation and retention before reconveyance will be made.

$4,000,000 Property Address: 301 West Street, Tracy, CA 95376 (the PROPERTY).

On December [___], 2025 (the EFFECTIVE DATE) for value received, DCDC Tracy Apartments Phase I LP, a California limited partnership (hereinafter referred to as the MAKER), promises to pay to:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Hereinafter referred to as NOTE HOLDER or order, the sum of:

FOUR MILLION DOLLARS

Without interest from the date the funds are available to the undersigned, on the unpaid principal balance. The term of this NOTE begins on the EFFECTIVE DATE and concludes FIFTY FIVE (55) years from the EFFECTIVE DATE, at which time all sums of the principal then remaining shall be due and payable. Principal is payable in lawful money of the United States of America. Except where Federal Law is applicable, this NOTE shall be construed and enforceable according to the laws of the State of California for all purposes. Time is of the essence for each and every obligation under this NOTE.

If this NOTE is not paid when due, MAKER promises to pay, in addition to the principal due under this NOTE, all costs of collection and any reasonable attorney's fees incurred by the NOTE HOLDER thereof on account of such payment before, at, or after maturity; and MAKER consents to the acceptance of the security for this NOTE and waives demand, protest and any applicable statute of limitations.

THE FOLLOWING PROVISIONS COULD RESULT IN THE ACCELERATION OF YOUR RESPONSIBILITIES AND/OR GRANT YOU ADDITIONAL CONTRACT RIGHTS EXTENDING THE MATURITY DATE OF THIS NOTE.

The undersigned MAKER acknowledges the fact that the funds (monies) which the MAKER receives under this NOTE are from the NOTE HOLDER'S Low and Moderate Income Housing Fund for use in accordance with requirements for those funds. The Program under which these funds are loaned to MAKER, has been established by NOTE HOLDER and said program complies with and augments applicable rules and regulations.

The MAKER further acknowledges the PROPERTY is restricted by the REGULATORY AGREEMENT and the DEVELOPMENT LOAN AGREEMENT between the City of Tracy as the NOTE HOLDER and the MAKER dated as of same date as the EFFECTIVE DATE of this NOTE. The amount received by the MAKER and the promise to repay evidenced by this NOTE are secured by a DEED OF TRUST on the PROPERTY. This NOTE, the REGULATORY AGREEMENT, the DEVELOPMENT LOAN AGREEMENT, and the DEED OF TRUST are referred to collectively in this NOTE as the LOAN DOCUMENTS. MAKER agrees that payment on this NOTE is deferred until such time as any one or more of the following occurs: In the event of sale or transfer, conveyance or alienation of said real property, or any part thereof or any interest therein, whether voluntary or involuntary, except as specified in the LOAN DOCUMENTS, NOTE HOLDER shall have the right of acceleration, at its option, to declare the NOTE secured by the DEED OF TRUST, irrespective of the maturity date expressed therein, and without demand or notice, immediately due and payable. No waiver of this right shall be effective unless it is in writing. Consent by the NOTE HOLDER to one such transaction shall not constitute waiver of the right to require such consent to succeeding transactions.

Anything contained above to the contrary notwithstanding, cessation of MAKER's fulfillment of any of the obligations of the PROPERTY under the LOAN DOCUMENTS is one of the circumstances which, upon its occurrence, shall for all purposes be considered as establishing a due date.

This NOTE and all of the covenants, promises and agreements contained in it shall be binding on and inure to the benefit of the respective legal and personal representatives, devisees, heirs, successors, and assigns of the MAKER and the NOTE HOLDER.

Neither the MAKER, nor any director, manager, member, officer, employee, or agent of the MAKER will have any direct or indirect personal liability for payment of the principal of, or any other amount due, or any other obligation under the NOTE or the LOAN DOCUMENTS. The sole recourse of the NOTE HOLDER with respect to the principal of, or any other amount due under the NOTE or the LOAN DOCUMENTS, will be to the PROPERTY securing the indebtedness evidenced by the LOAN DOCUMENTS. No judgment, or execution on a judgment, entered in any action, legal or equitable, on this NOTE or the DEED OF TRUST securing this NOTE, or with respect to any other of the LOAN DOCUMENTS will be enforced personally against the MAKER nor any director, manager, member, officer, employee, or agent of the MAKER but shall be enforced only against the PROPERTY described in the LOAN DOCUMENTS.

[Signatures to follow on next page]

Executed as of the EFFECTIVE DATE.

MAKER

DCDC TRACY APARTMENTS PHASE I LP,
a California limited partnership

By: DCDC Tracy Apartments Phase I LLC,
a California limited liability company,
its managing general partner

By: Delta Community Developers Corp.,
a California nonprofit public benefit corporation,
its sole and manager member

By: _____
Peter W. Ragsdale, Executive Director

ATTACHMENT H

NON-INTEREST BEARING NOTE SECURED BY DEED OF TRUST

(HOME Loan)

DO NOT DESTROY THIS ORIGINAL NOTE

When paid, the original of this NOTE, together with the DEED OF TRUST securing the NOTE, must be surrendered to the Trustee under the DEED OF TRUST for cancellation and retention before reconveyance will be made.

$925,880 Property Address: 301 West Street, Tracy, CA 95376 (the PROPERTY).

On December [__], 2025 (the EFFECTIVE DATE) for value received, DCDC Tracy Apartments Phase I LP, a California limited partnership (hereinafter referred to as the MAKER), promises to pay to:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Hereinafter referred to as NOTE HOLDER or order, the sum of:

NINE HUNDRED TWENTY FIVE THOUSAND EIGHT HUNDRED EIGHTY DOLLARS

Without interest from the date the funds are available to the undersigned, on the unpaid principal balance. The term of this NOTE begins on the EFFECTIVE DATE and concludes FIFTY FIVE (55) years from the EFFECTIVE DATE, at which time all sums of the principal then remaining shall be due and payable. Principal is payable in lawful money of the United States of America. Except where Federal Law is applicable, this NOTE shall be construed and enforceable according to the laws of the State of California for all purposes. Time is of the essence for each and every obligation under this NOTE.

If this NOTE is not paid when due, MAKER promises to pay, in addition to the principal due under this NOTE, all costs of collection and any reasonable attorney's fees incurred by the NOTE HOLDER thereof on account of such payment before, at, or after maturity; and MAKER consents to the acceptance of the security for this NOTE and waives demand, protest and any applicable statute of limitations.

THE FOLLOWING PROVISIONS COULD RESULT IN THE ACCELERATION OF YOUR RESPONSIBILITIES AND/OR GRANT YOU ADDITIONAL CONTRACT RIGHTS EXTENDING THE MATURITY DATE OF THIS NOTE.

The undersigned MAKER acknowledges the fact that the funds (monies) which the MAKER receives under this NOTE are Federal moneys from the HOME Investments Partnership Program granted to the NOTE HOLDER for use only in Federally authorized housing programs. The Program under which these funds are loaned to MAKER, has been established by NOTE HOLDER and said program complies with and augments

applicable Federal rules and regulations. The MAKER further acknowledges the PROPERTY is restricted by the REGULATORY AGREEMENT and the DEVELOPMENT LOAN AGREEMENT between the City of Tracy as the NOTE HOLDER and the MAKER dated as of same date as the EFFECTIVE DATE of this NOTE. The amount received by the MAKER and the promise to repay evidenced by this NOTE are secured by a DEED OF TRUST on the PROPERTY. This NOTE, the REGULATORY AGREEMENT, the DEVELOPMENT LOAN AGREEMENT, and the DEED OF TRUST are referred to collectively in this NOTE as the LOAN DOCUMENTS. MAKER agrees that payment on this NOTE is deferred until such time as any one or more of the following occurs: In the event of sale or transfer, conveyance or alienation of said real property, or any part thereof or any interest therein, whether voluntary or involuntary, except as specified in the LOAN DOCUMENTS, NOTE HOLDER shall have the right of acceleration, at its option, to declare the NOTE secured by the DEED OF TRUST, irrespective of the maturity date expressed therein, and without demand or notice, immediately due and payable. No waiver of this right shall be effective unless it is in writing. Consent by the NOTE HOLDER to one such transaction shall not constitute waiver of the right to require such consent to succeeding transactions.

Anything contained above to the contrary notwithstanding, cessation of MAKER's fulfillment of any of the obligations of the PROPERTY under the LOAN DOCUMENTS is one of the circumstances which, upon its occurrence, shall for all purposes be considered as establishing a due date.

This NOTE and all of the covenants, promises and agreements contained in it shall be binding on and inure to the benefit of the respective legal and personal representatives, devisees, heirs, successors, and assigns of the MAKER and the NOTE HOLDER.

Neither the MAKER, nor any director, manager, member, officer, employee, or agent of the MAKER will have any direct or indirect personal liability for payment of the principal of, or any other amount due, or any other obligation under the NOTE or the LOAN DOCUMENTS. The sole recourse of the NOTE HOLDER with respect to the principal of, or any other amount due under the NOTE or the LOAN DOCUMENTS, will be to the PROPERTY securing the indebtedness evidenced by the LOAN DOCUMENTS. No judgment, or execution on a judgment, entered in any action, legal or equitable, on this NOTE or the DEED OF TRUST securing this NOTE, or with respect to any other of the LOAN DOCUMENTS will be enforced personally against the MAKER nor any director, manager, member, officer, employee, or agent of the MAKER but shall be enforced only against the PROPERTY described in the LOAN DOCUMENTS.

[Signatures to follow on next page]

Executed as of the EFFECTIVE DATE.

MAKER

DCDC TRACY APARTMENTS PHASE I LP,
a California limited partnership

By: DCDC Tracy Apartments Phase I LLC,
a California limited liability company,
its managing general partner

By: Delta Community Developers Corp.,
a California nonprofit public benefit corporation,
its sole and manager member

By: _____
Peter W. Ragsdale, Executive Director

Submitted for Recordation
By and Return to:

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Exempt from recording fees pursuant to
Cal. Gov't Code § 27383 & §27388.1

ATTACHMENT I

(Space Above This Line for Recorder's Use)

DEED OF TRUST AND SECURITY AGREEMENT
(HOME LOAN AND LMIHF LOAN)

THIS DEED OF TRUST AND SECURITY AGREEMENT (the "Deed of Trust") is made as of December [___], 2025, by and among DCDC Tracy Apartments Phase I LP, a California limited partnership (the "Trustor"), and the City of Tracy (the "Beneficiary") and Old Republic Title Company (the "Trustee").

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Trustor hereby irrevocably grants, transfers, conveys and assigns to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter set forth, Trustor's interest in the property located in the County of San Joaquin, State of California, described in the attached Exhibit A, incorporated herein by this reference (the "Property").

TOGETHER WITH all interest, estates, or other claims, both in law and in equity which Trustor now has or may hereafter acquire in the Property and the rents;

TOGETHER WITH all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, including without limiting the generality of the foregoing, all tenements, hereditaments, and appurtenances thereof and thereto;

TOGETHER WITH any and all buildings and improvements of every kind and description now or hereafter erected thereon, and all property of the Trustor now or hereafter affixed to or placed upon Property;

TOGETHER WITH all building materials and equipment now or hereafter delivered to said property and intended to be installed therein;

TOGETHER WITH all right, title, and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Property, and any and all sidewalks, alleys and strips and areas of land adjacent to or used in connection with Property;

TOGETHER WITH all estate, interest, right, title, other claim or demand, of every nature, in and to such property, including the Property, both in law and equity, including, but not limited to, all deposits made with or other security given by Trustor to utility companies, the proceeds from any or all of such property, including the Property, claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Trustor now has or may hereafter acquire, any and all awards made for the taking by eminent domain or by and any proceeding or purchase in lieu thereof of the whole or any part of such property, including without limitation, any awards resulting from a change of grade of streets and awards for severance damages to the extent Beneficiary has an interest in such awards for taking as provided in Paragraph 4.1 herein; and

TOGETHER WITH all articles of personal property or fixtures now or hereafter attached to or used in and about the building or buildings now erected or hereafter to be erected on the Property which are necessary to the complete and comfortable use and occupancy of such building or buildings for the purposes for which they were or are to be erected, including all other goods and chattels and personal property as are ever used or furnished in operating a building, or the activities conducted therein, similar to the one herein described and referred to, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be attached to said building or buildings in any manner.

All of the foregoing, together with the Property, is herein referred to as the "Security". To have and to hold the Security together with acquittances to the Trustee, its successors and assigns forever.

FOR THE PURPOSE OF SECURING:

(a) Payment of just indebtedness of Trustor to the City of Tracy in the principal amounts of: (i) Nine Hundred Twenty Five Thousand Eight Hundred Eighty Dollars ($925,880) without interest; and (ii) Four Million Dollars ($4,000,000) without interest, as set forth in the Promissory Notes (defined in Section 1.4 below) and the Regulatory Agreement and Development Loan Agreement (defined in Sections 1.5 and 1.7 below), until paid or cancelled. Said principal and other payments shall be due and payable as provided in the Promissory Notes. The Regulatory Agreement and Development Loan Agreement, the Promissory Notes, and all their terms are incorporated herein by reference, and this conveyance shall secure any and all extensions thereof, however evidenced; and

(b) Payment of any sums advanced by Beneficiary to protect the Security pursuant to the terms and provisions of this Deed of Trust following a breach of Trustor's obligation to advance said sums and the expiration of any applicable cure period, with any interest thereon as provided herein; and

(c) Performance of every obligation, covenant or agreement of Trustor contained herein and in the Regulatory Agreement and Development Loan Agreement (defined in Section 1.5 below).

AND TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND AGREES:

ARTICLE 1
DEFINITIONS

In addition to the terms defined elsewhere in this Deed of Trust, the following terms shall have the following meanings in this Deed of Trust:

Section 1.1 The term "Debt Instruments" means any other debt, loan, regulatory agreement, or security instruments relating to the Property.

Section 1.2 The term "Development Loan Agreement" means that certain Development Loan Agreement between Trustor and Beneficiary, dated as of December 1, 2025.

Section 1.3 The term Loan Documents means the Promissory Notes, the Development Loan Agreement, the Regulatory Agreement, and this Deed of Trust.

Section 1.4 The term "Promissory Notes" means either or both of those certain Non-Interest Bearing Notes of even date herewith executed by the Trustor in the original principal amounts of: (a) Nine Hundred Twenty Five Thousand Eight Hundred Eighty Dollars ($925,880) (HOME Loan); and/or (b) Four Million Dollars ($4,000,000) (LMIHF Loan), the payment of which is secured by this Deed of Trust.

Section 1.5 The term "Notes" means the Promissory Notes.

Section 1.6 The term "Principal and Interest" means the aggregate of the principal and any interest amounts required to be paid under the Promissory Notes.

Section 1.7 The term "Regulatory Agreement" means that certain Regulatory Agreement between Trustor and Beneficiary, dated as of December 1, 2025, recorded concurrently herewith.

ARTICLE 2
MAINTENANCE AND MODIFICATION OF THE PROPERTY AND SECURITY

Section 2.1 Maintenance and Modification of the Property by Trustor

The Trustor agrees that at all times prior to full payment of the sums owed under the Notes, the Trustor will, at the Trustor's own expense, maintain, preserve, and keep the Security, or cause the Security to be, maintained and preserved in good condition. The Trustor will from time to time make or cause to be made all repairs, replacements and renewals deemed proper and necessary by it. The Beneficiary shall have no responsibility in any of these matters or for the making of improvements or additions to the Security.

Trustor agrees to pay fully and discharge (or cause to be paid fully and discharged) all claims for labor done and for material and services furnished in connection with the Security, diligently to file or procure the filing of a valid notice of cessation upon the event of a cessation of

labor on the work or construction on the Security for a continuous period of thirty (30) days or more, and to take all other reasonable steps to forestall the assertion of claims of lien against the Security or any part thereof. Trustor irrevocably appoints, designates and authorizes Beneficiary as its agent (said agency being coupled with an interest) with the authority, but without any obligation, to file for record any notices of completion or cessation of labor or any other notice that Beneficiary deems necessary or desirable to protect its interest in and to the Security, the Regulatory Agreement, the Development Loan Agreement, and the Notes; provided, however, that Beneficiary shall exercise its rights as agent of Trustor only in the event that Trustor shall fail to take, or shall fail diligently continue to take, those actions as hereinbefore provided.

Upon demand by Beneficiary, Trustor shall make or cause to be made such demands or claims as Beneficiary shall specify upon laborers, materialmen, subcontractors or other persons who have furnished or claim to have furnished labor, materials or services which Trustor in good faith disputes and is diligently contesting provided that Trustor shall, within thirty (30) days after the filing of any claim of lien, record in the Office of the Recorder of San Joaquin County, a surety bond in and amount one and one half (1-1/2) times the amount of such claim item to protect against a claim of lien.

Section 2.2 Granting of Easements

Trustor may not grant easements, licenses, rights-of-way or other or privileges in the nature of easements with respect to any property or rights included in the Security except those required or desirable for installation and maintenance of public utilities including, without limitation, water, gas, electricity, sewer, telephone, and telegraph, or those required by law. As to these exceptions, Beneficiary will grant and/or direct the Trustee to grant such easements.

ARTICLE 3
TAXES AND INSURANCE; ADVANCES

Section 3.1 Taxes, Other Governmental Charges and Utility Charges

Trustor shall pay, or cause to be paid, at least fifteen (15) days prior to the date of delinquency, all taxes, assessments, charges and levies imposed by any public authority or utility company which are or may become a lien affecting the Security or any part thereof; provided, however, that Trustor shall not be required to pay and discharge any such tax, assessment, charge or levy so long as (a) the legality thereof shall be promptly and actively contested in good faith and by appropriate proceedings, and (b) Trustor maintains reserves adequate to pay any liabilities contested pursuant to this Section 3.1. With respect to taxes, special assessments or other similar governmental charges, Trustor shall pay such amount in full prior to the attachment of any lien therefor on any part of the Security; provided, however, if such taxes, assessments, or charges may be paid in installments, Trustor may pay in such installments. Except as provided in clause (b) of the first sentence of this paragraph, the provisions of this Section shall not be construed to require that Trustor maintain a reserve account, escrow account, impound account or other similar account for the payment of future taxes, assessments, charges, and levies.

In the event that Trustor shall fail to pay any of the foregoing items required by this

Section to be paid by Trustor, Beneficiary may (but shall be under no obligation to) pay the same, after the Beneficiary has notified the Trustor of such failure to pay and the Trustor fails to fully pay such items within seven (7) business days after receipt of such notice. Any amount so advanced therefore by Beneficiary, together with any interest thereon from the date of such advance at the maximum rate permitted by law, shall become an additional obligation of Trustor to the Beneficiary and shall be secured hereby, and Trustor agrees to pay all such amounts.

Section 3.2 Provisions Respecting Insurance

Trustor agrees to provide insurance as may reasonably be required by the Beneficiary to insure the Property and improvements thereon against fires and other perils during the course of construction and following completion. Such insurance shall be maintained at all times until all amounts secured by this Deed of Trust have been paid and all other obligations secured hereunder fulfilled, and this Deed of Trust reconveyed.

All such insurance policies and coverages shall be maintained at Trustor's sole cost and expense. Certificates of insurance for all of the above insurance policies, showing the same to be in full force and effect, shall be delivered to the Beneficiary upon demand therefor at any time prior to the Beneficiary's receipt of the entire Principal and any Interest and all amounts secured by this Deed of Trust. All such insurance policies shall name the Beneficiary as the loss payee.

Section 3.3 Advances

In the event the Trustor shall fail to maintain the full insurance coverage required by this Deed of Trust or shall fail to keep the Security in accordance with the Regulatory Agreement and Development Loan Agreement or any Debt Instruments, the Beneficiary, after at least seven (7) days prior notice to Trustor, may (but shall be under no obligation to) take out the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by the Beneficiary shall become an additional obligation of the Trustor to the Beneficiary (together with interest as set forth below) and shall be secured hereby, which amounts the Trustor agrees to pay on the demand of the Beneficiary, and if not so paid, shall bear interest from the date of the advance at the rate set forth in Section 10.2 of the Regulatory Agreement.

ARTICLE 4
DAMAGE, DESTRUCTION OR CONDEMNATION

Section 4.1 Awards and Damages

Subject to the rights of any senior mortgage lenders, all judgements, awards of damages, settlements and compensation made in connection with or in lieu of (1) taking of all or any part of or any interest in the Property by or under assertion of the power of eminent domain, (2) any damage to or destruction of the Property or in any part thereof by insured casualty, and (3) any other injury or damage to all or any part of the Property ("Funds") are hereby assigned to and shall be paid to the Beneficiary by a check made payable to the Beneficiary. The Beneficiary is authorized and empowered (but not required) to collect and receive any funds and is authorized to apply them in whole or in part upon any indebtedness or obligation secured hereby, in such

order and manner as the Beneficiary shall determine at its sole option. The Beneficiary shall be entitled to settle and adjust all claims under insurance policies provided under this Deed of Trust and may deduct and retain from the proceeds of such insurance the amount of all expenses incurred by it in connection with any such settlement or adjustment. All or any part of the amounts so collected and recovered by the Beneficiary may impose for its disposition. Application of all or any part of the Funds collected and received by the Beneficiary or the release thereof shall not cure or waive any default under this Deed of Trust. Notwithstanding the foregoing, Beneficiary agrees to make the Funds available to the Trustor to repair or rebuild the improvements on the Property, provided, the Beneficiary has determined in its sole but reasonable discretion that the Security will not be impaired.

ARTICLE 5
AGREEMENTS AFFECTING THE PROPERTY; FURTHER ASSURANCES; PAYMENT OF PRINCIPAL AND INTEREST

Section 5.1 Other Agreements Affecting the Property

The Trustor shall duly and punctually perform all terms, covenants, conditions, and agreements binding upon it under the Regulatory Agreement, the Development Loan Agreement, the Notes, the Debt Instruments, and any other agreement of any nature whatsoever now or hereafter involving or affecting the Property or any part thereof.

Section 5.2 Agreement to Pay Attorney's Fees and Expenses

In the event of any Event of Default (as defined below) hereunder, and if the Beneficiary should employ attorneys or incur other expenses for the collection of amounts due or the enforcement of performance or observance of an obligation or agreement on the part of the Trustor in this Deed of Trust, the Trustor agrees that it will, on demand therefor, pay to the Beneficiary the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Beneficiary; and any such amounts paid by the Beneficiary shall be added to the indebtedness secured by the lien of this Deed of Trust, and shall bear interest from the date such expenses are incurred at the lesser of ten percent (10%) per annum or the maximum rate permitted by law.

Section 5.3 Payment of Principal and Interest

The Trustor shall pay to the Beneficiary the Principal and any Interest, and any other payments as set forth in the Notes in the amounts and by the times set out therein.

Section 5.4 Personal Property

To the maximum extent permitted by law, the personal property subject to this Deed of Trust shall be deemed to be fixtures and part of the real property and this Deed of Trust shall constitute a fixtures filing under the California Commercial Code. As to any personal property not deemed or permitted to be fixtures, this Deed of Trust shall constitute a security agreement under the California Commercial Code.

Section 5.5 Financing Statement

Upon request of the Beneficiary, the Trustor shall execute and deliver to the Beneficiary such Financing Statements pursuant to the appropriate statutes, and any other documents or instruments as are required to convey to the Beneficiary a valid perfected security interest in the Security. The Trustor agrees to perform all acts which the Beneficiary may reasonably request so as to enable the Beneficiary to maintain such valid perfected security interest in the Security in order to secure the payment of the Notes in accordance with its terms. The Beneficiary is authorized to file a copy of any such Financing Statement in any jurisdiction(s) as it shall deem appropriate from time to time in order to protect the security interest established pursuant to this instrument.

Section 5.6 Operation of the Property

The Trustor agrees and covenants to operate the Property (and, in case of a transfer of a portion of the Property subject to this Deed of Trust, the transferee shall operate such portion of the Property) in full compliance with the Regulatory Agreement and Development Loan Agreement and the Debt Instruments.

Section 5.7 Inspection of the Property

If in the reasonable opinion of Beneficiary, Beneficiary's security interest in the Property may be impaired, the Trustor covenants and agrees that the Beneficiary and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives, shall have the right, subject to the rights of tenants under leases, without payment of charges or fees, to inspect the Property, during regular business hours, with 48 hours prior notice. Inspection of the interior of an occupied unit is subject to any notice as and if prescribed by law. The Trustor further covenants and agrees that the Beneficiary and its duly authorized agents shall have the right, without payment of charges and fees, to inspect the Property, during regular business hours, with a 72-hour notice for the purpose of compliance with HOME Program regulations.

Section 5.8 Nondiscrimination

The Trustor herein covenants by and for itself, its heirs, executors, administrators, and assigns, all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual preference or orientation, marital status, national origin, ancestry, disability, medical condition, AIDS acquired or perceived, familial status, pregnancy, childbirth or related medical condition, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall the Trustor itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sub-lessees or vendees in the Property. The foregoing covenants shall run with the land.

Section 5.9 Hazardous Materials

a. Covenants

1. Hazardous Materials Activities. The Trustor herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that Trustor, its heirs, executors, administrators and assigns shall not cause or permit the Property to be used as a site for the use, generation, manufacture, storage, treatment, release, discharge, disposal, transportation or presence of any oil, petroleum product, flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, hazardous wastes, toxic or contaminated substances or similar materials, including, without limitation, any substances which are "hazardous substances", "hazardous wastes", "hazardous materials", or "toxic substances" under applicable environmental laws, ordinances or regulations (collectively, "Hazardous Materials"). This paragraph shall not apply to Hazardous Materials commonly used in the construction, operation, and maintenance of the improvements or the Property.

2. Hazardous Materials Laws. The Trustor herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, and Trustor, its heirs, executors, administrators and assigns shall comply and cause the Property and any improvements thereon to comply with all applicable laws, ordinances and regulations relating to Hazardous Materials ("Hazardous Materials Laws"), including, without limitation, those relating to soil and groundwater conditions.

3. Notices. The Trustor herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that Trustor, its heirs, executors, administrators and assigns shall immediately notify the Beneficiary in writing of: (a) the discovery of any Hazardous Materials on or under the Property; (b) any knowledge by Trustor that the Property does not comply with any applicable Hazardous Materials Laws; (c) any claims or actions pending or threatened against the Trustor or the Property by any governmental entity or agency or any other person or entity relating to Hazardous Materials or pursuant to any Hazardous Materials Laws ("Hazardous Materials Claims"); and (d) the discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Property or any part thereof to be designated as "border zone property" under the provisions of California Health and Safety Code Sections 25220, et seq., or any regulation adopted in accordance therewith.

4. Remedial Action. Subject to the terms of the Debt Instruments, in response to the presence of any Hazardous Materials on, under or about the Property, Trustor shall immediately take, at Trustor's sole expense, all remedial action required by any Hazardous Materials Laws or any judgement, consent decree, settlement or compromise with respect to any Hazardous Materials Claims.

b. Legal Effect of Section

Trustor and Beneficiary agree that:

1. This Section 5.9 is intended as Beneficiary's written request for information (and Trustor's response) concerning the environmental condition of the Property as required by California Code of Civil Procedure §726.5; and

2. Each representation and warranty in this Section 5.9 (together with any

indemnity applicable to a breach of any such representation and warranty) with respect to the environmental condition of the Property is intended by Beneficiary and Trustor to be an "environmental provision" for purposes of California Code of Civil Procedure §736.

c. Environmental Indemnity

Trustor shall defend, indemnify, and hold the Beneficiary free and harmless against any claims, demands, administrative actions, litigation, liabilities, losses, damages, response cost, and penalties, including all costs of legal proceedings and reasonable attorney's fees, that the Beneficiary may directly or indirectly sustain or suffer as a consequence of any inaccuracy or breach of any representation, warranty, agreement, or covenant contained in this Agreement with respect to Hazardous Materials, or as a consequence of any use, generation, manufacture, storage, release, or disposal (whether or not Trustor knew of same) of any Hazardous Materials occurring after the date of this Deed of Trust. Notwithstanding anything contained in this Section, Trustor shall not be liable for any claims arising from the gross negligence or willful misconduct of the Beneficiary or first arising after the Beneficiary is the party in possession of the Property.

ARTICLE 6
EVENTS OF DEFAULT AND REMEDIES

Section 6.1 Events of Default

Subject Borrower's or Borrower's limited partner's right to cure following not less than thirty (30) days notice of a monetary default to Borrower and Borrower's limited partner and not less than sixty (60) days notice of a non-monetary default to Borrower and Borrower's limited partner, the following shall constitute Events of Default: (1) failure to make any payment when due to Beneficiary under the Notes; (2) failure to observe or perform any of Trustor's other covenants, agreements or obligations under the Regulatory Agreement and Development Loan Agreement, including, without limitation, the provisions concerning nondiscrimination and continuance of such failure after any applicable cure periods; or (3) failure to make any payment or perform any of Trustor's other covenants, agreements, or obligations under any other Debt Instruments or regulatory agreements secured by the Property which default shall not be cured within the times and in the manner provided therein.

Section 6.2 Acceleration of Maturity

If an Event of Default shall have occurred and be continuing, then at the option of the Beneficiary, the amount of any payment related to the Event of Default and the unpaid Principal and any unpaid Interest of the Notes shall immediately become due and payable without notice or demand which are hereby expressly waived, upon written notice by the Beneficiary to the Trustor and no omission on the part of the Beneficiary to exercise such option when entitled to do so shall be construed as a waiver of such right.

Section 6.3 The Beneficiary's Right to Enter and Take Possession

If an Event of Default shall have occurred and be continuing, the Beneficiary may:

a. Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, and without regard to the adequacy of its security, subject to the rights of senior lenders, enter upon the Security and take possession thereof (or any part thereof) and of any of the Security, in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to preserve the value or marketability of the Property, or part thereof or interest therein, increase the income therefrom or protect the security thereof. The entering upon and taking possession of the Security shall not cure or waive any Event of Default or Notice of Default hereunder or invalidate any act done in response to such Event of Default or pursuant to such Notice of Default and, notwithstanding the continuance in possession of the Security, Beneficiary shall be entitled to exercise every right provided for in this Deed of Trust, or by law upon occurrence of any event of Default, including the right to exercise the poser of sale;

b. Commence an action to foreclose this Deed of Trust, appoint a receiver, or specifically enforce any of the covenants hereof;

c. Deliver to Trustee a written declaration of default and demand for sale, and a written Notice of Default and election to cause Trustor's interest in the Security to be sold, which notice Trustee or Beneficiary shall cause to be duly filed for record in the Official Records of San Joaquin County; or

d. Exercise all other rights and remedies provided herein, in the instruments by which the Trustor acquires title to any Security, or in any other document or agreement now or hereafter evidencing, creating, or securing all or any portion of the obligations secured hereby, or provided by law.

Section 6.4 Foreclosure By Power of Sale

Should the Beneficiary elect to foreclose by exercise of the power of sale herein contained, the Beneficiary shall notify Trustee and shall deposit with Trustee this Deed of Trust which is secured hereby (and the deposit of which shall be deemed to constitute evidence that the unpaid Principal and any unpaid Interest amount of the Notes is immediately due and payable), and such receipts and evidence of any expenditures made that are additionally secured hereby as Trustee may require.

a. Upon receipt of such notice from the Beneficiary, Trustee shall cause to be recorded, published, and delivered to Trustor such Notice of Default and Election to Sell as then required by law and by this Deed of Trust. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such Notice of Default and after said Notice of Sale having been given as required by law, sell the Property, at the time and place of sale fixed by it in said Notice of Sale, whether as a whole or in separate lots or parcels or items as Trustee shall deem expedient and in such order as it may determine unless specified otherwise by the Trustor according to California Civil Code Section 2924g(b), at public auction to the highest bidder, for cash in lawful money of the United States payable at the time of sale. Trustee shall deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed or any matters of facts shall be conclusive proof of the truthfulness

thereof. Any person, including, without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale.

b. After deducting all reasonable costs, fees and expenses of Trustee, including costs of evidence of title in connection with such sale, Trustee shall apply the proceeds of sale to payment of: (1) the unpaid Principal and any unpaid Interest amount of the Notes; (2) all other sums then secured hereby; and (3) the remainder, if any, to Trustor.

c. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new Notice of Sale.

Section 6.5 Receiver

If an Event of Default shall have occurred and be continuing, Beneficiary, as a matter of right and without further notice to Trustor or anyone claiming under the Security, and without regard to the then value of the Security or the interest of Trustor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Security (or part thereof), and waives further notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of Beneficiary in case of entry as provided herein, and shall continue as such and exercise all such powers until the date of confirmation of sale of the Security, unless such receivership is sooner terminated.

Section 6.6 Remedies Cumulative

Subject to the nonrecourse provision set forth in Section 7.13 below, no right, power or remedy conferred upon or reserved to the Beneficiary by this Deed of Trust is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity.

Section 6.7 No Waiver

a. No delay or omission of the Beneficiary to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy, or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every right, power and remedy given by this Deed of Trust to the Beneficiary may be exercised from time to time and as often as may be deemed expeditious by the Beneficiary. No consent or waiver, expressed or implied, by the Beneficiary to or any breach by the Trustor in the performance of the obligations hereunder shall be deemed or construed to be a consent to or waiver of obligations of the Trustor hereunder. Failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by the Beneficiary of its right hereunder or impair any rights, power, or remedies consequent on any Event of Default by the Trustor.

b. If the Beneficiary (1) grants forbearance or an extension of time for any sums secured hereby, (2) takes other or additional security or the payment of any sums secured

hereby, (3) waives or does not exercise any right granted in the Notes or the Regulatory Agreement and Development Loan Agreement, (4) releases any part of the Security from the lien of this Deed of Trust, or otherwise changes any of the terms, covenants, conditions or agreements in the Notes or the Regulatory Agreement and Development Loan Agreement, (5) consents to the granting of any easement or other right affecting the Security, or (6) makes or consents to any agreement subordinating the lien hereof, any such act or omission shall not release, discharge, modify, change or affect the original liability under this Deed of Trust or any other obligation of the Trustor or any subsequent purchaser of the Security or any part thereof, or any maker, co-signer, endorser, surety or guarantor (unless expressly released); nor shall any such act or omission preclude the Beneficiary from exercising any right, power or privilege herein granted or intended to be granted in any Event of Default, nor, except as otherwise expressly provided in an instrument or instruments executed by the Beneficiary shall the lien of this Deed of Trust be altered thereby.

Section 6.8 Suits to Protect the Security

The Beneficiary shall have power to (1) institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Security and the rights of the Beneficiary as may be unlawful or any violation of this Deed of Trust, (2) preserve or protect its interest (as described in this Deed of Trust) in the Security, and (3) restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement for compliance with such enactment, rule or order would impair the Security thereunder or be prejudicial to the interest of the Beneficiary.

Section 6.9 Trustee May File Proof of Claim

In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting the Trustor, its creditors or its property, the Beneficiary, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of the Beneficiary allowed in such proceedings and for any additional amount which may become due and payable by the Trustor hereunder after such date.

Section 6.10 Waiver

The Trustor waives presentment, demand for payment, notice of dishonor, notice of protest and nonpayment, protest, and all other notices or demands under the California Commercial Code, notice of costs, expenses, or losses and any interest thereon, and late charges, and diligence in taking any action to collect any sums owing under the Notes or in proceedings against the Security, in connection with the delivery, acceptance, performance, default, endorsement or guaranty of this Deed of Trust.

ARTICLE 7
MISCELLANEOUS

Section 7.1 Amendments

This instrument cannot be waived, changed, discharged, or terminated orally, but only by an instrument in writing signed by Beneficiary and Trustor.

Section 7.2 Reconveyance By Trustee

Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust to Trustee for cancellation and retention, and upon payment by Trustor of Trustee's reasonable fees, Trustee shall reconvey the Security to Trustor, or to the person or persons legally entitled thereto.

Section 7.3 Notices

Formal notices, demands, and communications among the Beneficiary and Trustor shall be sufficiently given if and shall not be deemed given unless dispatched by (a) certified mail, postage prepaid, return receipt requested; (b) delivered by express delivery service, return receipt requested; or (c) delivered personally, with a delivery receipt to the principal office of the County and the Borrower as follows:

Beneficiary: City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

With a copy to: City Attorney
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Trustor: DCDC Tracy Apartments Phase I LP
2575 Grand Canal Boulevard, Suite 220
Stockton, CA 95207
Attention: Executive Director, Delta Community Developers Corp.

With a copy to: Goldfarb & Lipman LLP
1300 Clay Street, 11th Floor
Oakland, CA 94612
Attention: M David Kroot

Such written notices, demands, and communications may be sent in the same manner to such other addresses as the affected party may from time to time designate by mail as provided in this Section. Receipt shall be deemed to have occurred on the date shown on a written receipt as the date of delivery, the date delivery was refused, or the date the item was returned as undeliverable.

Section 7.4 Successors and Joint Trustors

Where an obligation is created herein binding upon Trustor, the obligation shall also apply to and bind any transferee or successors in interest. Where the terms of the Deed of Trust have the effect of creating an obligation of the Trustor and a transferee, such obligation of the Trustor

and such transferee. Where Trustor is more than one entity or person, all obligations of Trustor shall be deemed to be a joint and several obligations of each and every entity and person comprising Trustor.

Section 7.5 Captions

The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not part of this Deed of Trust.

Section 7.6 Invalidity of Certain Provisions

Every provision of this Deed of Trust is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court or other body of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable. If the lien of this Deed of Trust is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Security, the unsecured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid or applied to the full payment of that portion of the debt which is not secured or partially secured by the lien of this Deed of Trust.

Section 7.7 Governing Law

This Deed of Trust shall be governed by and construed in accordance with the laws of the State of California.

Section 7.8 Gender and Number

In this Deed of Trust the singular shall include the plural and the masculine shall include the feminine and neuter and vice versa, if the context so requires.

Section 7.9 Deed of Trust, Mortgage

Any reference in this Deed of Trust to a mortgage shall also refer to a deed of trust and any reference to a deed of trust shall also refer to mortgage.

Section 7.10 Actions

Trustor agrees to appear in and defend any action or proceeding purporting to affect the Security.

Section 7.11 Substitution of Trustee

Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and

substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the Property is situated, shall be conclusive proof of proper appointment of the successor trustee.

Section 7.12 Statute of Limitations

The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived to the full extent permissible by law.

Section 7.13 Nonrecourse Obligation

Neither the Trustor, nor any partner director, manager, member, officer, employee, or agent of the Trustor will have any direct or indirect personal liability for payment of the principal of, or any other amount due, or any other obligation under the Notes or the Loan Documents. The sole recourse of the Beneficiary with respect to the principal of, or any other amount due under the Notes or the Loan Documents, will be to the Property securing the indebtedness evidenced by the Loan Documents. No judgment, or execution on a judgment, entered in any action, legal or equitable, on the Notes, this Deed of Trust, or with respect to any other of the Loan Documents will be enforced personally against the Trustor nor any partner, director, manager, member, officer, employee, or agent of the Trustor but shall be enforced only against the Property described in the Loan Documents.

Section 7.14 Conflicts

If any term or provision of this Deed of Trust conflicts with any term of provision of the Regulatory Agreement and Development Loan Agreement, the term or provision of the Regulatory Agreement and Development Loan Agreement shall control to the extent of such conflict.

Trustor will fund the Project in part from equity received from the Low-Income Housing Tax Credit Program ("LIHTC"). Beneficiary acknowledges that, as part of the LIHTC requirements, Trustor intends to enter into an extended use agreement, which constitutes the extended low-income housing commitment described in Section 42(h)(6)(B) of the Internal Revenue Code, as amended (the "Code"). As of the date hereof, Code Section 42(h)(6)(E)(ii) does not permit the eviction or termination of tenancy (other than for good cause) of an existing tenant of any low-income unit or any increase in the gross rent with respect to such unit not otherwise permitted under Code Section 42 for a period of three (3) years after the date the building is acquired by foreclosure or by instrument in lieu of foreclosure. In the event the extended use agreement is recorded against the Property, the Beneficiary agrees to comply with the provisions set forth in Code Section 42(h (6)(E)(ii).

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Trustor has executed this Deed of Trust on the date first above written.

"TRUSTOR"

DCDC TRACY APARTMENTS PHASE I LP,
a California limited partnership

By: DCDC Tracy Apartments Phase I LLC,
a California limited liability company,
its managing general partner

By: Delta Community Developers Corp.,
a California nonprofit public benefit corporation,
its sole and manager member

By: _____
Peter W. Ragsdale, Executive Director

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

PROPERTY DESCRIPTION

The land referred to is situated in the State of California, City of Tracy, County of San Joaquin, and is described as follows:

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2025- _____

AUTHORIZING THE CITY MANAGER, OR THEIR DESIGNEE, TO EXECUTE ALL NECESSARY LOAN, REGULATORY, AND SUBORDINATION AGREEMENTS, AND ALL ANCILLARY DOCUMENTS, AND ANY NON-MATERIAL AMENDMENTS, IN A FORM APPROVED BY THE CITY ATTORNEY, BETWEEN THE CITY OF TRACY, THE HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN, DCDC TRACY APARTMENTS PHASE I, LP, AND NEWPOINT REAL ESTATE CAPITAL, LLC FOR THE DISBURSEMENT OF A $4,000,000 LOAN FROM LOW AND MODERATE INCOME HOUSING ASSET FUND MONIES AND $925,880 IN FEDERAL HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS TO SUPPORT THE DEVELOPMENT OF THE TRACY SENIOR APARTMENTS PHASE I AFFORDABLE HOUSING PROJECT; AND AUTHORIZING THE CITY MANAGER, OR THEIR DESIGNEE TO TAKE ALL STEPS NECESSARY TO CARRY OUT THE PURPOSE AND INTENT OF THIS RESOLUTION.

WHEREAS, pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seg.; the " Redevelopment Law"), the City Council (the "City Council") of the City of Tracy (the "City") adopted in accordance with the Redevelopment Law, Ordinance No. 482 on July 17, 1990 adopting the Community Development Plan (the Redevelopment Plan"), as amended from time to time; and

WHEREAS, the Community Development Agency of the City of Tracy (the "CDA") was responsible for implementing the Redevelopment Plan pursuant to the Redevelopment Law; and

WHEREAS, the CDA was dissolved on February 1, 2012, with the passage of Assembly Bill X1 26, and the housing assets were transferred to the Housing Successor (the City); and

WHEREAS, under AB X1 26 and AB 1484 (collectively, the "Redevelopment Dissolution Statutes"), upon the dissolution of the Agency on February 1, 2012, all rights, powers, duties, obligations, and "housing assets" (as defined in Section 34176 (e) were transferred to the City; and

WHEREAS, under Health and Safety Code Section 34176 (d), the City maintains a separate Low- and Moderate-Income Housing Asset Fund (the "LMIHF") and the deposits into the LMIHF must be used consistent with the affordable housing

requirements in the Community Redevelopment Law Part 1, commencing with Section 33000; and

WHEREAS, the Housing Authority of the County of San Joaquin (the "HACSJ") requested the City to commit $4,000,000 in the form of a loan from the LMIHF to develop up to 80 units of low-income housing and related improvements, to provide increased affordable housing opportunities in the City; and

WHEREAS, the City Council allocated $4,000,000 of LMIHF deposits to the HACSJ through Resolution No. 2020-134 to support predevelopment, acquisition, construction, or rehabilitation of affordable rental housing by the HACSJ (or an affiliated special purpose entity) in the City; and

WHEREAS, the HOME Investment Partnership Programs (HOME), administered by the U.S. Department of Housing and Urban Development (HUD), provides funding to support affordable housing and community development for low- and moderate-income households; and

WHEREAS, the City of Tracy receives an annual pass-through allocation of HOME funds from the County of San Joaquin, reviews and selects eligible projects, and administers the distribution of funds locally; and

WHEREAS, the City Council of the City of Tracy allocated $81,107 in HOME funds for FY 2018/2019 through Resolution No. 2018-028 to the HACSJ to support the development of an affordable housing project; and

WHEREAS, The City Council of the City of Tracy allocated $154,074 in HOME funds for FY 2019/2020 through Resolution No. 2019-046 to the HACSJ to support the development of an affordable housing project; and

WHEREAS, the City Council of the City of Tracy allocated $165,455 in HOME funds for FY 2020/2021 through Resolution No. 2020-050 to the HACSJ to support the development of an affordable housing project; and

WHEREAS, the City Council of the City of Tracy allocated $163,461 in HOME funds for FY 2021/2022 through Resolution No. 2021-032 to the HACSJ to support the development of an affordable housing project; and

WHEREAS, the City Council of the City of Tracy allocated $180,173 in HOME funds for FY 2022/2023 through Resolution No. 2022-094 to the HACSJ to support the development of an affordable housing project; and

WHEREAS, the City Council of the City of Tracy allocated $181,610 in HOME funds for FY 2023/2024 through Resolution No. 2023-046 to the HACSJ to support the development of an affordable housing project; and

WHEREAS, the City Council of the City of Tracy awarded a combined amount of $925,880 in HOME funds between FY 2018/19 and 2023/24 to HACSJ to support the development of an affordable housing project as detailed in the above recitals; now therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby finds that the above Recitals are true and correct and have served, together with the supporting documents, as the basis for the findings and approvals set forth below; and be it

FURTHER RESOLVED: That Staff is requesting that the City Council of the City of Tracy provide the previously allocated LMIHF and HOME funds to HACSJ to facilitate the implementation of the HACSJ Tracy Senior Apartments Phase I affordable housing project and enable disbursement of the funds by executing the loan documents relating to such funding; and be it

FURTHER RESOLVED: That the City Council of the City of Tracy authorizes the City Manager, or their designee, to execute all necessary loan, regulatory, and subordination agreements, and all ancillary documents, and any non-material amendments, in a form approved by the City Attorney, and authorizes the City Manager, or their designee, to take all steps necessary to carry out the purpose and intent of this Resolution; and be it

FURTHER RESOLVED, That this Resolution shall take immediate effect upon adoption.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the City Council on the 2nd day of December 2025 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.O

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution authorizing an amendment to the Attorney-Client Fee Agreement with Liebert Cassidy Whitmore for an additional scope of work to conduct a comprehensive audit not to exceed $100,000

EXECUTIVE SUMMARY

This agenda item seeks City Council approval to authorize an amendment to the Attorney-Client Fee Agreement with Liebert Cassidy Whitmore (LCW), previously approved by City Council under Resolution No. 2025-147. Amendment No. 1 adds a scope of work to conduct a comprehensive audit of our current practices for compliance with the Fair Labor Standards Act as Attachment A-6 with a not to exceed amount of $100,000

BACKGROUND AND LEGISLATIVE HISTORY

Liebert Cassidy Whitmore is a firm that has provided the City of Tracy with comprehensive legal services in a variety of employment- related areas, including litigation, labor negotiations, industrial disability retirement (IDR), and CalPERS consulting. Beyond legal representation, LCW is widely recognized across California for its expertise in labor relations and administrative employment consulting for public agencies. Their services play a vital role in helping the City effectively navigate complex labor and employment matters while ensuring compliance with applicable laws and regulations.

In April 2023, the City entered into an Attorney-Client Fee Agreement with LCW, prepared by the City Attorney's Office. This agreement established the City's standard framework for engaging outside legal counsel and serves as a master services agreement outlining the working relationship between the City Attorney's Office and LCW. Specific scopes of work are authorized through separate task orders, each with its own budget and defined scope. While the overarching agreement is categorized as legal services, this item adds a new scope of work to conduct a comprehensive audit of city practices for compliance with Fair Labor Standards Act (FLSA).

ANAYSIS

On August 25th, 2025, the City issued a Request for Proposals (RFP) to identify qualified firms or individuals capable of conducting a comprehensive audit of our current practices for compliance with the Fair Labor Standards Act (FLSA). The deadline for proposal submissions was set for September 22, 2025.

By the proposal deadline, the City received a proposal from Liebert Cassidy Whitmore, the sole submission. In accordance with Tracy Municipal Code Sections 2.20.140(a)(2), staff thoroughly evaluated the proposal and determined that Liebert Cassidy Whitmore (LCW) was the best qualified and most responsible proposer. LCW's proposal was found to best meet the City's needs for competence and professional qualifications to conduct the comprehensive audit.

Conducting an audit to ensure compliance with the Fair Labor Standards Act (FLSA) is a proactive measure that helps mitigate risks associated with non-compliance. By identifying and addressing any potential issues early, the City can avoid costly penalties, legal disputes, and damage to its reputation. Additionally, ensuring FLSA compliance demonstrates the City's commitment to fair labor practices and the well-being of its employees, fostering a positive work environment and enhancing overall organizational integrity.

FISCAL IMPACT

The Not-to-Exceed (NTE) amount for audit services will be funded through the legal services allocations included in the FY 2025/26 budget. There is no additional impact beyond what has been or will be budgeted in the respective fiscal years.

STRATEGIC PLAN

This agenda item supports the City’s Governance Strategy, and specifically implements the following goal:

Governance Strategy
Goal 5: Recruit, develop, and retain a high performing and inclusive workforce.

ACTIONS REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution authorizing an amendment to the Attorney-Client Fee Agreement with Liebert Cassidy Whitmore for an additional scope of work to conduct a comprehensive audit not to exceed $100,000.

Prepared by: Kimberly Murdaugh, Director of Human Resources

Reviewed by: Sara Castro, Director of Finance
David Nefouse City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:
A- Amendment No. 1 to Professional Services Agreement

Amendment No. 1
To Professional Services Agreement

This Amendment No. 1 (**Amendment**) to the Professional Services Agreement entered between the City of Tracy, a municipal corporation (**City**), and Liebert Cassidy Whitmore a Professional Law Corporation (**Attorney**) dated July 15th, 2025 (**Agreement**) is entered into as of the date of last signature below. City and Consultant are referred to individually as "**Party**" and collectively as "**Parties**."

Recitals

A. The Agreement was executed pursuant to the authority granted in Resolution No.2025-147, approved by the Tracy City Council on July 1st, 2025.

B. The Agreement had an initial conclusion of services set to when attorney's services conclude whether by completing the services covered by the agreement or by discharge or withdrawal with a not to exceed scope amount of

a. Labor Relations Negotiations Consulting Services in the Not to Exceed amount of $325,000
b. IDR/Disability in the Not to Exceed amount of $100,000
c. Litigation Consulting Services in the Not to Exceed amount of $100,000
d. CalPERS Consulting Services Not to Exceed amount of $50,000

C. The term of the original Agreement expires when the Attorney's services conclude whether by completing the services covered by the Professional Services Agreement or by discharge.

Now therefore, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Agreement as follows:

1. **Option to.** Pursuant to Section 2 of the Agreement, the City hereby adds an additional scope of work as Attachment A-6 Not To Exceed amount at $105,000.

2. **Effect.** The Parties hereto ratify the Agreement and, except as expressly modified by this Amendment, all provisions of the Agreement will remain unchanged and in full force and effect.

3. **Entire Agreement.** This Amendment represents the entire agreement and understanding of the Parties and shall supersede any prior agreement—written or oral—between the Parties. This Amendment will not be valid and enforceable until executed by all of the Parties hereto. This Amendment may not be modified or altered except through a subsequent writing signed by both Parties.

4. **Severability**. If any term of this Amendment is held invalid by a court of competent jurisdiction, this Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.

5. **Signatures.** The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity, and authority to enter and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Amendment may be executed in one or more counterparts. All counterparts so executed shall constitute one contract, binding on all Parties, even though all Parties are not signatory to the same counterpart.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: _____
Midori Lichtwardt

Title: City Manager

Date: _____

Consultant

By: _____

Title: partner

Date: 11/25/25

Federal Tax Employer ID No. 95-3658973

Attest:

By: _____
April B. A. Quintanilla, City Clerk

By: _____

Title: Corporate Secretary
Date: 11/25/25

Approved as to form.

By: _____
L. David Nefouse, City Attorney

ATTACHMENT A-6

COMPLIANCE AUDIT SERVICES

I. INTRODUCTION

The City of Tracy selected LCW as the most qualified firm to conduct a comprehensive audit of our current practices for compliance with the Fair Labor Standards Acts (FLSA) and our labor Memoranda of Understanding (MOUs).

II. OBJECTIVE

LCW's objective is to provide audit services to effectively meet and address any risks and challenges the City may encounter, and to represent the City in all aspects of labor and employment law. LCW utilizes systemic auditing processes to ensure compliance with the law and best management practices and provide practical recommendations through their attorneys whom have extensive experience assisting public employer clients to audit their policies and practices.

III. SCOPE OF WORK AND SERVICES

a. LCW audit services include:

- Personnel Policies/ Employee Handbooks
- Wage and Hour/ Fair Labor Standards Acts Audits
- Fair Pay Act/ Equal Pay Act Audits
- Labor Agreement Audits
- Retirement and Benefit Audits
- Affordable Resources Act Audits
- Human Resources and Management Audits

b. Methodology-FLSA Audit

- Review all written documentation relating to the City's FLSA compliance including labor agreements/ MOU's, personnel rules, payroll policies and previous audits (if applicable)
- Conduct interviews with key staff in Human Resources, payroll, and operating departments (as necessary) to understand the work periods for employees, timekeeping, compensatory time off, and the process used to calculate the regular rate of pay. This includes comprehension and benefits to determine inclusion/exclusion grom the regular rate;
- Review actual payroll data samples to analyze the overtime payments (both FLSA and MOU/Non-statutory overtime payments (when applicable) to identify potential FLSA regular rate liability
- In vases of cash-in-lieu and opt-out options, conduct a bona fide plan analysis with calculations for incidental amounts;

c. Methodology- MOU Audit

a. The MOU audit begins with a review of existing labor agreements. LCW's MOU Audit will ensure our agreement is legally compliant, cost-effective, and strategically positioned to support our agency's goals.

- Step 1: Preparation and Planning
- Step 2: Legal Compliance Review
- Step 3: Best Practices & Clarity Check
- Step 4: Cost-Effectiveness Assessment
- Step 5: Strategic Negotiation Roadmap
- Step 6: Written Report & Recommendations

IV. **COSTS:** The City's rates and cost for services are outlines in the Attorney-Client Fee Agreement between LCW and the City of Tracy

The services under this scope of work shall not exceed $105,000

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO.

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION AUTHORIZING AN AMENDMENT TO THE ATTORNEY-CLIENT FEE AGREEMENT WITH LIEBERT CASSIDY WHITMORE FOR AN ADDITIONAL SCOPE OF WORK TO CONDUCT A COMPREHENSIVE FLSA AUDIT NOT-TO-EXCEED ONE HUNDRED THOUSAND DOLLARS ($100,000)

WHEREAS, the City of Tracy and Liebert Cassidy Whitmore (LCW) entered into an Attorney-Client Fee Agreement to provide specialized legal consulting services in the areas of labor relations negotiations, IDR/disability, litigation, and CalPERS legal services in April 2023; and

WHEREAS, on June 17, 2025, the City Council approved Resolution No. 2025-147 increasing the not-to-exceed amounts for each scope of work under the agreement;

WHEREAS, LCW has extensive experience providing legal and consulting services to public agencies throughout California and has been instrumental in supporting the City's efforts to effectively manage complex employment and labor matters; and

WHEREAS, on August 25, 2025, the City issued a Request for Proposals seeking qualified firms or individuals to conduct a comprehensive audit of the City's practices for compliance with the Fair Labor Standards Act (FLSA); and

WHEREAS, LCW submitted a proposal to conduct the audit, and pursuant to Tracy Municipal Code Section 2.20.140(a)(2), staff determined that LCW was the most qualified and responsible proposer best suited to perform the required services; and

WHEREAS, staff recommends amending the existing Attorney-Client Fee Agreement with LCW to include an additional scope of work, identified in Amendment No. 1, authorizing audit services in an amount not-to-exceed One Hundred Thousand Dollars ($100,000); and

WHEREAS, The City Council hereby authorizes Amendment No. 1 to the Attorney-Client Fee Agreement with LCW, attached hereto and incorporated herein by reference as *Attachment B*, for an additional scope of work to conduct a comprehensive audit not-to-exceed One Hundred Thousand Dollars ($100,000)

RESOLVED: The City Council approved the Amendment No.1 to the Attorney-Client Fee Agreement for an additional scope of work to conduct a comprehensive audit not-to-exceed One Hundred Thousand Dollars ($100,000)

BE IT FURTHER RESOLVED: that the City Manager, or their designee, is hereby authorized to execute all documents and take any actions necessary to effectuate the purposes of this resolution.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-___ was adopted by the City Council on the 2nd day of December 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCILMEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of
the City of Tracy, California

December 2, 2025

Agenda Item 1.P

RECOMMENDATION

Staff recommends that the City Council adopt a resolution authorizing the City Manager to execute and act as the agent for the City to process the associated Grant documents for the awarded United States Department of Transportation Multimodal Project Discretionary Grant – Rural Grant Program for Fiscal Year 2025/2026.

EXECUTIVE SUMMARY

This agenda item seeks the adoption of a resolution by City Council authorizing the City Manager to execute and act as the agent for the City to process the associated Grant documents for the awarded United States Department of Transportation (USDOT) Multimodal Project Discretionary Grant (MPDG) – Rural Grant Program for Fiscal Year 2025/2026 (FY25/26), also known as the Rural Surface Transportation Grant Program.

The City of Tracy applied for the USDOT MPDG – Rural Grant Program for FY25/26, which aims to improve infrastructure in rural areas with a focus on safety, economic growth, and sustainability. The application includes three Capital Improvement Projects (CIPs): 1) Corral Hollow Road / West Linne Road Intersection Improvements, 2) Corral Hollow Road Widening between West Linne Road and the California Aqueduct, and 3) the Interstate-580 (I-580) / Corral Hollow Road Diverging Diamond Interchange. The projects involve multiple phases and have some funding from developers. These projects are designed to reduce congestion, enhance safety, and support future growth, with an expected total grant award of $41,349,000.

BACKGROUND AND LEGISLATIVE HISTORY

The USDOT released a Notice of Funding to solicit applications for the USDOT MPDG – Rural Grant Program for FY25/26 opportunity on March 25, 2024. The grant aims to enhance infrastructure in rural areas and support initiatives that promote safety, economic growth, global competitiveness, equity, and sustainability. The City submitted its application on May 6, 2024, for the Corral Hollow Road Corridor, which includes three CIPs.

1. **Corral Hollow Road / West Linne Road Intersection Improvements (CIP 72104)**: Work consists of widening the intersection to accommodate two-lanes in each direction, installing new traffic signals, and improving the Union Pacific Railroad (UPRR) at-grade railroad crossing. The City adopted Resolution No. 2021-040 on April 6, 2021, approving the Professional Services Agreement (PSA) with Mark Thomas and Company, Inc. for the project management, preparation of plans, specifications, and estimate (PS&E), environmental

document preparation, railroad and utility coordination, preparation of plans and legal description for right-of-way acquisition, and community involvement. With the ongoing right-of-way acquisition and pending approval of plans by the UPRR, the anticipated start of construction is 2027.

2. **Corral Hollow Road Widening (CIP 73161)**: Work consists of widening Corral Hollow Road from a two-lane roadway to a four-lane major arterial between West Linne Road and the California Aqueduct, replacing the bridges over the Delta Mendota Canal and the California Aqueduct, and installing a Class I bike facility. The City adopted Resolution No. 2017-265 on December 19, 2017, approving the PSA with Ruggeri Jensen Azat (RJA) Consultant for design services. The project is divided into three Phases. Phases A and B will be constructed and funded by Tracy Hills developers. Phase C is anticipated to be constructed by the City in 2028.

3. **I-580 / Corral Hollow Road Interchange (CIP 73198)**: Work consists of constructing a diverging diamond type interchange at I-580 with new bike lanes and sidewalks. The City adopted Resolution No. 2024-152 on September 3, 2024, approving and authorizing the execution of a Cooperative Agreement with the California Department of Transportation (Caltrans) for the project initiation document phase. The project is currently in the preliminary phase, and the final PS&E is scheduled for the end of 2026, with construction anticipated in 2028.

The three projects are aimed at reducing vehicle congestion, enhancing safety and accessibility in the City, and supporting future growth. The improvements on Corral Hollow Road will expand capacity, facilitate goods movement to I-580, and improve bicycle and pedestrian facilities, reducing delays, vehicle miles traveled, and air pollution in San Joaquin County.

ANALYSIS

On January 1, 2025, the City staff was informed that the City's application was selected for an award in the amount of $41,349,000 shown in Attachment A. The USDOT MPDG – Rural Grant Program for FY25/26 requires several documents to be executed for its implementation. These include a draft Grant Agreement outlined in Attachment B; General Terms and Conditions, and additional details in Attachment C; and exhibits to the Grant Agreement in Attachment D. USDOT expects all funding to be obligated by September 30, 2028.

Staff requests that the City Council authorize the City Manager to execute all documents related to the USDOT MPDG – Rural Grant Program for FY25/26 and to carry out the purpose and intent of the proposed resolution.

FISCAL IMPACT

The requested action is administrative, and no additional fiscal impact is anticipated with this authorization.

COORDINATION

The Engineering Division of Public Works will collaborate with stakeholders such as Caltrans, San Joaquin County, Union Pacific Railroad, Bethany Byron Irrigation District, utility companies, developers, and others throughout the project's various phases.

CEQA/NEPA DETERMINATION

The City staff will prepare environmental documents for the three CIP projects, CIP 72104, CIP 73161, and CIP 73198, in compliance with both California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) as needed.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide advanced green and roadway infrastructure projects that improve connectivity, reduce climate impacts, and improve the appearance of the City.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution authorizing the City Manager to execute and act as the agent for the City to process the associated Grant documents for the awarded United States Department of Transportation Multimodal Project Discretionary Grant – Rural Grant Program for Fiscal Year 2025/2026.

Prepared by: Jessica Chan, Associate Engineer

Reviewed by: Sharat Bandugula, PE, Assistant City Engineer
Even Marcelo, PE, City Engineer
Anush Nejad, PE, Public Works Director
Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A – FY25-26 Rural Award Letter Corral Hollow Road
Attachment B – Rural FY25-26 FHWA - Grant Agreement USDOT - DRAFT
Attachment C – Rural FY25-26 FHWA - General Terms and Conditions
Attachment D – Rural FY25-26 FHWA - Exhibits

Attachment A

U.S. Department of Transportation

1200 New Jersey Avenue SE
Washington, DC 20590

Project Name: Corral Hollow Road Corridor Project
Applicant: City of Tracy
Rural Grant Funding: $41,349,000
Funding Source: Rural FY 25 - $41,349,000
Estimated Future Eligible Project Costs: $69,522,000

Project Description: The project includes three elements: 1) I-580/Corral Hollow Road Interchange improvements constructing two roundabouts at the freeway ramp intersections, widening the overcrossing at I-580, and installing a Class I path; 2) Corral Hollow Road Improvements widening the two-lane roadway to a divided four-lane roadway with multimodal facilities and replacing the bridges over the California Aqueduct and Delta Mendota Canal; 3) Corral Hollow Road/Linne Road intersection improvements with a new traffic signal, turn lanes, and improving the at-grade crossing.

Congratulations! The project above was selected to receive an MPDG FY 2025-2026 Rural grant.

This letter DOES NOT authorize the applicant to incur costs to carry out the project. The execution of a grant agreement will obligate Rural grant funding, making it available to reimburse eligible expenses for the awarded project. Unless authorized by USDOT in writing, any costs incurred prior to that obligation of funds for a project (i.e., "pre-award costs") are ineligible for reimbursement and may be ineligible to count towards non-Federal match requirements. This letter DOES NOT authorize pre-award costs to be eligible. The Department expects all Rural funding be obligated by September 30, 2028.

The USDOT Operating Administration (OA) overseeing your project will contact you in the coming weeks regarding next steps to complete the relevant requirements. Please copy MPDGrants@dot.gov upon initial submission of revised grant agreement to the OA point of contact.

If you have any questions about this award, please contact the MPDG Opportunity Team at mpdgrants@dot.gov .

Sincerely,

John Augustine

Director, Office of Infrastructure Finance and Innovation
Office of the Secretary

TEMPLATE; NOT INTENDED FOR EXECUTION WITHOUT MODIFICATION
Revised 2025-04-23

U.S. DEPARTMENT OF TRANSPORTATION

GRANT AGREEMENT UNDER THE
FISCAL YEARS 2025-26 RURAL SURFACE TRANSPORTATION GRANT PROGRAM

This agreement is between the United States Department of Transportation (the "**USDOT**") and the [insert full name of recipient] (the "**Recipient**").

This agreement reflects the selection of the Recipient to receive a Rural Grant for the [insert project name].

If schedule A to this agreement identifies a Designated Subrecipient, that Designated Subrecipient is also a party to this agreement, and the parties want the Designated Subrecipient to carry out the project with the Recipient's assistance and oversight.

The parties therefore agree to the following:

ARTICLE 1
GENERAL TERMS AND CONDITIONS.

1.1 General Terms and Conditions.

(a) In this agreement, "**General Terms and Conditions**" means the content of the document titled "General Terms and Conditions Under the Fiscal Years 2025-26 Rural Surface Transportation Grant Program: FHWA Projects," dated April 23, 2025, which is available at https://www.transportation.gov/grants/rural-grant-implementation. The General Terms and Conditions reference the information contained in the schedules to this agreement. The General Terms and Conditions are part of this agreement.

(b) The Recipient states that it has knowledge of the General Terms and Conditions.

(c) The Recipient acknowledges that the General Terms and Conditions impose obligations on the Recipient and that the Recipient's non-compliance with the General Terms and Conditions may result in remedial action, terminating of the Rural Grant, disallowing costs incurred for the Project, requiring the Recipient to refund to the USDOT the Rural Grant, and reporting the non-compliance in the Federal-government-wide integrity and performance system.

ARTICLE 2
SPECIAL TERMS AND CONDITIONS.

[Choose the appropriate one of these two alternatives.]
[**Alternative #1:** If there are no special terms and conditions, then use the following:]

There are no special terms for this award.

DRAFT

[**Alternative #2:** If there are special terms and conditions, repeat and modify the following as needed:]

2.1 [Special Term Title].

[special term text]

DRAFT

SCHEDULE A
ADMINISTRATIVE INFORMATION

1. Application.

Application Title: [insert full title in box 15 of the SF-424]

Application Date: [insert the date in box 3 of the SF-424]

2. Recipient's Unique Entity Identifier.

See section 26.3 of the General Terms and Conditions.

3. Recipient Contact(s).

Name
Title
Agency
Phone Number
Email Address

4. Recipient Key Personnel.

None.

5. USDOT Project Contact(s).

Name
Title
Agency
Phone Number
Email Address

6. Payment System.

USDOT Payment System: FMIS

7. Office for Subaward and Contract Authorization.

USDOT Office for Subaward and Contract Authorization: FHWA Division

8. Federal Award Identification Number.

See section 26.2 of the General Terms and Conditions.

9. Designated Subrecipient.

Designated Subrecipient: [None] [insert full name of applicant]

Commented [USDOT1]: Additional Information. For additional context on how the here is used, see the definition of "Technical Application" in section 26.5 in the General Terms and Conditions and the use of the term "Technical Application" throughout the General Terms and Conditions.

Commented [USDOT2]: Drafting Instruction: A Designated Subrecipient should be identified only in instances when the State DOT is a pass-through for a local government who submitted the application.

Commented [USDOT3]: Additional Information. For additional context on how the Designated Subrecipient is used, see sections 3.7-3.9 in the General Terms and Conditions.

DRAFT

SCHEDULE B
PROJECT ACTIVITIES

1. General Project Description.

[Insert text from decision memo with any necessary corrections.]

2. Statement of Work.

[Insert statement of work.]

Commented [USDOT4]: Drafting Instruction: This is OST's description of the project. This description is included in the USDOT selection memo (not necessarily the same as the fact sheet description).

Commented [USDOT5]: Drafting instructions:

This section is intended to supplement section 1 with more detail describing the project scope.

The SOW should include, but is not limited to, quantitative information of project area/distance, detailed activity (e.g., paving, stormwater improvements, utility installation, adding a lane or path of certain width, etc.), and specification of materials to be used or equipment to be installed where relevant.

If the project will be completed in segments or phases, describe each segment or phase. If the project has separate functional or geographic components, describe each component.

DRAFT

SCHEDULE C
AWARD DATES AND PROJECT SCHEDULE

1. Award Dates.

Budget Period End Date: [Choose the appropriate one of these two alternatives.]

[**Alternative #1:** If all funds are being obligated at once:]

Budget Period End Date: See Block 6 of Page 1

[**Alternative #2**: If funds are to be obligated in multiple project phases:]

Base Phase Budget Period End Date: MM/DD/YYYY

Option Phase 1 Budget Period End Date: MM/DD/YYYY

Option Phase 2 Budget Period End Date: MM/DD/YYYY

Period of Performance End Date: See section 4.5 of the General Terms and Conditions

2. Estimated Project Schedule.

Milestone	Schedule Date
Planned Construction Substantial Completion and Open to Traffic Date:	[insert date]

3. Special Milestone Deadlines.

[Choose the appropriate one of these two alternatives.]
[**Alternative #1:** If the only critical dates are completion dates, then use the following:]

None.

[**Alternative #2:** If there are additional critical dates, use this table and insert a row for each date. The milestone must be described in enough detail that there is no ambiguity about when it is met. Each of these milestones is intended to establish a clear trigger for USDOT to terminate the award or amend the terms of this agreement.

If railroad coordination agreements need to be executed, add a milestone for each, prefixed

Commented [USDOT6]: Additional Information. For the definition of Budget Period, see section 4.4 in the General Terms and Conditions. See also its use in sections 4.3, 5.3, and 13.3. It is recommended that this date be at least six months after project completion to allow proper time for closeout.

For projects with multiple phases (i.e., Section 2.3 sets the obligation type to "Multiple"), there should be a budget period end date for each phase of the project.

The date must be provided in the form MM/DD/YYYY.

Commented [USDOT7]: Drafting Instruction: The budget period identifies the period of time when costs can be incurred (work performed) on a project for the authorized scope of work to be eligible to be reimbursed with Rural funds under this agreement. Work performed after the budget period end date is not allowable for reimbursement with Rural funds under this agreement. See section 13.3 of the General Terms and Conditions.

The budget period may include a reasonable and supportable amount of time for finalizing billing documentation for Rural grant funds. The budget period does not include future project work activities or phases that are not currently authorized for reimbursement under this agreement.

Commented [USDOT8]: Additional information. See article 5 and section 10.1 of the General Terms and Conditions for context on how this schedule is used in the agreement and may affect the availability of Rural funds for the project.

Commented [USDOT9]: Drafting Instruction: If any of the dates in section 2 differ from the dates in the application, each difference must be described in schedule E.

Commented [USDOT10]: Drafting Instruction: If this is a phased fund obligation grant agreement (i.e., schedule D section 2 sets the obligation type to "Multiple"), then there must be a completion milestone for each phase. Modify the table to include the applicable milestones for each phase (e.g. Planned Completion of Preliminary Design Date). **See Example Document.**

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with "Railroad Coordination Agreement:" See section 24 of the General Terms and Conditions.]

Milestone	**Deadline Date**
[Insert milestone]	[insert date]

DRAFT

SCHEDULE D
AWARD AND PROJECT FINANCIAL INFORMATION

1. Award Amount.

Rural Grant Amount: [$XXX]

2. Federal Obligation Information.

[Choose the appropriate one of these two alternatives.]
[**Alternative #1:** If all funds are being obligated at once:]

Federal Obligation Type: Single

[**Alternative #2:** If funds are to be obligated in project phases or by component:]

Federal Obligation Type: Multiple

Obligation Condition Table		
Portion of the Project	**Portion of the Rural Grant**	**Obligation Condition**
[insert name of first phase (*e.g.*, "Base phase") or component (*e.g.*, "Component 1")]	[$XXX]	
[insert name of second phase (*e.g.*, "Option phase 1") or component (*e.g.*, "Component 2")]	[$XXX]	[USDOT will describe the conditions]

3. Approved Project Budget.

Eligible Project Costs

	[Component 1]	[Component 2]	Total
Rural Funds:	[$XXX]	[$XXX]	[$XXX]
Other Federal Funds:	[$XXX]	[$XXX]	[$XXX]
Non-Federal Funds:	[$XXX]	[$XXX]	[$XXX]
Total:	[$XXX]	[$XXX]	[$XXX]

4. Cost Classification Table

Reserved.

Commented [USDOT11]: Additional Information. This section affects the size of the Federal obligation at the time this agreement is executed. For additional context, including how Federal obligations occur when the Federal Obligation Type is "Multiple," see section 4.3 of the General Terms and Conditions.

Commented [USDOT12]: Additional Information. To understand how this table is used and affects the Federal obligation of funds, see section 4.3(c)–(h) in the General Terms and Conditions.

Commented [USDOT13]: Drafting Instruction: This table should contain a row for each obligation, but not any other breakdown of the Project. *E.g.,* if the project consists of multiple components, but those are all being obligated together, do not break out the components here.

Commented [USDOT14]: Drafting Instruction: If there are more than two phases or components, add a row for each phase.

Commented [USDOT15]: Drafting Instruction: If any of the sources or amount of funds differ from the sources and amounts in the Application, each difference must be described in schedule E.

Commented [USDOT16]: Additional Information. See also sections 1.1, 3.2, and 5.4 of the General Terms and Conditions for context on how this budget information is used in the agreement.

Commented [USDOT17]: Drafting Instruction: If there is only a single component, use only the total column and remove other columns. If there are more than 2 components, add columns.

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5. Approved Pre-award Costs

[Choose the appropriate one of these two alternatives.]
[**Alternative #1:** If FHWA did not approve A/C:]

None. The USDOT has not approved under this award any costs incurred under an advanced construction authorization (23 U.S.C. 115), any costs incurred prior to authorization (23 CFR 1.9(b)), or any pre-award costs under 2 CFR 200.458.

[**Alternative #2:** If FHWA approved A/C:]

On [insert date], [Recipient] sent a written request to the FHWA [State] Division for advance construction (23 U.S.C. 115) authorization to [insert activity]. [Recipient] requested advance construction for $XXX in Rural Grant funds. The Division authorized advance construction on [insert date].

Activities under that authorization are approved pre-award costs under 2 CFR 200.458.

DRAFT

SCHEDULE E
CHANGES FROM APPLICATION

INSTRUCTIONS FOR COMPLETING SCHEDULE E: Describe all material differences between the scope, schedule, and budget described in the application and the scope, schedule, budget described in schedules B–D. The purpose of this schedule E is to clearly and accurately document the differences in scope, schedule, and budget to establish the parties' knowledge and acceptance of those differences. If there are notable changes in aspects of the Project other than scope, schedule, and budget (*e.g.,* recipient changes), those changes should also be described. See section 3.1 of the General Terms and Conditions. Enter "No Changes" if there are no material changes.

Scope:

Schedule:

Budget:

The table below provides a summary comparison of the Project budget.

	Application		**Schedule D**	
Fund Source	$	%	$	%
Previously Incurred Costs				
Federal Funds				
Non-Federal Funds				
Total Previously Incurred Costs				
Future Eligible Project Costs				
Rural Funds				
Other Federal Funds				
Non-Federal Funds				
Total Future Eligible Project Costs				
Total Project Costs				

Other:

DRAFT

SCHEDULE F
RURAL PROGRAM DESIGNATIONS

1. Small Project Designation.

Small Project Designation: [Yes] [No]

2. Appalachian Development Highway System Designation.

ADHS Designation: [Yes] [No]

3. Lane Departure Fatalities Designation.

Lane Departure Fatalities Designation: [Greater than Average] [Average or Less than Average]

4. Security Risk Designation.

Security Risk Designation: [Low] [Elevated]

5. Funding Year.

Funding Year: [2025] [2026]

Commented [USDOT18]: Additional Information. For additional context on how the Small Project designation is used, see section 24 in the General Terms and Conditions.

Commented [USDOT19]: Drafting Instruction: The Small Project designation should be "Yes" if the Rural grant amount is less than $25M and should be "No" if the Rural grant amount is equal to or greater than $25M.

Commented [USDOT20]: Additional Information. For additional context on how the ADHS Designation is used, see section 24 in the General Terms and Conditions.

Commented [USDOT21]: Drafting Instruction: The ADHS designation should be "Yes" if the USDOT selection memo description of the project included the "Award Subject to 23 U.S.C. 173(k)(2)"; otherwise it should be "No".

Commented [USDOT22]: Additional Information. For additional context on how the Lane Departure Fatalities Designation is used, see section 24 in the General Terms and Conditions.

Commented [USDOT23]: Drafting Instruction: The Lane Departure Fatalities designation should be "Greater than Average" if the USDOT selection memo description of the project included the "Award Subject to 23 U.S.C. 173(k)(3)"; otherwise it should be "Average or Less than Average".

Commented [USDOT24]: Additional Information. For additional context on how the Security Risk Designation is used, see section 20.1 in the General Terms and Conditions.

Commented [USDOT25]: Additional Information: For additional information on funding year, see section 4.2(d) in the General Terms and Conditions.

DRAFT

SCHEDULE G
RURAL PERFORMANCE MEASUREMENT INFORMATION

Study Area: [Insert description of area to be studied]

Baseline Measurement Date: [insert date]

Baseline Report Date: [insert date]

Table 1: Performance Measure Table

Measure	Category and Description	Measurement Frequency
[Insert Performance Measure]	[Performance Measure Category] [Performance Measure Description]	[quarterly *or* annual]
[Insert Performance Measure]	[Performance Measure Category] [Performance Measure Description]	[quarterly *or* annual]

Commented [USDOT26]: Additional Information. See section 8.1 of the General Terms and Conditions for context on how the Baseline Measurement and Report dates are used to establish pre-construction reporting.

Commented [USDOT27]: Drafting Instruction: This Pre-construction Measurement date should be as current as possible before the project begins construction.

Commented [USDOT28]: Drafting Instruction: This Pre-construction Report Date should be not more than 2 months after the Pre-construction Measurement Date.

Commented [USDOT29]: Additional Information. See article 8 of the General Terms and Conditions for context on how this table is used to establish the data collection and reporting. Performance Measure Category should be one of the following:
1. Safety
2. Economic Impacts/Freight Movement/Job Creation
3. State of Good Repair
4. Resiliency/Environment
5. Multimodal Options/ Quality of Life
6. Innovation

Commented [USDOT30]: Drafting Instruction:
USDOT suggests 2-4 measures.
Suggested measures can be found in existing USDOT guidance, such as:
https://www.transportation.gov/RAISEgrants/performance

DRAFT

SCHEDULE H
LABOR AND WORK

Commented [USDOT31]: **Additional Information.** NOFO section F requires projects to sufficiently consider job quality and labor rights, standards, and protections in their planning, as determined by the Department, before receiving funds for construction. The purpose of this schedule H is to document DOT's basis for determining the considerations were sufficient for this project. See also article 18 of the General Terms and Conditions.

1. Efforts to Support Good-Paying Jobs and Strong Labor Standards

The Recipient states that rows marked with "X" in the following table are accurate:

Commented [USDOT32]: **Drafting Instruction:** Insert an "X" in the left column of one or more rows of this table. For each row marked, follow the relevant instructions describing what information should be placed in the supporting narrative at ¶ 2.

	The Recipient or a project partner promotes robust job creation by supporting good-paying jobs directly related to the project with free and fair choice to join a union. *(Describe robust job creation and identify the good-paying jobs in the supporting narrative below.)*
	The Recipient or a project partner will invest in high-quality workforce training programs such as registered apprenticeship programs to recruit, train, and retain skilled workers, and implement policies such as targeted hiring preferences. *(Describe the training programs in the supporting narrative below.)*
	The Recipient or a project partner will partner with high-quality workforce development programs with supportive services to help train, place, and retain workers in good-paying jobs or registered apprenticeships including through the use of local and economic hiring preferences, linkage agreements with workforce programs, and proactive plans to prevent harassment. *(Describe the supportive services provided to trainees and employees, preferences, and policies in the supporting narrative below.)*
	The Recipient or a project partner will partner and engage with local unions or other worker-based organizations in the development and lifecycle of the project, including through evidence of project labor agreements and/or community benefit agreements. *(Describe the partnership or engagement with unions and/or other worker-based organizations and agreements in the supporting narrative below.)*
	The Recipient or a project partner will partner with communities or community groups to develop workforce strategies. *(Describe the partnership and workforce strategies in the supporting narrative below.)*
	The Recipient or a project partner has taken other actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards. *(Describe those actions in the supporting narrative below.)*
	The Recipient or a project partner has not yet taken actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards but, before beginning construction of the Project, will take relevant actions described in schedule B. *(Identify the relevant actions from schedule B in the supporting narrative below.)*

Commented [USDOT33]: **Drafting Instruction:** If this row is marked, schedule B must describe relevant activities that will be completed before construction begins. If it is the only row marked and this is a capital project, a critical milestone for completing those activities should be proposed at section 3 of schedule C.

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	The Recipient or a project partner has not taken actions related to the Project to improve good-paying jobs and strong labor standards and will not take those actions under this award.

2. Supporting Narrative.

[Insert supporting text, as described in the table above.]

Commented [USDOT35]: Drafting Instruction: For each row checked in the preceding table, add a heading here and, below that heading, add narrative text that is only as long as necessary to address the italicized prompt for that row.

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SCHEDULE I

SAFETY

3. Efforts to employ a thoughtful, data-driven approach to safety.

The Recipient states that rows marked with "X" in the following table are accurate:

	The Recipient has incorporated elements from the State Highway Safety Plan. Information on State-specific strategic highway safety plans is available at https://safety.fhwa.dot.gov/shsp/other_resources.cfm (*Identify the relevant elements and describe how they are incorporated in the project in the supporting narrative below*.)
	The Recipient has incorporated safety-related activities from the FHWA list of "proven safety countermeasures," available at https://safety.fhwa.dot.gov/provencountermeasures/. (*Identify the relevant activities and describe how they are incorporated in the project in the supporting narrative below*.)
	The Recipient has either taken other actions or believes the project is exempt from this requirement, as described below. (*Identify the relevant actions or explain why the project is exempt.*)

4. Supporting Narrative.

[Insert supporting text, as described in the table above.]

Commented [USDOT36]: NOFO Section F **requires** projects to meet two general requirements related to safety. (1) MPDG projects must be part of a thoughtful, data-driven approach to safety. Each State maintains a strategic highway safety plan. MPDG projects will be required to incorporate appropriate elements that respond to priority areas identified in that plan and are likely to yield safety benefits. (2) MPDG projects will incorporate appropriate safety-related activities that the Federal Highway Administration (FHWA) has identified as "proven safety countermeasures" due to their history of demonstrated effectiveness.

The purpose of Schedule I is to document DOT's basis for determining the considerations were sufficient for this project. For Schedule I, one "X" (and respective narrative) is required.

Commented [USDOT37]: Drafting Instruction: Insert an "X" in the left column of one or more rows of this table. For each row marked, follow the relevant instructions describing what information should be placed in the supporting narrative at ¶ 2.

Commented [USDOT38]: Drafting Instruction: This narrative should be only as long as necessary to address the prompts for the check rows in the preceding table.

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RECIPIENT SIGNATURE PAGE

Commented [USDOT39]: **Drafting Instruction:** Identify the Recipient's authorized representative by name and title. If additional signatories are required, please duplicate the signatory block. If the Recipient has a specific format it uses for additional signatory blocks, such as legal, please format this page accordingly for OST review.

The Recipient, intending to be legally bound, is signing this agreement on the date stated opposite that party's signature.

[insert full name of Recipient's organization]

_____ By: _____

Date

Signature of Recipient's Authorized Representative

[insert name]

Name

[insert title]

Title

DRAFT

DESIGNATED SUBRECIPIENT SIGNATURE PAGE

The Designated Subrecipient, intending to be legally bound, is signing this agreement on the date stated opposite that party's signature.

[insert full name of Recipient's organization]

_____	By: _____
Date	Signature of Designated Subrecipient's Authorized Representative
	[insert name]
	Name
	[insert title]
	Title

Commented [USDOT40]: Drafting Instruction: Identify the Designated Subrecipient's authorized representative by name and title. If additional signatories are required, please duplicate the signatory block. If the Subrecipient has a specific format it uses for additional signatory blocks, such as legal, please format this page accordingly for OST review.

If there is no Designated First-Tier Subrecipient, remove this signature page.

DRAFT

USDOT SIGNATURE PAGE

Commented [USDOT41]: **Drafting Instruction:** Enter the name of the Division Administrator.

The USDOT, intending to be legally bound, is signing this agreement on the date stated opposite that party's signature.

UNITED STATES DEPARTMENT OF TRANSPORTATION

_____ By: _____
Date Signature of USDOT's Authorized Representative

[insert name]

Name

FHWA [insert state] Division Administrator

Title

DRAFT

U.S. DEPARTMENT OF TRANSPORTATION

GENERAL TERMS AND CONDITIONS UNDER THE FISCAL YEARS 2025-26 RURAL SURFACE TRANSPORTATION GRANT PROGRAM: FHWA PROJECTS

Revision date: April 23, 2025

Table of Contents

Article 1 Purpose 6
1.1 Purpose. 6
Article 2 USDOT Role 7
2.1 Division of USDOT Responsibilities. 7
2.2 USDOT Program Contacts. 7
Article 3 Recipient Role 7
3.1 Statements on the Project. 7
3.2 Statements on Authority and Capacity. 7
3.3 USDOT Reliance 8
3.4 Project Delivery 8
3.5 Rights and Powers Affecting the Project. 8
3.6 Notification of Changes to Key Personnel. 9
3.7 Subaward to Designated Subrecipient 9
3.8 Designated Subrecipient Statements and Responsibilities. 9
Article 4 Award Amount, Obligation, and Time Periods 9
4.1 Federal Award Amount. 9
4.2 Federal Funding Source. 9
4.3 Federal Obligations. 9
4.4 Budget Period. 11
4.5 Period of Performance. 11
Article 5 Statement of Work, Schedule, and Budget Changes 11
5.1 Notification Requirement. 11
5.2 Scope and Statement of Work Changes. 11
5.3 Schedule Changes. 11
5.4 Budget Changes 12
5.5 USDOT Acceptance of Changes. 13
Article 6 General Reporting Terms 13
6.1 Report Submission. 13
6.2 Alternative Reporting Methods. 13
6.3 Paperwork Reduction Act Notice. 13
Article 7 Progress and Financial Reporting 14
7.1 Quarterly Project Progress Reports and Recertifications. 14
7.2 Final Progress Reports and Financial Information. 14
Article 8 Performance Measurement and Reporting 14
8.1 Optional Applicability. 14
8.2 Baseline Performance Measurement. 14
8.3 Post-construction Performance Measurement. 15
8.4 Project Outcomes Report. 15
8.5 General Performance Measurements. 16
Article 9 Noncompliance and Remedies 16
9.1 Noncompliance Determinations. 16
9.2 Remedies. 17
9.3 Other Oversight Entities. 17
Article 10 Agreement Termination 17
10.1 USDOT Termination. 17

10.2 Closeout Termination. 18
10.3 Post-Termination Adjustments. 18
10.4 Non-Terminating Events. 18
10.5 Other Remedies. 19
Article 11 Monitoring, Financial Management, Controls, and Records 19
11.1 Recipient Monitoring and Record Retention. 19
11.2 Financial Records and Audits. 19
11.3 Internal Controls. 20
11.4 USDOT Record Access. 20
11.5 Oversight Responsibilities. 20
Article 12 Contracting and Subawards 20
12.1 Minimum Wage Rates. 20
12.2 Buy America. 20
12.3 Small and Disadvantaged Business Requirements. 20
12.5 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. 21
12.6 Pass-through Entity Responsibilities. 21
12.7 Subaward and Contract Authorization. 21
Article 13 Costs, Payments, and Unexpended Funds 22
13.1 Limitation of Federal Award Amount. 22
13.2 Projects Costs. 22
13.3 Timing of Project Costs. 22
13.4 Recipient Recovery of Federal Funds. 22
13.5 Unexpended Federal Funds. 22
13.6 Timing of Payments to the Recipient. 22
13.7 Payment Method. 23
13.8 Information Supporting Expenditures. 23
13.9 Reimbursement Frequency. 23
Article 14 Liquidation, Adjustments, and Funds Availability 23
14.1 Liquidation of Recipient Obligations. 23
14.2 Funds Cancellation. 24
Article 15 Agreement Modifications 24
15.1 Bilateral Modifications. 24
15.2 Unilateral Contact Modifications. 24
15.3 USDOT Unilateral Modifications. 24
15.4 Other Modifications. 24
Article 16 Reserved. 24
Article 17 Civil Rights and Title VI 25
17.1 Civil Rights and Title VI. 25
Article 18 Labor and Work 25
18.1 Labor and Work. 25
Article 19 Safety 26
19.1 Safety. 26
Article 20 Critical Infrastructure Security and Resilience 26
20.1 Critical Infrastructure Security and Resilience. 26
Article 21 Federal Financial Assistance, Administrative, and National Policy Requirements 27

21.1 Uniform Administrative Requirements for Federal Awards. 27
21.2 Federal Law and Public Policy Requirements. 27
21.3 Federal Freedom of Information Act. 28
21.4 History of Performance. 28
21.5 Whistleblower Protection. 28
21.6 External Award Terms and Obligations. 28
21.7 Incorporated Certifications. 29
Article 22 Assignment 29
22.1 Assignment Prohibited. 29
Article 23 Waiver 29
23.1 Waivers 29
Article 24 Additional Terms and Conditions 29
24.1 Effect of Small Project Designation. 29
24.2 Effect of Appalachian Development Highway System Designation. 29
24.3 Effect of Lane Departure Fatalities Designation. 30
24.4 Disclaimer of Federal Liability. 30
24.5 Relocation and Real Property Acquisition. 30
24.6 Equipment Disposition. 30
24.7 Environmental Review. 31
24.8 Railroad Coordination. 32
Article 25 Mandatory Award Information 32
25.1 Information Contained in a Federal Award. 32
25.2 Federal Award Identification Number. 33
25.3 Recipient's Unique Entity Identifier. 33
Article 26 Construction and Definitions 33
26.1 Schedules. 33
26.2 Exhibits 33
26.3 Construction. 34
26.4 Integration. 34
26.5 Definitions. 34
Article 27 Agreement Execution and Effective Date 35
27.1 Counterparts. 35
27.2 Effective Date 35

Index of Definitions

Administering Operating Administration 7
Designated Subrecipient ..... Schedule A, Section 9
Environmental Review Entity 28
Federal Share 13
FHWA 7
General Terms and Conditions 31
IIJA 6
NOFO 6
OFCCP 23
OMB 13
Program Statute 31
Project 31
Project Closeout 17
Project Cost Savings 12
Recipient ..... Project-Specific Recitals
Rural Grant 31
Rural Program 6
Technical Application 31
USDOT 6

GENERAL TERMS AND CONDITIONS

The Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (Nov. 15, 2021) (the "**IIJA**") made funds available to the United States Department of Transportation (the "**USDOT**") for fiscal years 2025 and 2026 to carry out 23 U.S.C. 173 by providing Federal financial assistance to improve and expand the surface transportation infrastructure in rural areas. The USDOT program administering those funds is the Rural Surface Transportation Grant Program (the "**Rural Program**").

On March 25, 2024, the USDOT posted a funding opportunity at Grants.gov with funding opportunity title "Rural Surface Transportation Grant Program" and funding opportunity number RSTGP-25-26-RURAL. The notice of funding opportunity posted at Grants.gov (the "**NOFO**") solicited applications for Federal financial assistance under the fiscal years 2025-26 Rural Program. Because the NOFO also made funding available for two other programs, DOT also collected Rural Program applications under funding opportunity numbers NSMFHP-25-26-INFRA and NIPA-25-26-MEGA. On January 10, 2025, the USDOT announced application selections under the NOFO for the Rural Program.

These general terms and conditions are incorporated by reference in a project-specific agreement under the fiscal years 2025-26 Rural Program. The term "Recipient" is defined in the project-specific portion of the agreement. The project-specific portion of the agreement includes schedules A through I. The project-specific portion of the agreement may include special terms and conditions in project-specific articles.

ARTICLE 1
PURPOSE

1.1 **Purpose.** The purpose of this award is to fund an eligible project to improve and expand the surface transportation infrastructure in rural areas and help achieve the goals identified at 23 U.S.C. 173(b)(2). The parties will accomplish that purpose by achieving the following objectives:

(1) timely completing the Project; and

(2) ensuring that this award does not substitute for non-Federal investment in the Project, except as proposed in the Technical Application, as modified by schedule D.

ARTICLE 2
USDOT ROLE

2.1 Division of USDOT Responsibilities.

(a) The Office of the Secretary of Transportation is responsible for the USDOT's overall administration of the Rural Program, the approval of this agreement, and any modifications to this agreement under section 15.1.

(b) The Federal Highway Administration (the "**FHWA**") will administer this agreement on behalf of the USDOT. In this agreement, the "**Administering Operating Administration**" means the FHWA.

2.2 USDOT Program Contacts.

FHWA Rural Program Manager
Federal Highway Administration
Office of Freight Management and Operations
1200 New Jersey Avenue SE
Washington, DC 20590
fhwa-mpdg@dot.gov

and

OST Rural Program Manager
United States Department of Transportation
Office of the Secretary
1200 New Jersey Avenue SE
Room W84-312
Washington, DC 20590
MPDGrants@dot.gov

ARTICLE 3
RECIPIENT ROLE

3.1 Statements on the Project. The Recipient states that:

(1) all material statements of fact in the Technical Application were accurate when that application was submitted; and

(2) schedule E documents all material changes in the information contained in that application.

3.2 Statements on Authority and Capacity. The Recipient states that:

(1) it has the authority to receive Federal financial assistance under this agreement;

(2) it has the legal authority to complete the Project;

(3) it has the capacity, including institutional, managerial, and financial capacity, to comply with its obligations under this agreement;

(4) not less than the difference between the total eligible project costs listed in section 3 of schedule D and the Rural Grant Amount listed in section 1 of schedule D is committed to fund the Project;

(5) it has sufficient funds available to ensure that infrastructure completed or improved under this agreement will be operated and maintained in compliance with this agreement and applicable Federal law; and

(6) the individual executing this agreement on behalf of the Recipient has authority to enter this agreement and make the statements in this article 3 and in section 21.7 on behalf of the Recipient.

3.3 USDOT Reliance. The Recipient acknowledges that:

(1) the USDOT relied on statements of fact in the Technical Application to select the Project to receive this award;

(2) the USDOT relied on statements of fact in both the Technical Application and this agreement to determine that the Recipient and the Project are eligible under the terms of the NOFO;

(3) the USDOT relied on statements of fact in both the Technical Application and this agreement to establish the terms of this agreement; and

(4) the USDOT's selection of the Project to receive this award prevented awards under the NOFO to other eligible applicants.

3.4 Project Delivery.

(a) The Recipient shall complete the Project under the terms of this agreement.

(b) The Recipient shall ensure that the Project is financed, constructed, operated, and maintained in accordance with all Federal laws, regulations, and policies that are applicable to projects of the Administering Operating Administration.

3.5 Rights and Powers Affecting the Project.

(a) The Recipient shall not take or permit any action that deprive it of any rights or powers necessary to the Recipient's performance under this agreement without written approval of the USDOT.

(b) The Recipient shall act promptly, in a manner acceptable to the USDOT, to acquire, extinguish, or modify any outstanding rights or claims of right of others that would interfere with the Recipient's performance under this agreement.

3.6 Notification of Changes to Key Personnel. The Recipient shall notify all USDOT representatives who are identified in section 5 of schedule A in writing within 30 calendar days of any change in key personnel who are identified in section 4 of schedule A.

3.7 Subaward to Designated Subrecipient. If section 9 of schedule A identifies a Designated Subrecipient:

(1) the Recipient hereby awards a subaward to the Designated Subrecipient for the purpose described in section 1.1;

(2) the Recipient and the Designated Subrecipient may enter into a separate agreement, to which the USDOT is not a party, assigning responsibilities, including administrative and oversight responsibilities, among the Recipient and the Designated Subrecipient; and

(3) for the purpose of 2 CFR parts 200 and 1201, the Recipient is a pass-through entity.

3.8 Designated Subrecipient Statements and Responsibilities. If section 9 of schedule A identifies a Designated Subrecipient:

(1) the Designated Subrecipient affirms all statements and acknowledgments that are attributed to the Recipient under sections 3.1 and 3.2; and

(2) the Designated Subrecipient assumes the Recipient's reporting obligations under article 7.

ARTICLE 4
AWARD AMOUNT, OBLIGATION, AND TIME PERIODS

4.1 Federal Award Amount. The USDOT hereby awards a Rural Grant to the Recipient in the amount listed in section 1 of schedule D as the Rural Grant Amount.

4.2 Federal Funding Source. The Rural Grant is from Rural Program funding that was made available at IIJA div. A § 11101(b)(1)(D)(ii) and (iii) for fiscal years 2025-26.

4.3 Federal Obligations.

(a) If the Federal Obligation Type identified in section 2 of schedule D is "Single," then this agreement obligates for the budget period the amount listed in section 1 of schedule D as the Rural Grant Amount and sections 4.3(c)–4.3(h) do not apply to this agreement.

(b) If the Federal Obligation Type identified in section 2 of schedule D is "Multiple," then an amount up to the Rural Grant Amount listed in section 1 of schedule D will be obligated with one initial obligation and one or more subsequent, optional obligations, as described in sections 4.3(c)–4.3(h).

(c) The Obligation Condition Table in section 2 of schedule D allocates the Rural Grant among separate portions of the Project for the purpose of the Federal obligation of funds. The scope of each portion of the Project that is identified in that table is described in section 2 of schedule B.

(d) This agreement obligates for the budget period only the amounts allocated in the Obligation Condition Table in section 2 of schedule D to portions of the Project for which that table does not list an obligation condition.

(e) This agreement does not obligate amounts allocated in the Obligation Condition Table in section 2 of schedule D to portions of the Project for which that table lists an obligation condition. The parties may obligate the amounts allocated to those portions of the Project only as described in section 4.3(f) or by modifying this agreement under article 15.

(f) If the USDOT Payment System identified in section 6 of schedule A is "FMIS," then for each portion of the Project for which the Obligation Condition Table in section 2 of schedule D lists an obligation condition, the amount allocated in that table to that portion of the Project is obligated if, no later than the statutory lapse date identified in section 4.3(h) for that portion of the Project, the parties execute an instrument, in the form provided in Exhibit D, documenting that:

    (1) the USDOT determines that the obligation condition listed in that table for that portion of the Project is satisfied;

    (2) the USDOT determines that all applicable Federal requirements for obligating the amount are satisfied; and

    (3) the Recipient states that it is not required to request a modification of this agreement under article 5.

(g) The Recipient shall not request reimbursement of costs for a portion of the Project for which the Obligation Condition Table in section 2 of schedule D lists an obligation condition, unless the amount allocated in that table to that portion of the Project is obligated under section 4.3(f).

(h) Rural Program funding for this award lapses and is unavailable for obligation, by statute, after September 30, 2028, and September 30, 2029, for FYs 2025 and 2026, respectively.

(i) The Recipient acknowledges that:

    (1) the USDOT is not liable for payments for a portion of the Project for which the Obligation Condition Table in section 2 of schedule D lists an obligation

condition, unless the amount allocated in that table to that portion of the Project is obligated under section 4.3(f);

(2) any portion of the Rural Grant that is not obligated under this section 4.3 by the statutory lapse date identified in section 4.3(h) for those funds lapses on the day after that date and becomes unavailable for the Project; and

(3) the USDOT may consider the failure to obligate funds by the statutory lapse date identified in section 4.3(h) for those funds to be a basis for terminating this agreement under section 10.1.

4.4 Budget Period. The budget period for this award begins on the date of this agreement and ends on the budget period end date that is listed in section 1 of schedule C. In this agreement, "budget period" is used as defined at 2 CFR 200.1.

4.5 Period of Performance.

(a) If the USDOT Payment System identified in section 6 of schedule A is "FMIS," then the period of performance for this award begins on the date of this agreement and ends on project end date in FMIS.

(b) If the USDOT Payment System identified in section 6 of schedule A is "DELPHI eInvoicing," then the period of performance for this award is listed on page 1, line 6 of the project-specific agreement.

(c) In this agreement, "period of performance" is used as defined at 2 CFR 200.1.

ARTICLE 5
STATEMENT OF WORK, SCHEDULE, AND BUDGET CHANGES

5.1 Notification Requirement. The Recipient shall notify all USDOT representatives who are identified in section 5 of schedule A in writing within 30 calendar days of any change in circumstances or commitments that adversely affect the Recipient's plan to complete the Project. In that notification, the Recipient shall describe the change and what actions the Recipient has taken or plans to take to ensure completion of the Project. This notification requirement under this section 5.1 is separate from any requirements under this article 5 that the Recipient request modification of this agreement.

5.2 Scope and Statement of Work Changes. If the Project's activities differ from the activities described in schedule B, then the Recipient shall request a modification of this agreement to update schedule B.

5.3 Schedule Changes. If one or more of the following conditions are satisfied, then the Recipient shall request a modification of this agreement to update schedule C:

(1) a completion date for the Project or a component of the Project is listed in section 2 of schedule C and the Recipient's estimate for that milestone changes to a date that is more than six months after the date listed in section 2 of schedule C;

(2) a schedule change would require the final budget period of the project to continue after the final budget period end date listed in section 1 of schedule C (i.e., for projects with multiple phases, changes to the base phase budget period end date for projects with two phases, or changes to base or secondary phase budget period end dates for projects with three phases, etc. will not trigger notification/modification requirements); or

(3) the USDOT Payment System identified in section 6 of schedule A is "DELPHI eInvoicing" and a schedule change would require the period of performance to continue after the period of performance listed on page 1, line 6 of the project-specific agreement.

For other schedule changes, the Recipient shall follow the applicable procedures of the Administering Operating Administration and document the changes in writing.

5.4 Budget Changes.

(a) The Recipient acknowledges that if the cost of completing the Project increases:

(1) that increase does not affect the Recipient's obligation under this agreement to complete the Project; and

(2) the USDOT will not increase the amount of this award to address any funding shortfall.

(b) The Recipient shall request a modification of this agreement to update schedule D if, in comparing the Project's budget to the amounts listed in section 3 of schedule D:

(1) the total "Non-Federal Funds" amount decreases; or

(2) the total eligible project costs amount decreases.

(c) For budget changes that are not identified in section 5.4(b), the Recipient shall follow the applicable procedures of the Administering Operating Administration and document the changes in writing.

(d) If there are Project Cost Savings, then the Recipient may propose to the USDOT, in writing consistent with the Administering Operating Administration's requirements, to include in the Project specific additional activities that are within the scope of this award, as defined in section 1.1 and schedule B, and that the Recipient could complete with the Project Cost Savings.

In this agreement, "**Project Cost Savings**" means the difference between the actual eligible project costs and the total eligible project costs that are listed in section 3 of

schedule D, but only if the actual eligible project costs are less than the total eligible project costs that are listed in section 3 of schedule D. There are no Project Cost Savings if the actual eligible project costs are equal to or greater than the total eligible project costs that are listed in section 3 of schedule D.

(e) If there are Project Cost Savings and either the Recipient does not make a proposal under section 5.4(d) or the USDOT does not accept the Recipient's proposal under section 5.4(d), then:

(1) in a request under section 5.4(b), the Recipient shall reduce the Federal Share by the Project Cost Savings; and

(2) if that modification reduces this award and the USDOT had reimbursed costs exceeding the revised award, the Recipient shall refund to the USDOT the difference between the reimbursed costs and the revised award.

In this agreement, "**Federal Share**" means the sum of the total "Rural Funds" and "Other Federal Funds" amounts that are listed in section 3 of schedule D.

(f) The Recipient acknowledges that amounts that are required to be refunded under section 5.4(e)(2) constitute a debt to the Federal Government that the USDOT may collect under 2 CFR 200.346 and the Standards for Administrative Collection of Claims (31 CFR part 901).

5.5 USDOT Acceptance of Changes. The USDOT may accept or reject modifications requested under this article 5, and in doing so may elect to consider only the interests of the Rural Program and the USDOT. The Recipient acknowledges that requesting a modification under this article 5 does not amend, modify, or supplement this agreement unless the USDOT accepts that modification request and the parties modify this agreement under section 15.1.

ARTICLE 6
GENERAL REPORTING TERMS

6.1 Report Submission. The Recipient shall send all reports required by this agreement to all USDOT contacts who are listed in section 5 of schedule A and all USDOT contacts who are listed in section 2.2.

6.2 Alternative Reporting Methods. The Administering Operating Administration may establish processes for the Recipient to submit reports required by this agreement, including electronic submission processes. If the Recipient is notified of those processes in writing, the Recipient shall use the processes required by the Administering Operating Administration.

6.3 Paperwork Reduction Act Notice. Under 5 CFR 1320.6, the Recipient is not required to respond to a collection of information that does not display a currently valid control

number issued by the Office of Management and Budget (the "**OMB**"). Notwithstanding any other term of this agreement, the due date for any information collections required under this agreement, including the reporting requirements in article 7, is the later of (1) the due date stated with the requirement and (2) the 30th day after OMB approves that information collection.

ARTICLE 7
PROGRESS AND FINANCIAL REPORTING

7.1 Quarterly Project Progress Reports and Recertifications. On or before the 20th day of the first month of each calendar year quarter and until the end of the period of performance, the Recipient shall submit to the USDOT a Quarterly Project Progress Report and Recertification in the format and with the content described in exhibit C. If the date of this agreement is in the final month of a calendar year quarter, then the Recipient shall submit the first Quarterly Project Progress Report and Recertification in the second calendar year quarter that begins after the date of this agreement.

7.2 Final Progress Reports and Financial Information. No later than 120 days after the end of the period of performance, the Recipient shall submit

(1) a Final Project Progress Report and Recertification in the format and with the content described in exhibit C for each Quarterly Project Progress Report and Recertification, including a final Federal Financial Report (SF-425); and

(2) any other information required under the Administering Operating Administration's award closeout procedures.

ARTICLE 8
PERFORMANCE MEASUREMENT AND REPORTING

8.1 Optional Applicability. Article 8 applies only if the Recipient opted into the Performance Measurement and Reporting Pilot as described in the NOFO, Section F.3.

(a) If Schedule G is populated, follow instructions 8.2-8.5.

(b) If Schedule G is not populated, this Article does not apply.

8.2 Baseline Performance Measurement.

(a) Before the start of construction on the Project but not earlier than one year before the start of construction on the Project, the Recipient shall collect baseline data for each performance measure that is enumerated in schedule G.

(b) Not later than January 31 of the calendar year that begins after the Recipient collects baseline data under section 8.1(a), the Recipient shall submit a Baseline Performance Measurement Report containing the data collected under section 8.1(a), stating the dates when the data was collected, and describing, in detail, the data sources, assumptions, variability, and estimated levels of precision for each performance measure that is enumerated in schedule G.

8.3 Post-construction Performance Measurement.

(a) For each performance measure that is enumerated in schedule G and has a quarterly measurement frequency, for each of 19 consecutive calendar quarters, beginning with the first calendar quarter that begins after the Project substantial completion date, at least once during the quarter, the Recipient shall collect data for that performance measure.

(b) For each performance measure that is that is enumerated in schedule G and has an annual measurement frequency, the Recipient shall collect data for that performance measure on at least five separate occasions: (i) once during the three consecutive calendar quarters that begin after the Project substantial completion date; (ii) once during the fourth calendar quarter after the first collection; (iii) once during the eighth calendar quarter after the first collection; (iv) once during the twelfth calendar quarter after the first collection; and (v) once during the sixteenth calendar quarter after the first collection.

(c) Not later than January 31 of each year that follows a calendar year during which data was collected under this section 8.2, the Recipient shall submit to the USDOT a Post-construction Performance Measurement Report containing the data collected under this section 8.2 in the previous calendar year and stating the dates when the data was collected.

(d) If an external factor significantly affects the value of a performance measure collected under this section 8.2, then the Recipient shall identify that external factor in the Post-construction Performance Measurement Report described in section 8.2(c) and discuss the external factor's influence on the performance measure.

8.4 Project Outcomes Report.

The Recipient shall submit to the USDOT, not later than January 31 of the year that follows the final calendar year during which data was collected under section 8.2, a Project Outcomes Report that contains:

(1) an analysis of the impacts of the project, including a comparison of the baseline performance measurement data collected under section 8.1 with the post-construction performance measurement data that the Recipient reported in the final Post-construction Performance Measurement Report required under section 8.2(c);

(2) for each performance measure that is enumerated in schedule G, an analysis of the accuracy of the projected outcome listed in schedule G; and

(3) all data collected under sections 8.1 and 8.2.

8.5 General Performance Measurements.

For each performance measure that is enumerated in schedule G, the Recipient shall ensure that all data collections under this article 8 are completed in a manner consistent with the description, location, and other attributes associated with that performance measure in schedule G.

ARTICLE 9
NONCOMPLIANCE AND REMEDIES

9.1 Noncompliance Determinations.

(a) If the USDOT determines that the Recipient may have failed to comply with the United States Constitution, Federal law, or the terms and conditions of this agreement, the USDOT may notify the Recipient of a proposed determination of noncompliance. For the notice to be effective, it must be written and the USDOT must include an explanation of the nature of the noncompliance, describe a remedy, state whether that remedy is proposed or effective at an already determined date, and describe the process through and form in which the Recipient may respond to the notice.

(b) If the USDOT notifies the Recipient of a proposed determination of noncompliance under section 9.1(a), the Recipient may, no later than 7 calendar days after the notice, respond to that notice in the form and through the process described in that notice. In its response, the Recipient may:

(1) accept the remedy;

(2) acknowledge the noncompliance, but propose an alternative remedy; or

(3) dispute the noncompliance.

To dispute the noncompliance, the Recipient must include in its response documentation or other information supporting the Recipient's compliance.

(c) The USDOT may make a final determination of noncompliance only:

(1) after considering the Recipient's response under section 9.1(b); or

(2) if the Recipient fails to respond under section 9.1(b), after the time for that response has passed.

(d) To make a final determination of noncompliance, the USDOT must provide a notice to the Recipient that states the bases for that determination.

9.2 Remedies.

(a) If the USDOT makes a final determination of noncompliance under section 9.1, the USDOT may impose a remedy, including:

(1) additional conditions on the award;

(2) any remedy permitted under 2 CFR 200.339–200.340, including withholding of payments; disallowance of previously reimbursed costs, requiring refunds from the Recipient to the USDOT; suspension or termination of the award; or suspension and disbarment under 2 CFR part 180; or

(3) any other remedy legally available.

(b) To impose a remedy, the USDOT must provide a written notice to the Recipient that describes the remedy, but the USDOT may make the remedy effective before the Recipient receives that notice.

(c) If the USDOT determines that it is in the public interest, the USDOT may impose a remedy, including all remedies described in section 9.2(a), before making a final determination of noncompliance under section 9.1. If it does so, then the notice provided under section 9.1(d) must also state whether the remedy imposed will continue, be rescinded, or modified.

(d) In imposing a remedy under this section 9.2 or making a public interest determination under section 9.2(c), the USDOT may elect to consider the interests of only the USDOT.

(e) The Recipient acknowledges that amounts that the USDOT requires the Recipient to refund to the USDOT due to a remedy under this section 9.2 constitute a debt to the Federal Government that the USDOT may collect under 2 CFR 200.346 and the Standards for Administrative Collection of Claims (31 CFR part 901).

9.3 Other Oversight Entities. Nothing in this article 9 limits any party's authority to report activity under this agreement to the United States Department of Transportation Inspector General or other appropriate oversight entities.

ARTICLE 10
AGREEMENT TERMINATION

10.1 USDOT Termination.

(a) The USDOT may terminate this agreement and all of its obligations under this agreement if any of the following occurs:

(1) the Recipient fails to obtain or provide any non-Rural Grant contribution or alternatives approved by the USDOT as provided in this agreement and consistent with schedule D;

(2) a completion date for the Project or a component of the Project is listed in section 2 of schedule C and the Recipient fails to meet that milestone by six months after the date listed in section 2 of schedule C;

(3) the Recipient fails to meet a milestone listed in section 3 of schedule C by the deadline date listed in that section for that milestone;

(4) the Recipient fails to comply with the terms and conditions of this agreement, including a material failure to comply with the project schedule in schedule C even if it is beyond the reasonable control of the Recipient;

(5) circumstances cause changes to the Project that the USDOT determines are inconsistent with the USDOT's basis for selecting the Project to receive a Rural Grant; or

(6) the USDOT determines that termination of this agreement is in the public interest.

(b) In terminating this agreement under this section, the USDOT may elect to consider only the interests of the USDOT.

(c) This section 10.1 does not limit the USDOT's ability to terminate this agreement as a remedy under section 9.2.

(d) The Recipient may request that the USDOT terminate the agreement under this section 10.1.

10.2 Closeout Termination.

(a) This agreement terminates on Project Closeout.

(b) In this agreement, "**Project Closeout**" means the date that the USDOT notifies the Recipient that the award is closed out. Under 2 CFR 200.344, Project Closeout should occur no later than one year after the end of the period of performance.

10.3 Post-Termination Adjustments. The Recipient acknowledges that under 2 CFR 200.345–200.346, termination of the agreement does not extinguish the USDOT's authority to disallow costs, including costs that the USDOT reimbursed before termination, and recover funds from the Recipient.

10.4 Non-Terminating Events.

(a) The end of the budget period described under section 4.4 does not terminate this agreement or the Recipient's obligations under this agreement.

(b) The end of the period of performance described under section 4.5 does not terminate this agreement or the Recipient's obligations under this agreement.

(c) The cancellation of funds under section 14.2 does not terminate this agreement or the Recipient's obligations under this agreement.

10.5 Other Remedies. The termination authority under this article 10 supplements and does not limit the USDOT's remedial authority under article 9 or 2 CFR part 200, including 2 CFR 200.339–200.340.

ARTICLE 11
MONITORING, FINANCIAL MANAGEMENT, CONTROLS, AND RECORDS

11.1 Recipient Monitoring and Record Retention.

(a) The Recipient shall monitor activities under this award, including activities under subawards and contracts, to ensure:

(1) that those activities comply with this agreement; and

(2) that funds provided under this award are not expended on costs that are not allowable under this award or not allocable to this award.

(b) If the Recipient makes a subaward under this award, the Recipient shall monitor the activities of the subrecipient in compliance with 2 CFR 200.332(e).

(c) The Recipient shall retain records relevant to the award as required under 2 CFR 200.334.

11.2 Financial Records and Audits.

(a) The Recipient shall keep all project accounts and records that fully disclose the amount and disposition by the Recipient of the award funds, the total cost of the Project, and the amount or nature of that portion of the cost of the Project supplied by other sources, and any other financial records related to the project.

(b) The Recipient shall keep accounts and records described under section 11.2(a) in accordance with a financial management system that meets the requirements of 2 CFR 200.302–200.307, 2 CFR 200 subpart F, and title 23, United States Code, and will facilitate an effective audit in accordance with 31 U.S.C. 7501–7506.

(c) The Recipient shall separately identify expenditures under the fiscal years 2025-26 Rural Program in financial records required for audits under 31 U.S.C. 7501–7506. Specifically, the Recipient shall:

(1) list expenditures under that program separately on the schedule of expenditures of Federal awards required under 2 CFR 200 subpart F, including "FYs 2025-26" in the program name; and

(2) list expenditures under that program on a separate row under Part II, Item 1 ("Federal Awards Expended During Fiscal Period") of Form SF-SAC, including "FYs 2025-26" in column c ("Additional Award Identification").

11.3 Internal Controls. The Recipient shall establish and maintain internal controls as required under 2 CFR 200.303.

11.4 USDOT Record Access. The USDOT may access Recipient records related to this award under 2 CFR 200.337.

11.5 Oversight Responsibilities. This award is subject to the oversight requirements of title 23, United States Code.

ARTICLE 12
CONTRACTING AND SUBAWARDS

12.1 Minimum Wage Rates. The Recipient shall include, in all contracts in excess of $2,000 for work on the Project that involves labor, provisions establishing minimum rates of wages, to be predetermined by the United States Secretary of Labor, in accordance with 23 U.S.C. 113, that contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

12.2 Buy America.

(a) Steel, iron, and manufactured products used in the Project are subject to 23 U.S.C. 313, as implemented by the Federal Highway Administration. The Recipient acknowledges that this agreement is neither a waiver of 23 U.S.C. 313(a) nor a finding under 23 U.S.C. 313(b).

(b) Construction materials used in the Project are subject to the domestic preference requirement at § 70914 of the Build America, Buy America Act, Pub. L. No. 117-58, div. G, tit. IX, subtit. A, 135 Stat. 429, 1298 (2021), as implemented by OMB, USDOT, and FHWA. The Recipient acknowledges that this agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).

(c) Under 2 CFR 200.322, as appropriate and to the extent consistent with law, the Recipient should, to the greatest extent practicable under this award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The Recipient shall include the requirements of 2 CFR 200.322 in all subawards including all contracts and purchase orders for work or products under this award.

12.3 Small and Disadvantaged Business Requirements.

(a) If any funds under this award are administered by or through a State Department of Transportation, the Recipient shall expend those funds in compliance with the requirements at 49 CFR part 26, including any amendments thereto.

(b) If any funds under this award are not administered by or through a State Department of Transportation, the Recipient shall expend those funds in compliance with the requirements at 2 CFR 200.321, including any amendments thereto.

12.4 Engineering and Design Services.

As applicable, the Recipient shall award each contract or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping, or related services that is negotiated under the Brooks Act, 40 U.S.C. 1101-1104 as implemented in 23 U.S.C. 112(b)(2), or an equivalent qualifications-based requirement prescribed for or by the Recipient and approved in writing by the USDOT.

12.5 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment.

The Recipient acknowledges that Section 889 of Pub. L. No. 115-232 and 2 CFR 200.216 prohibit the Recipient and all subrecipients from procuring or obtaining certain telecommunications and video surveillance services or equipment under this award.

12.6 Pass-through Entity Responsibilities.

If the Recipient makes a subaward under this award, the Recipient shall comply with the requirements on pass-through entities under 2 CFR parts 200 and 1201, including 2 CFR 200.331–200.333.

12.7 Subaward and Contract Authorization.

(a) If the USDOT Office for Subaward and Contract Authorization identified in section 7 of schedule A is "FHWA Division," then the Recipient shall comply with subaward and contract authorization requirements under 23 C.F.R chapter I.

(b) If the USDOT Office for Subaward and Contract Authorization identified in section 7 of schedule A is "FHWA Office of Acquisition and Grants Management," then the Recipient may be required to obtain prior written approval from the USDOT agreement officer pursuant to 2 CFR 200.308, 2 CFR 200.333, and 23 CFR part 172, as applicable, for the subaward or contracting out of any work under this agreement. Approvals under 2 CFR 200.308 will be contingent upon a fair and reasonable price determination on the part of the Recipient and the agreement officer's concurrence on that determination.

ARTICLE 13
COSTS, PAYMENTS, AND UNEXPENDED FUNDS

13.1 Limitation of Federal Award Amount. Under this award, the USDOT shall not provide funding greater than the amount obligated under section 4.3. The Recipient acknowledges that the USDOT is not liable for payments exceeding that amount, and the Recipient shall not request reimbursement of costs exceeding that amount.

13.2 Projects Costs. This award is subject to the cost principles at 2 CFR 200 subpart E, including provisions on determining allocable costs and determining allowable costs.

13.3 Timing of Project Costs.

(a) The Recipient shall not charge to this award costs that are incurred after the budget period.

(b) The Recipient shall not charge to this award costs that were incurred before the date of this agreement unless those costs are identified in section 5 of schedule D and would have been allowable if incurred during the budget period. This limitation applies to costs incurred under an advance construction authorization (23 U.S.C. 115), costs incurred prior to authorization (23 CFR 1.9(b)), and pre-award costs under 2 CFR 200.458.

(c) This agreement hereby terminates and supersedes any previous USDOT approval for the Recipient to incur costs under this award for the Project. Section 5 of schedule D is the exclusive USDOT approval of costs incurred before the date of this agreement.

13.4 Recipient Recovery of Federal Funds. The Recipient shall make all reasonable efforts, including initiating litigation, if necessary, to recover Federal funds if the USDOT determines, after consultation with the Recipient, that those funds have been spent fraudulently, wastefully, or in violation of Federal laws, or misused in any manner under this award. The Recipient shall not enter a settlement or other final position, in court or otherwise, involving the recovery of funds under the award unless approved in advance in writing by the USDOT.

13.5 Unexpended Federal Funds. Any Federal funds that are awarded at section 4.1 but not expended on allocable, allowable costs remain the property of the United States.

13.6 Timing of Payments to the Recipient.

(a) Reimbursement is the payment method for the Rural Program.

(b) The Recipient shall not request reimbursement of a cost before the Recipient has entered into an obligation for that cost.

13.7 Payment Method.

(a) If the USDOT Payment System identified in section 6 of schedule A is "FMIS," then the Recipient shall follow FMIS procedures to request and receive reimbursement payments under this award.

(b) If the USDOT Payment System identified in section 6 of schedule A is "DELPHI eInvoicing," then the Recipient shall use the DELPHI eInvoicing System to request reimbursement under this award unless the USDOT agreement officer provides written approval for the Recipient to use a different request and payment method.

(c) The USDOT may deny a payment request that is not submitted using the method identified in this section 13.7.

13.8 Information Supporting Expenditures.

(a) If the USDOT Payment System identified in section 6 of schedule A is "DELPHI eInvoicing," then when requesting reimbursement of costs incurred or credit for cost share incurred, the Recipient shall electronically submit the SF 271 (Outlay Report and Request for Reimbursement for Construction Programs) or the SF 270 (Request for Advance or Reimbursement), as applicable, shall identify the Federal share and the Recipient's share of costs, and shall submit supporting cost detail to clearly document all costs incurred. As supporting cost detail, the Recipient shall include a detailed breakout of all costs incurred, including direct labor, indirect costs, other direct costs, and travel.

(b) If the Recipient submits a request for reimbursement that the USDOT determines does not include or is not supported by sufficient detail, the USDOT may deny the request or withhold processing the request until the Recipient provides sufficient detail.

13.9 Reimbursement Frequency. If the USDOT Payment System identified in section 6 of schedule A is "DELPHI eInvoicing," then the Recipient shall not request reimbursement more frequently than monthly.

ARTICLE 14
LIQUIDATION, ADJUSTMENTS, AND FUNDS AVAILABILITY

14.1 Liquidation of Recipient Obligations.

(a) The Recipient shall liquidate all obligations of award funds under this agreement no later than the earlier of (1) 120 days after the end of the period of performance or (2) the statutory funds cancellation date identified in section 14.2.

(b) Liquidation of obligations and adjustment of costs under this agreement follow the requirements of 2 CFR 200.344–200.346.

14.2 Funds Cancellation. Rural Program funding that is obligated for this award under section 4.3 remains available until expended.

ARTICLE 15
AGREEMENT MODIFICATIONS

15.1 Bilateral Modifications. The parties may amend, modify, or supplement this agreement by mutual agreement in writing signed by the USDOT and the Recipient. Either party may request to amend, modify, or supplement this agreement by written notice to the other party.

15.2 Unilateral Contact Modifications.

(a) The Recipient may update the contacts who are listed in section 3 of schedule A by written notice to all of the USDOT contacts who are listed in section 5 of schedule A and section 2.2.

(b) The USDOT may update the contacts who are listed in section 5 of schedule A and section 2.2 by written notice to all of the Recipient contacts who are listed in section 3 of schedule A.

15.3 USDOT Unilateral Modifications.

(a) The USDOT may unilaterally modify this agreement to comply with Federal law, including the Program Statute.

(b) To unilaterally modify this agreement under this section 15.3, the USDOT must provide a notice to the Recipient that includes a description of the modification and state the date that the modification is effective.

15.4 Other Modifications. The parties shall not amend, modify, or supplement this agreement except as permitted under sections 15.1, 15.2, or 15.3. If an amendment, modification, or supplement is not permitted under section 15.1, not permitted under section 15.2, and not permitted under section 15.3, it is void.

ARTICLE 16
RESERVED

RESERVED.

ARTICLE 17
CIVIL RIGHTS AND TITLE VI

17.1 Civil Rights and Title VI.

(a) The purpose of sections 17.1(b)–17.1(c) is to ensure that the Recipient has a plan to comply with civil rights obligations and nondiscrimination laws, including Title VI and 49 CFR part 21, including any amendments thereto.

(b) If the Recipient is an Existing Recipient, the Recipient shall submit to the USDOT either:

(1) not later than one month after the date of this agreement, documentation showing that the Recipient has complied with all reporting requirements under the Administering Operating Administration's implementation of Title VI; or

(2) not later than six months after the date of this agreement, both a Title VI Plan and a Community Participation Plan, as those plans are described in chapter II, sections 3–4 of DOT Order 1000.12C.

(c) If the Recipient is "New," then the Administering Operating Administration completed a Title VI Assessment of the Recipient, as described in chapter II, section 2 of DOT Order 1000.12C, including any amendments or updates thereto, before entering this agreement.

(d) In this section 17.1:

(1) "Title VI" means Title VI of the Civil Rights Act of 1964, Pub. L. No. 88-352 (codified at 42 U.S.C. 2000d to 2000d-4a).

(2) "Existing" means a prior recipient of DOT federal financial assistance since the publication of DOT Order 1000.12C on June 11, 2021.

(3) "New" means a recipient who has not received DOT federal financial assistance since the publication of DOT Order 1000.12C on June 11, 2021.

ARTICLE 18
LABOR AND WORK

18.1 Labor and Work. Consistent with Executive Order 14025, "Worker Organizing and Empowerment" (Apr. 26, 2021), schedule H documents the consideration of job quality and labor rights, standards, and protections related to the Project.

ARTICLE 19
SAFETY

19.1 Safety

(a) The National Roadway Safety Strategy (NRSS), issued January 27, 2022, commits the Department to respond to the current crisis in roadway fatalities by 'taking substantial, comprehensive action to significantly reduce serious and fatal injuries on the Nation's roadways,' in pursuit of the goal of achieving zero roadway deaths through a Safe System Approach. The outcomes that are anticipated from the roadway projects funded by the Rural program should align with the NRSS. Schedule I documents the consideration of safety approaches related to the Project that align with the NRSS.

(i) The Recipient shall work with the Administering Operating Administration to identify, and the Recipient shall carry out, safety-related activities for the Project that respond to priority areas in the strategic highway safety plan for the State in which the Project is located and are likely to yield safety benefits.

(ii) In the Project, the Recipient shall incorporate appropriate safety-related activities that are identified as "proven safety countermeasures" at https://safety.fhwa.dot.gov/provencountermeasures/.

(iii) The Project Sponsor shall describe, in the reports required under article 7, the specific safety-related activities carried out under this section 24.10.

(b) If Recipient is exempt from the State-specific Highway Safety Plan elements, USDOT will work with those Recipients on a project-by project basis to determine the specific safety requirements that are appropriate.

ARTICLE 20
CRITICAL INFRASTRUCTURE SECURITY AND RESILIENCE

20.1 Critical Infrastructure Security and Resilience.

(a) Consistent with Presidential Policy Directive 21, "Critical Infrastructure Security and Resilience" (Feb. 12, 2013), and the National Security Presidential Memorandum on Improving Cybersecurity for Critical Infrastructure Control Systems (July 28, 2021), the Recipient shall consider physical and cyber security and resilience in planning, design, and oversight of the Project.

(b) If the Security Risk Designation in section 5 of schedule F is "Elevated," then, no later than two years after the date of this agreement, the Recipient shall submit to the USDOT a report that:

(1) identifies a cybersecurity Point of Contact for the transportation infrastructure being improved in the Project;

(2) summarizes or contains a cybersecurity incident reporting plan for the transportation infrastructure being improved in the Project;

(3) summarizes or contains a cybersecurity incident response plan for the transportation infrastructure being improved in the Project;

(4) documents the results of a self-assessment of the Recipient's cybersecurity posture and capabilities; and

(5) describes any additional actions that the Recipient has taken to consider or address cybersecurity risk of the transportation infrastructure being improved in the Project.

ARTICLE 21
FEDERAL FINANCIAL ASSISTANCE, ADMINISTRATIVE, AND NATIONAL POLICY REQUIREMENTS

21.1 Uniform Administrative Requirements for Federal Awards. The Recipient shall comply with the obligations on non-Federal entities under 2 CFR parts 200 and 1201.

21.2 Federal Law and Public Policy Requirements.

(a) The Recipient shall ensure that Federal funding is expended in full accordance with the United States Constitution, Federal law, and statutory and public policy requirements: including but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination; and Recipient will cooperate with Federal officials in the enforcement of Federal law, including cooperating with and not impeding U.S. Immigration and Customs Enforcement (ICE) and other Federal offices and components of the Department of Homeland Security in the enforcement of Federal immigration law.

(b) Pursuant to Section (3)(b)(iv)(A), Executive Order 14173, *Ending Illegal Discrimination And Restoring Merit-Based Opportunity*, the Recipient agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code.

(c) Pursuant to Section (3)(b)(iv)(B), Executive Order 14173, *Ending Illegal Discrimination And Restoring Merit-Based Opportunity*, by entering into this agreement, the Recipient certifies that it does not operate any programs promoting diversity, equity, and inclusion (DEI) initiatives that violate any applicable Federal anti-discrimination laws.

(d) The failure of this agreement to expressly identify Federal law applicable to the Recipient or activities under this agreement does not make that law inapplicable.

21.3 Federal Freedom of Information Act.

(a) The USDOT is subject to the Freedom of Information Act, 5 U.S.C. 552.

(b) The Recipient acknowledges that the Technical Application and materials submitted to the USDOT by the Recipient related to this agreement may become USDOT records subject to public release under 5 U.S.C. 552.

21.4 History of Performance. Under 2 C.F.R 200.206, any Federal agency may consider the Recipient's performance under this agreement, when evaluating the risks of making a future Federal financial assistance award to the Recipient.

21.5 Whistleblower Protection.

(a) The Recipient acknowledges that it is a "grantee" within the scope of 41 U.S.C. 4712, which prohibits the Recipient from taking certain actions against an employee for certain disclosures of information that the employee reasonably believes are evidence of gross mismanagement of this award, gross waste of Federal funds, or a violation of Federal law related this this award.

(b) The Recipient shall inform its employees in writing of the rights and remedies provided under 41 U.S.C. 4712, in the predominant native language of the workforce.

21.6 External Award Terms and Obligations.

(a) In addition to this document and the contents described in article 26, this agreement includes the following additional terms as integral parts:

(1) Appendix A to 2 CFR part 25: System for Award Management and Universal Identifier Requirements;

(2) Appendix A to 2 CFR part 170: Reporting Subawards and Executive Compensation;

(3) 2 CFR part 175: Award Term for Trafficking in Persons; and

(4) Appendix XII to 2 CFR part 200: Award Term and Condition for Recipient Integrity and Performance Matters.

(b) The Recipient shall comply with:

(1) 49 CFR part 20: New Restrictions on Lobbying;

(2) 49 CFR part 21: Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964, including any amendments thereto;

(3) 49 CFR part 27: Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance; and

(4) Subpart B of 49 CFR part 32: Governmentwide Requirements for Drug-free Workplace (Financial Assistance).

21.7 Incorporated Certifications. The Recipient makes the statements in the following certifications, which are incorporated by reference:

(1) Appendix A to 49 CFR part 20 (Certification Regarding Lobbying).

ARTICLE 22
ASSIGNMENT

22.1 Assignment Prohibited. The Recipient shall not transfer to any other entity any discretion granted under this agreement, any right to satisfy a condition under this agreement, any remedy under this agreement, or any obligation imposed under this agreement.

ARTICLE 23
WAIVER

23.1 Waivers.

(a) A waiver of a term of this agreement granted by the USDOT will not be effective unless it is in writing and signed by an authorized representative of the USDOT.

(b) A waiver of a term of this agreement granted by the USDOT on one occasion will not operate as a waiver on other occasions.

(c) If the USDOT fails to require strict performance of a term of this agreement, fails to exercise a remedy for a breach of this agreement, or fails to reject a payment during a breach of this agreement, that failure does not constitute a waiver of that term or breach.

ARTICLE 24
ADDITIONAL TERMS AND CONDITIONS

24.1 Effect of Small Project Designation. If section 2 of schedule F lists "Yes" for the "Small Project Designation," then the amount of this award is less than $25,000,000 and the funding for this award is from amounts limited at 23 U.S.C. 173(k)(1).

24.2 Effect of Appalachian Development Highway System Designation. If section 3 of schedule F lists "Yes" for the "ADHS Designation," then based on information that the

Recipient provided to the USDOT, including the Technical Application, the USDOT determined that:

(1) the Project will further the completion of designated routes of the Appalachian Development highway System under 40 U.S.C. 14501; and

(2) this award addresses, at least in part, the reservation of funds at 23 U.S.C. 173(k)(2).

24.3 Effect of Lane Departure Fatalities Designation. If section 4 of schedule F lists "Greater than Average" for the "Lane Departure Fatalities Designation," then based on information that the Recipient provided to the USDOT, including the Technical Application, the USDOT determined that:

(1) the Project is located in a State that has rural roadway fatalities as a result of lane departures that are greater than the average of rural roadway fatalities as a result of lane departures in the United States; and

(2) this award addresses, at least in part, the reservation of funds at 23 U.S.C. 173(k)(3).

24.4 Disclaimer of Federal Liability. The USDOT shall not be responsible or liable for any damage to property or any injury to persons that may arise from, or be incident to, performance or compliance with this agreement.

24.5 Relocation and Real Property Acquisition.

(a) To the greatest extent practicable under State law, the Recipient shall comply with the land acquisition policies in 49 CFR 24 subpart B and shall pay or reimburse property owners for necessary expenses as specified in that subpart.

(b) The Recipient shall provide a relocation assistance program offering the services described in 49 CFR 24 subpart C and shall provide reasonable relocation payments and assistance to displaced persons as required in 49 CFR 24 subparts D–E.

(c) The Recipient shall make available to displaced persons, comparable replacement dwellings in accordance with 49 CFR 24.

24.6 Equipment Disposition.

(a) In accordance with 2 CFR 200.313 and 1201.313, if the Recipient or a subrecipient acquires equipment under this award, then when that equipment is no longer needed for the Project:

(1) if the entity that acquired the equipment is a State, the State shall dispose of that equipment in accordance with State laws and procedures;

(2) if the entity that acquired the equipment is an Indian Tribe, the Indian Tribe shall dispose of that equipment in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 CFR 200.313; and

(3) if the entity that acquired the equipment is neither a State nor an Indian Tribe, that entity shall request disposition instructions from the Administering Operating Administration.

(b) In accordance with 2 CFR 200.443(d), the distribution of the proceeds from the disposition of equipment must be made in accordance with 2 CFR 200.310–200.316 and 2 CFR 1201.316.

(c) The Recipient shall ensure compliance with this section 24.7 for all tiers of subawards under this award.

24.7 Environmental Review.

(a) In this section, "**Environmental Review Entity**" means:

(1) if the Project is located in a State that has assumed responsibilities for environmental review activities under 23 U.S.C. 326 or 23 U.S.C. 327 and the Project is within the scope of the assumed responsibilities, the State; and

(2) for all other cases, the FHWA.

(b) Except as authorized under section 24.8(c), the Recipient shall not begin final design; acquire real property, construction materials, or equipment; begin construction; or take other actions that represent an irretrievable commitment of resources for the Project unless and until:

(1) the Environmental Review Entity complies with the National Environmental Policy Act, 42 U.S.C. 4321 to 4370m-12, and any other applicable environmental laws and regulations; and

(2) if the Environmental Review Entity is not the Recipient, the Environmental Review Entity provides the Recipient with written notice that the environmental review process is complete.

(c) If the Recipient is using procedures for early acquisition of real property under 23 CFR 710.501 or hardship and protective acquisitions of real property 23 CFR 710.503, the Recipient shall comply with 23 CFR 771.113(d)(1).

(d) The Recipient acknowledges that:

(1) the Environmental Review Entity's actions under section 24.8(a) depend on the Recipient conducting necessary environmental analyses and submitting necessary documents to the Environmental Review Entity; and

(2) applicable environmental statutes and regulation may require the Recipient to prepare and submit documents to other Federal, State, and local agencies.

(e) Consistent with 23 CFR 771.105(a), to the extent practicable and consistent with Federal law, the Recipient shall coordinate all environmental investigations, reviews, and consultations as a single process.

(f) The activities described in schedule B and other information described in this agreement may inform environmental decision-making processes, but the parties do not intend this agreement to document the alternatives under consideration under those processes. If a build alternative is selected that does not align with schedule B or other information in this agreement, then:

(1) the parties may amend this agreement under section 15.1 for consistency with the selected build alternative; or

(2) if the USDOT determines that the condition at section 10.1(a)(5) is satisfied, the USDOT may terminate this agreement under section 10.1(a)(5).

(g) The Recipient shall complete any mitigation activities described in the environmental document or documents for the Project, including the terms and conditions contained in the required permits and authorizations for the Project.

24.8 Railroad Coordination. If section 3 of schedule C includes one or more milestones identified as a "Railroad Coordination Agreement," then for each of those milestones, the Recipient shall enter a standard written railroad coordination agreement, consistent with 23 CFR 646.216(d), no later than the deadline date identified for that milestone, with the identified railroad for work and operation within that railroad's right-of-way.

ARTICLE 25
MANDATORY AWARD INFORMATION

25.1 Information Contained in a Federal Award. For 2 CFR 200.211:

(1) the "Federal Award Date" is the date of this agreement, as defined under section 27.2;

(2) the "Assistance Listings Number" is 20.938 and the "Assistance Listings Title" is "Rural Surface Transportation Grant Program"; and

(3) this award is not for research and development.

25.2 Federal Award Identification Number.

(a) If the USDOT Payment System identified in section 6 of schedule A is "FMIS," then the Federal Award Identification Number will be generated when the FHWA Division authorizes the project in FMIS. The Recipient acknowledges that it has access to FMIS and can retrieve the FAIN from FMIS.

(b) If the USDOT Payment System identified in section 6 of schedule A is "DELPHI eInvoicing," then the Federal Award Identification Number is listed on page 1, line 1 of the project-specific agreement.

25.3 Recipient's Unique Entity Identifier.

(a) If the USDOT Payment System identified in section 6 of schedule A is "FMIS," then the Recipient's Unique Entity Identifier, as defined at 2 CFR 25.400, is available in FMIS. The Recipient acknowledges that it has access to FMIS and can retrieve the unique entity identifier from FMIS.

(b) If the USDOT Payment System identified in section 6 of schedule A is "DELPHI eInvoicing," then the Recipient's Unique Entity Identifier, as defined at 2 CFR 25.400, is listed on page 1, line 4 of the project-specific agreement.

ARTICLE 26
CONSTRUCTION AND DEFINITIONS

26.1 Schedules. This agreement includes the following schedules as integral parts:

Schedule A	Administrative Information
Schedule B	Project Activities
Schedule C	Award Dates and Project Schedule
Schedule D	Award and Project Financial Information
Schedule E	Changes from Application
Schedule F	Rural Program Designations
Schedule G	Performance Measurements
Schedule H	Labor and Work
Schedule I	Safety

26.2 Exhibits. The following exhibits, which are located in the document titled "Exhibits to FHWA Grant Agreements Under the Fiscal Years 2025-26 Rural Surface Transportation Grant Program," dated April 23, 2025, and available at https://www.transportation.gov/grants/rural-grant-implementation, are part of this agreement.

Exhibit A Applicable Federal Laws and Regulations

Exhibit B	Additional Standard Terms
Exhibit C	Quarterly Project Progress Reports and Recertifications: Format and Content
Exhibit D	Form for Subsequent Obligation of Funds

26.3 Construction.

(a) In these General Terms and Conditions:

(1) unless expressly specified, a reference to a section or article refers to that section or article in these General Terms and Conditions;

(2) a reference to a section or other subdivision of a schedule listed in section 26.1 will expressly identify the relevant schedule; and

(3) there are no references to articles or sections in project-specific portions of the agreement that are not contained in schedules listed in section 26.1.

(b) If a provision in these General Terms and Conditions or the exhibits conflicts with a provision in the project-specific portion of the agreement, then the project-specific portion of the agreement prevails. If a provision in the Exhibits conflicts with a provision in these General Terms and Conditions, then the provision in these General Terms and Conditions prevails.

26.4 Integration. This agreement constitutes the entire agreement of the parties relating to the Rural Program and awards under that program for the Project and supersedes any previous agreements, oral or written, relating to the Rural Program and awards under that program for the Project.

26.5 Definitions. In this agreement, the following definitions apply:

"**General Terms and Conditions**" means this document, including articles 1–27.

"**Program Statute**" means 23 U.S.C. 173.

"**Project**" means the project proposed in the Technical Application, as modified by the negotiated provisions of this agreement, including schedules A–I.

"**Rural Grant**" means an award of funds that were made available under the NOFO for the Rural Program.

"**Technical Application**" means the application identified in section 1 of schedule A, including Standard Form 424 and all information and attachments submitted with that form through Grants.gov.

ARTICLE 27
AGREEMENT EXECUTION AND EFFECTIVE DATE

27.1 Counterparts. This agreement may be executed in counterparts, which constitute one document. The parties intend each countersigned original to have identical legal effect.

27.2 Effective Date. The agreement will become effective when all parties have signed it. The date of this agreement will be the date this agreement is signed by the last party to sign it. This instrument constitutes a Rural Grant when the USDOT's authorized representative signs it.

Attachment D

U.S. DEPARTMENT OF TRANSPORTATION

EXHIBITS TO FHWA GRANT AGREEMENTS UNDER THE FISCAL YEARS 2025-26 RURAL SURFACE TRANSPORTATION GRANT PROGRAM

April 23, 2025

EXHIBIT A
APPLICABLE FEDERAL LAWS AND REGULATIONS

By entering into this agreement for the FYs 2025-26 Rural Grant, the Recipient assures and certifies, with respect to this Grant, that it will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Project. Performance under this agreement shall be governed by and in compliance with the following requirements, as applicable, to the type of organization of the Recipient and any applicable sub-recipients. The applicable provisions to this agreement include, but are not limited to, the following:

General Federal Legislation

a. Davis-Bacon Act – 40 U.S.C. 3141, et seq., as applicable under 23 U.S.C. 113
b. Federal Fair Labor Standards Act – 29 U.S.C. 201, et seq.
c. Hatch Act – 5 U.S.C. 1501, et seq.
d. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 – 42 U.S.C. 4601, et seq.
e. National Historic Preservation Act of 1966 - Section 106 – 54 U.S.C. 306108
f. Archeological and Historic Preservation Act of 1974 – 54 U.S.C. 312501, et seq.
g. Native American Graves Protection and Repatriation Act – 25 U.S.C. 3001, et seq.
h. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. 7401, et seq.
i. Section 404 of the Clean Water Act, as amended – 33 U.S.C. 1344
j. Section 7 of the Endangered Species Act, P.L. 93-205, as amended – 16 U.S.C. 1536
k. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. 1451, et seq.
l. Flood Disaster Protection Act of 1973 - Section 102(a) – 42 U.S.C. 4012a
m. Age Discrimination Act of 1975 – 42 U.S.C. 6101, et seq.
n. American Indian Religious Freedom Act, P.L. 95-341, as amended
o. Drug Abuse Office and Treatment Act of 1972, as amended – 21 U.S.C. 1101, et seq.
p. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616, as amended – 42 U.S.C. 4541, et seq.
q. Sections 523 and 527 of the Public Health Service Act of 1912, as amended – 42 U.S.C. 290dd through 290dd-2
r. Architectural Barriers Act of 1968 – 42 U.S.C. 4151, et seq.
s. Power Plant and Industrial Fuel Use Act of 1978, P.L. 100-42 - Section 403 – 42 U.S.C. 8373
t. Contract Work Hours and Safety Standards Act – 40 U.S.C. 3701, et seq.
u. Copeland Anti-kickback Act, as amended – 18 U.S.C. 874 and 40 U.S.C. 3145
v. National Environmental Policy Act of 1969 – 42 U.S.C. 4321, et seq.
w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. 1271, et seq.
x. Federal Water Pollution Control Act, as amended – 33 U.S.C. 1251-1376
y. Single Audit Act of 1984 – 31 U.S.C. 7501, et seq.
z. Americans with Disabilities Act of 1990 – 42 U.S.C. 12101, et seq.
aa. Title IX of the Education Amendments of 1972, as amended – 20 U.S.C. 1681 through 1683 and 1685 through 1687
bb. Section 504 of the Rehabilitation Act of 1973, as amended – 29 U.S.C. 794
cc. Title VI of the Civil Rights Act of 1964 – 42 U.S.C. 2000d, et seq.

dd. Title IX of the Federal Property and Administrative Services Act of 1949 – 40 U.S.C. 1101 -1104, 541, et seq.
ee. Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions – 31 U.S.C. 1352
ff. Freedom of Information Act – 5 U.S.C. 552, as amended
gg. Magnuson-Stevens Fishery Conservation and Management Act – 16 U.S.C. 1855
hh. Farmland Protection Policy Act of 1981 – 7 U.S.C. 4201, et seq.
ii. Noise Control Act of 1972 – 42 U.S.C. 4901, et seq.
jj. Fish and Wildlife Coordination Act of 1956 – 16 U.S.C. 661, et seq.
kk. Section 9 of the Rivers and Harbors Act and the General Bridge Act of 1946 – 33 U.S.C. 401 and 525
ll. Section 4(f) of the Department of Transportation Act of 1966 – 49 U.S.C. 303 and 23 U.S.C. 138
mm. Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended – 42 U.S.C. 9601, et seq.
nn. Safe Drinking Water Act – 42 U.S.C. 300f to 300j-26
oo. Wilderness Act – 16 U.S.C. 1131-1136
pp. Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 – 42 U.S.C. 6901, et seq.
qq. Migratory Bird Treaty Act – 16 U.S.C. 703, et seq.
rr. The Federal Funding Transparency and Accountability Act of 2006, as amended (Pub. L. 109–282, as amended by section 6202 of Public Law 110–252)
ss. Cargo Preference Act of 1954 – 46 U.S.C. 55305
tt. Section 889 of the John D. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232
uu. Bringing in and harboring certain aliens – 8 U.S.C. 1324
vv. Aiding or assisting certain aliens to enter – 8 U.S.C. 1327

Executive Orders

a. Executive Order 11990 – Protection of Wetlands
b. Executive Order 11988 – Floodplain Management
c. Executive Order 12372 – Intergovernmental Review of Federal Programs
d. Executive Order 12549 – Debarment and Suspension
e. Executive Order 14005 – Ensuring the Future is Made in All of America by All of America's Workers
f. Executive Order 14025 – Worker Organizing and Empowerment
g. Executive Order 14149 – Restoring Freedom of Speech and Ending Federal Censorship
h. Executive Order 14154 – Unleashing American Energy
i. Executive Order 14151 – Ending Radical and Wasteful Government DEI Programs and Preferencing
j. Executive Order 14168 – Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
k. Executive Order 14173 – Ending Illegal Discrimination and Restoring Merit-Based Opportunity

General Federal Regulations

a. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards – 2 CFR Parts 200, 1201
b. Non-procurement Suspension and Debarment – 2 CFR Parts 180, 1200
c. Investigative and Enforcement Procedures – 14 CFR Part 13
d. Procedures for predetermination of wage rates – 29 CFR Part 1
e. Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States – 29 CFR Part 3
f. Labor standards provisions applicable to contracts governing federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act) – 29 CFR Part 5
g. Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements) – 41 CFR Parts 60, et seq.
h. New Restrictions on Lobbying – 49 CFR Part 20
i. Nondiscrimination in Federally Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964 – 49 CFR Part 21, including any amendments thereto
j. Uniform relocation assistance and real property acquisition for Federal and Federally assisted programs – 49 CFR Part 24
k. Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance – 49 CFR Part 25
l. Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance – 49 CFR Part 27
m. DOT's implementation of DOJ's ADA Title II regulations compliance procedures for all programs, services, and regulatory activities relating to transportation under 28 CFR Part 35
n. Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation – 49 CFR Part 28
o. Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors – 49 CFR Part 30
p. Governmentwide Requirements for Drug-Free Workplace (Financial Assistance) – 49 CFR Part 32
q. DOT's implementing ADA regulations for transit services and transit vehicles, including the DOT's standards for accessible transportation facilities in Part 37, Appendix A – 49 CFR Parts 37 and 38
r. Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs – 49 CFR Part 26 including any amendments thereto

Office of Management and Budget Circulars

a. Any applicable OMB Circular based upon the specific FYs 2025-26 Rural Grant Recipient.

Highway Federal Legislation

a. Highways – Title 23, U.S.C.

b. Brooks Act (for FHWA projects, this incorporates Title IX of the Federal Property and Administrative Services Act of 1949 (formerly 40 U.S.C. 541, et seq.)) – 40 U.S.C. 1101-1104; 23 U.S.C. 112(b)(2)
c. Letting of Contracts, 23 U.S.C. 112
d. Highway Design and Construction Standards, 23 U.S.C. 109
e. Prevailing Rate of Wage, 23 U.S.C. 113
f. Planning, 23 U.S.C. 134 and 135 (except for projects that are not regionally significant that do not receive funding under Title 23 or Chapter 53 of Title 49)
g. Tolls, 23 U.S.C. 301 (to the extent the recipient wishes to toll an existing free facility that has received Title 23 funds in the past); except as authorized by 23 U.S.C. 129 and 166.
h. Size, Weight, and Length Limitations – 23 U.S.C. 127, 49 U.S.C. 31101 et seq.
i. Buy America – 23 U.S.C. 313
(see http://www.fhwa.dot.gov/construction/contracts/buyam_qa.cfm)
j. Nondiscrimination – 23 U.S.C. 140
k. Efficient Environmental Reviews - 23 U.S.C. 139

Federal Highway Regulations

a. Highways – Title 23, CFR
b. Planning – 23 CFR Part 450 (except for projects that are not regionally significant that do not receive funding under Title 23 or Chapter 53 of Title 49)
c. National Highway System Design Standards – 23 CFR Part 625
d. Preconstruction Procedures – 23 CFR Part 630 Subparts A and B
e. Construction and Maintenance – 23 CFR Part 635
f. Manual on Uniform Traffic Control Devices – 23 CFR Part 655
g. Environmental Impact and Related Procedures – 23 CFR Part 771
h. Procedures for Abatement of Highway Traffic and Construction Noise – 23 CFR Part 772
i. Procedures Implementing Section 4(f) of the Department of Transportation Act – 23 CFR Part 774
j. Permitting Requirements under the National Pollutant Discharge Elimination System – 40 CFR Part 122
k. Required Contract Provisions – 23 CFR Part 633 (Form 1273)
l. External Programs – 23 CFR Part 230

Specific assurances required to be included in the FYs 2025-26 Rural Grant agreement by any of the above laws, regulations, or circulars are hereby incorporated by reference into this agreement.

EXHIBIT B
ADDITIONAL STANDARD TERMS

[The remainder of this page intentionally left blank.]

TERM B.1
TITLE VI ASSURANCE
(Implementing Title VI of the Civil Rights Act of 1964, as amended)

ASSURANCE CONCERNING NONDISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS AND ACTIVITIES RECEIVING OR BENEFITING FROM FEDERAL FINANCIAL ASSISTANCE

(Implementing the Rehabilitation Act of 1973, as amended, and the Americans With Disabilities Act, as amended)

49 CFR Parts 21, 25, 27, 37 and 38

The United States Department of Transportation (USDOT)

Standard Title VI/Non-Discrimination Assurances

DOT Order No. 1050.2A

By signing and submitting the Technical Application and by entering into this agreement under the FYs 2025-26 Rural Program, the Recipient **HEREBY AGREES THAT**, as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation (DOT), through the Federal Highway Administration (FHWA), it is subject to and will comply with the following:

Statutory/Regulatory Authorities

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq*., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR Part 21, including any amendments thereto (entitled *Non-discrimination In Federally-Assisted Programs Of The Department Of Transportation—Effectuation Of Title VI Of The Civil Rights Act Of 1964*);
- 28 CFR section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);

The preceding statutory and regulatory cites hereinafter are referred to as the "Acts" and "Regulations," respectively.

General Assurances

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity," for which the Recipient receives Federal financial assistance from DOT, including the FHWA.

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI and other Non-discrimination requirements (The Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these non-discrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

Specific Assurances

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted FYs 2025-26 Rural Program:

1. The Recipient agrees that each "activity," "facility," or "program," as defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR part 21, including any amendments thereto, will be (with regard to an "activity") facilitated, or will be (with regard to a "facility") operated, or will be (with regard to a "program") conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.

2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with the FYs 2025-26 Rural Grant and, in adapted form, in all proposals for negotiated agreements regardless of funding source:

   "*The Recipient, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.*"

3. The Recipient will insert the clauses of Appendix A and E of this Assurance in every contract or agreement subject to the Acts and the Regulations.

4. The Recipient will insert the clauses of Appendix B of this Assurance, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.

5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.

6. That where the Recipient receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.

7. That the Recipient will include the clauses set forth in Appendix C and Appendix D of this Assurance, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:

    a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
    b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:

    a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
    b. the period during which the Recipient retains ownership or possession of the property.

9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.

10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the Recipient also agrees to comply (and require any sub-recipients, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing the FHWA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by the FHWA. You must keep records, reports, and submit the material for review upon request to FHWA, or its designee in a timely,

complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The Recipient gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the FYs 2025-26 Rural Program. This ASSURANCE is binding on the Recipient, other recipients, sub-recipients, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the FYs 2025-26 Rural Program.

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21, including any amendments thereto.

3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.

4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

    a. withholding payments to the contractor under the contract until the contractor complies; and/or
    b. cancelling, terminating, or suspending a contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant

thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX B

CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of Specific Assurance 4:

NOW, THEREFORE, the U.S. Department of Transportation as authorized by law and upon the condition that the Recipient will accept title to the lands and maintain the project constructed thereon in accordance with the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (Nov. 15, 2021), 23 U.S.C. § 173, the Regulations for the Administration of FYs 2025-26 Rural Program**,** and the policies and procedures prescribed by the Federal Highway Administration (FHWA) of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, including any amendments thereto, pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the Recipient all the right, title and interest of the U.S. Department of Transportation in and to said lands described in Exhibit A attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto Recipient and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the Recipient, its successors and assigns.

The Recipient, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]* (2) that the Recipient will use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, including any amendments thereto, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended, and (3) that in the event of breach of any of the above-mentioned non-discrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said land, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

APPENDIX C

CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE ACTIVITY, FACILITY, OR PROGRAM

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the Recipient pursuant to the provisions of Specific Assurance 7(a):

A. The (Recipient, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:

    1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (Recipient, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Non-discrimination covenants, Recipient will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*

C. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the Recipient will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the Recipient and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX D

CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by Recipient pursuant to the provisions of Specific Assurance 7(b):

A. The (Recipient, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (Recipient, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.

B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non-discrimination covenants, Recipient will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*

C. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, Recipient will there upon revert to and vest in and become the absolute property of Recipient and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq*., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21, including any amendments thereto.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq*.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq*.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq*.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR Parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. § 1681 et seq).

TERM B.2
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -- PRIMARY COVERED TRANSACTIONS

2 CFR Parts 180 and 1200

These assurances and certifications are applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost $25,000 or more – as defined in 2 CFR Parts 180 and 1200.

By signing and submitting the Technical Application and by entering into this agreement under the FYs 2025-26 Rural Program, the Recipient is providing the assurances and certifications for First Tier Participants and Lower Tier Participants in the FYs 2025-26 Rural Grant, as set out below.

1. Instructions for Certification – First Tier Participants:

a. The prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "civil judgment," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a Recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to

the participant who has entered into a covered transaction with a Recipient or subrecipient of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers to any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (https://www.sam.gov/), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment, including a civil settlement, rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. Instructions for Certification - Lower Tier Participants:

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost $25,000 or more - 2 CFR Parts 180 and 1200)

a. The prospective lower tier participant is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms “covered transaction,” “civil settlement,” “debarred,” “suspended,” “ineligible,” “participant,” “person,” “principal,” and “voluntarily excluded,” as used in this clause, are defined in 2 CFR Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. “First Tier Covered Transactions” refers to any covered transaction between a Recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). “Lower Tier Covered Transactions” refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). “First Tier Participant” refers to the participant who has entered into a covered

transaction with a Recipient or subrecipient of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the $25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (https://www.sam.gov/), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

TERM B.3
REQUIREMENTS REGARDING DELINQUENT TAX LIABILITY OR A FELONY CONVICTION UNDER ANY FEDERAL LAW

As required by sections 744 and 745 of Title VII, Division B of the Consolidated Appropriations Act, 2024, Pub. L. No. 118-42 (March 8, 2024), and anticipated for future appropriations acts, and as implemented through USDOT Order 4200.6, the funds provided under this award shall not be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that:

(1) Has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government; or

(2) Was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a Federal agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government.

The Recipient therefore agrees:

1. **Definitions.** For the purposes of this exhibit, the following definitions apply:

   "**Covered Transaction**" means a transaction that uses any funds under this award and that is a contract, memorandum of understanding, cooperative agreement, grant, loan, or loan guarantee.

   "**Felony Conviction**" means a conviction within the preceding 24 months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the United States Code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 U.S.C. 3559.

   "**Participant**" means the Recipient, an entity who submits a proposal for a Covered Transaction, or an entity who enters into a Covered Transaction.

   "**Tax Delinquency**" means an unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

2. **Mandatory Check in the System for Award Management.** Before entering a Covered Transaction with another entity, a Participant shall check the System for Award Management (the "**SAM**") at http://www.sam.gov/ for an entry describing that entity.

3. **Mandatory Certifications.** Before entering a Covered Transaction with another entity, a Participant shall require that entity to:

    (1) Certify whether the entity has a Tax Delinquency; and

    (2) Certify whether the entity has a Felony Conviction.

4 **Prohibition.** If

    (1) the SAM entry for an entity indicates that the entity has a Tax Delinquency or a Federal Conviction;

    (2) an entity provides an affirmative response to either certification in section 3; or

    (3) an entity's certification under section 3 was inaccurate when made or became inaccurate after being made

    then a Participant shall not enter or continue a Covered Transaction with that entity unless the USDOT has determined in writing that suspension or debarment of that entity are not necessary to protect the interests of the Government.

5. **Mandatory Notice to the USDOT.**

    (a) If the SAM entry for a Participant indicates that the Participant has a Tax Delinquency or a Felony Conviction, the Recipient shall notify the USDOT in writing of that entry.

    (b) If a Participant provides an affirmative response to either certification in section 1, the Recipient shall notify the USDOT in writing of that affirmative response.

    (c) If the Recipient knows that a Participant's certification under section 1 was inaccurate when made or became inaccurate after being made, the Recipient shall notify the USDOT in writing of that inaccuracy.

6. **Flow Down.** For all Covered Transactions, including all tiers of subcontracts and subawards, the Recipient shall:

    (1) require the SAM check in section 2;

    (2) require the certifications in section 3;

    (3) include the prohibition in section 4; and

(4) require all Participants to notify the Recipient in writing of any information that would require the Recipient to notify the USDOT under section 5.

TERM B.4
RECIPIENT POLICY TO BAN TEXT MESSAGING WHILE DRIVING

(a) *Definitions.* The following definitions are intended to be consistent with the definitions in DOT Order 3902.10, Text Messaging While Driving (Dec. 30, 2009) and Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving (Oct. 1, 2009). For clarification purposes, they may expand upon the definitions in the executive order.

For the purpose of this Term B.4, "**Motor Vehicles**" means any vehicle, self-propelled or drawn by mechanical power, designed and operated principally for use on a local, State or Federal roadway, but does not include a military design motor vehicle or any other vehicle excluded under Federal Management Regulation 102-34-15.

For the purpose of this Term B.4, "**Driving**" means operating a motor vehicle on a roadway, including while temporarily stationary because of traffic congestion, a traffic signal, a stop sign, another traffic control device, or otherwise. It does not include being in your vehicle (with or without the motor running) in a location off the roadway where it is safe and legal to remain stationary.

For the purpose of this Term B.4, "**Text messaging**" means reading from or entering data into any handheld or other electronic device (including, but not limited to, cell phones, navigational tools, laptop computers, or other electronic devices), including for the purpose of Short Message Service (SMS) texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication. The term does not include the use of a cell phone or other electronic device for the limited purpose of entering a telephone number to make an outgoing call or answer an incoming call, unless this practice is prohibited by State or local law. The term also does not include glancing at or listening to a navigational device that is secured in a commercially designed holder affixed to the vehicle, provided that the destination and route are programmed into the device either before driving or while stopped in a location off the roadway where it is safe and legal to remain stationary.

For the purpose of this Term B.4, the "**Government**" includes the United States Government and State, local, and tribal governments at all levels.

(b) *Workplace Safety.* In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving (Oct. 1, 2009) and DOT Order 3902.10, Text Messaging While
Driving (Dec. 30, 2009), the Recipient, subrecipients, contractors, and subcontractors are encouraged to:

(1) adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving—

(i) Company-owned or -rented vehicles or Government-owned, leased or rented vehicles; or

(ii) Privately-owned vehicles when on official Government business or when performing any work for or on behalf of the Government.

(2) Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as—

(i) Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

(ii) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

(c) *Subawards and Contracts.* To the extent permitted by law, the Recipient shall insert the substance of this exhibit, including this paragraph (c), in all subawards, contracts, and subcontracts under this award that exceed the micro-purchase threshold, other than contracts and subcontracts for the acquisition of commercially available off-the-shelf items.

EXHIBIT C
QUARTERLY PROJECT PROGRESS REPORTS AND RECERTIFICATIONS: FORMAT AND CONTENT

1. Purpose. The purpose of the Quarterly Project Progress Reports and Recertifications under this agreement for the FYs 2025-26 Rural Program are to ensure that the project scope, schedule, and budget will be maintained to the maximum extent possible.

2. Format and Content. The Recipient shall produce a quarterly cost, schedule, and status report that contains the sections enumerated in the following list. At the discretion of the USDOT, modifications or additions can be made to produce a quarterly reporting format that will most effectively serve both the Recipient and the USDOT. Some projects will have a more extensive quarterly status than others. For smaller projects, the USDOT may determine that the content of the quarterly reports will be streamlined and project status meetings will be held on a less-frequent basis. The first quarterly progress report should include a detailed description and, where appropriate, drawings of the items funded.

(a) Project Overall Status. This section provides an overall status of the project's scope, schedule and budget. The Recipient shall note and explain any deviations from the scope of work, the schedule, or the budget that are described in this agreement.

(b) Project Significant Activities and Issues. This section provides highlights of key activities, accomplishments, and issues occurring on the project during the previous quarter. Activities and deliverables to be reported on should include meetings, audits and other reviews, design packages submitted, advertisements, awards, construction submittals, construction completion milestones, submittals related to any applicable Infrastructure Investment and Jobs Act or NOFO requirements, media or Congressional inquiries, value engineering/constructability reviews, and other items of significance.

(c) Action Items/Outstanding Issues. This section should draw attention to, and track the progress of, highly significant or sensitive issues requiring action and direction in order to resolve. The Recipient should include administrative items and outstanding issues that could have a significant or adverse effect on the project's scope, schedule, or budget. Status, responsible person(s), and due dates should be included for each action item/outstanding issue. Action items requiring action or direction should be included in the quarterly status meeting agenda. The action items/outstanding issues may be dropped from this section upon full implementation of the remedial action, and upon no further monitoring anticipated.

(d) Project Scope Overview. The purpose of this section is to provide a further update regarding the project scope. If the original scope contained in the grant agreement is still accurate, this section can simply state that the scope is unchanged.

(e) Project Schedule. An updated master program schedule reflecting the current status of the program activities should be included in this section. A Gantt (bar) type chart is

probably the most appropriate for quarterly reporting purposes, with the ultimate format to be agreed upon between the Recipient and the USDOT. It is imperative that the master program schedule be integrated, i.e., the individual contract milestones tied to each other, such that any delays occurring in one activity will be reflected throughout the entire program schedule, with a realistic completion date being reported. Narratives, tables, and/or graphs should accompany the updated master program schedule, basically detailing the current schedule status, delays and potential exposures, and recovery efforts. The following information should also be included:

- Current overall project completion percentage vs. latest plan percentage.
- Completion percentages vs. latest plan percentages for major activities such as right-of-way, major or critical design contracts, major or critical construction contracts, and significant force accounts or task orders. A schedule status description should also be included for each of these major or critical elements.
- Any delays or potential exposures to milestone and final completion dates. The delays and exposures should be quantified, and overall schedule impacts assessed. The reasons for the delays and exposures should be explained, and initiatives being analyzed or implemented in order to recover the schedule should be detailed.

(f) Project Cost. An updated cost spreadsheet reflecting the current forecasted cost vs. the latest approved budget vs. the baseline budget should be included in this section. One way to track project cost is to show: (1) Baseline Budget, (2) Latest Approved Budget, (3) Current Forecasted Cost Estimate, (4) Expenditures or Commitments to Date, and (5) Variance between Current Forecasted Cost and Latest Approved Budget. Line items should include all significant cost centers, such as prior costs, right-of-way, preliminary engineering, environmental mitigation, general engineering consultant, section design contracts, construction administration, utilities, construction packages, force accounts/task orders, wrap-up insurance, construction contingencies, management contingencies, and other contingencies. The line items can be broken-up in enough detail such that specific areas of cost change can be sufficiently tracked and future improvements made to the overall cost estimating methodology. A Program Total line should be included at the bottom of the spreadsheet. Narratives, tables, and/or graphs should accompany the updated cost spreadsheet, basically detailing the current cost status, reasons for cost deviations, impacts of cost overruns, and efforts to mitigate cost overruns. The following information should be provided:

- Reasons for each line item deviation from the approved budget, impacts resulting from the deviations, and initiatives being analyzed or implemented in order to recover any cost overruns.

- Transfer of costs to and from contingency line items, and reasons supporting the transfers.

- Speculative cost changes that potentially may develop in the future, a quantified dollar range for each potential cost change, and the current status of the speculative change. Also, a comparison analysis to the available contingency amounts should be included, showing that reasonable and sufficient amounts of contingency remain to keep the project within the latest approved budget.

- Detailed cost breakdown of the general engineering consultant (GEC) services (if applicable), including such line items as contract amounts, task orders issued (amounts), balance remaining for tasks, and accrued (billable) costs.

- Federal obligations and/or disbursements for the project, compared to planned obligations and disbursements.

(g) Federal Financial Report (SF-425). The Federal Financial Report (SF-425) is a financial reporting form used throughout the Federal Government Grant system. Recipients shall complete this form and attach it to each quarterly Project Progress and Monitoring Report. The form is available at https://www.grant.gov/forms/.

(h) Certifications.

i. A certification that the Recipient is in compliance with 2 CFR 200.303 (Internal Controls) and 2 CFR Part 200, Subpart F (Audit Requirements).

ii. The certification required under 2 CFR 200.415(a).

EXHIBIT D
FORM FOR SUBSEQUENT OBLIGATION OF FUNDS

The USDOT and **[recipient name]** entered a grant agreement for the **[project name]** that was executed by the USDOT on **[date of USDOT signature on original agreement]** (the "**Agreement**").

As described in section 4.3(f) of the General Terms and Conditions, this instrument obligates **[$XXX]** for **[insert portion of project listed in the Obligation Condition Table in section 2 of schedule D]**.

[Recipient name] states that:

(1) schedule B of the Agreement accurately describe the Project's activities;

(2) for each completion date listed in section 2 of schedule C of the Agreement, the Recipient's estimate for that milestone is not more than six months after the date listed in section 2 of schedule C of the Agreement;

(3) comparing the Project's current budget with the amounts listed in section 3 of schedule D of the Agreement, the "Non-Federal Funds" amount has not decreased and the total eligible project costs amount has not decreased; and

(4) under the terms of article 5 of the General Terms and Conditions, the Recipient is not presently required to request a modification to the Agreement.

[Recipient name] acknowledges that USDOT is acting in reliance on the Recipient's statements above.

_____ By: _____

Date

Signature of Recipient's Authorized Representative

[insert name]

Name

[insert title]

Title

The USDOT has determined that:

(1) all conditions described in the Obligation Condition Table in section 2 of schedule D for this portion of the Project are satisfied; and

(2) all applicable Federal requirements for obligating these funds are satisfied.

_____	By: _____
Date	Signature of USDOT's Authorized Representative
	[insert name]
	Name
	[insert title]
	Title

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2025-_____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AND ACT AS THE AGENT FOR THE CITY TO PROCESS THE ASSOCIATED GRANT DOCUMENTS FOR THE AWARDED UNITED STATES DEPARTMENT OF TRANSPORTATION MULTIMODAL PROJECT DISCRETIONARY GRANT – RURAL GRANT PROGRAM FOR FISCAL YEAR 2025/2026.

WHEREAS, the United States Department of Transportation (USDOT) released a Notice of Funding to solicit applications for the USDOT Multimodal Project Discretionary Grant (MPDG) – Rural Grant Program for Fiscal Year 2025/2026 (FY25/26) opportunity on March 25, 2024. The grant aims to enhance infrastructure in rural areas and support initiatives that promote safety, economic growth, global competitiveness, equity, and sustainability; and

WHEREAS, the City of Tracy submitted its application on May 6, 2024, for the Corral Hollow Road Corridor, which includes three Capital Improvement Projects (CIPs); and

WHEREAS, for Corral Hollow Road / West Linne Road Intersection Improvements (CIP 72104), work consists of widening the intersection to accommodate two-lanes in each direction, installing new traffic signals, and improving the Union Pacific Railroad (UPRR) at-grade railroad crossing. The City adopted Resolution No. 2021-040 on April 6, 2021, approving the Professional Services Agreement (PSA) with Mark Thomas and Company, Inc. for the project management, preparation of plans, specifications, and estimate (PS&E), environmental document preparation, railroad and utility coordination, preparation of plans and legal description for right-of-way acquisition, and community involvement. With the ongoing right-of-way acquisition and pending approval of plans by the UPRR, the anticipated start of construction is 2027; and

WHEREAS, for Corral Hollow Road Widening (CIP 73161), work consists of widening Corral Hollow Road from a two-lane roadway to a four-lane major arterial between West Linne Road and the California Aqueduct, replacing the bridges over the Delta Mendota Canal and the California Aqueduct, and installing a Class I bike facility. The City adopted Resolution No. 2017-265 on December 19, 2017, approving the Professions Services Agreement (PSA) with Ruggeri Jensen Azat (RJA) Consultant for design services. The project is divided into three Phases. Phases A and B will be

constructed and funded by Tracy Hills developers. Phase C is anticipated to be constructed by the City in 2028; and

WHEREAS, for Interstate-580 (I-580) / Corral Hollow Road Interchange (CIP 73198), work consists of constructing a diverging diamond type interchange at I-580 with new bike lanes and sidewalks. The City adopted Resolution No. 2024-152 on September 3, 2024, approving and authorizing the execution of a Cooperative Agreement with the California Department of Transportation (Caltrans) for the project initiation document phase. The project is currently in the preliminary phase, and the final PS&E is scheduled for the end of 2026, with construction anticipated in 2028; and

WHEREAS, the three projects are aimed at reducing vehicle congestion, enhancing safety and accessibility in the City, and supporting future growth. The improvements on Corral Hollow Road will expand capacity, facilitate goods movement to I-580, and improve bicycle and pedestrian facilities, reducing delays, vehicle miles traveled, and air pollution in San Joaquin County; and

WHEREAS, on January 1, 2025, the City staff was informed that the City's application was selected for an award in the amount of $41,349,000. The USDOT MPDG – Rural Grant Program for FY25/26 requires several documents to be executed for its implementation. These include a Grant Agreement; General Terms and Conditions, additional details; and exhibits to the Grant Agreement. USDOT expects all funding to be obligated by September 30, 2028; and

WHEREAS, staff requests that the City Council authorize the City Manager to execute all documents related to the USDOT MPDG – Rural Grant Program for FY25/26 and to carry out the purpose and intent of the proposed resolution; and

WHEREAS, the requested action is administrative, and no additional fiscal impact is anticipated with this authorization; and

WHEREAS, the Engineering Division of Public Works will collaborate with stakeholders such as Caltrans, San Joaquin County, Union Pacific Railroad, Bethany Byron Irrigation District, utility companies, developers, and others throughout the project's various phases; and

WHEREAS, the City staff will prepare environmental documents for the three CIP projects, CIP 72104, CIP 73161, and CIP 73198, in compliance with both California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) as needed; and

WHEREAS, the agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide advanced green and roadway infrastructure projects that improve connectivity, reduce climate impacts, and improve the appearance of the City; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby authorizes the City Manager to execute all documents related to the USDOT MPDG – Rural Grant Program for FY25/26 and to carry out the purpose and intent of this resolution.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the City Council on the 2nd day of December 2025 by the following vote

AYES: COUNCILMEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST: _____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.Q

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving Amendment No. 1 to the Master Professional Services Agreement with Advanced Mobility Group, a California Corporation, to provide On-Call Traffic Engineering Services, increasing the not-to-exceed amount to $500,000 per fiscal year.

EXECUTIVE SUMMARY

This agenda item seeks the adoption of a resolution by City Council authorizing Amendment No. 1 to the Master Professional Services Agreement (MPSA) with Advanced Mobility Group Consultant (AMG) for providing On-Call Traffic Engineering Services. The amendment increases the current not-to-exceed fiscal year amount from $250,000 to $500,000 to cover additional support for traffic engineering surveys, traffic signal design and timing patterns, citywide high-accident location analysis, and recommendation of mitigation measures, among others.

BACKGROUND AND LEGISLATIVE HISTORY

On August 26, 2024, a Request for Proposal (RFP) was issued to solicit experienced and qualified consultant firms to provide On-Call Traffic Engineering Services.
On September 13, 2024, the City received seven (7) proposals. The City's internal Selection Committee evaluated these proposals and determined that all the consulting firms have the necessary skills, experience, competence, professional qualifications, and certifications to provide the requested services.

On December 3, 2024, by Resolution No. 2024-210, the City Council approved these consultants for the on-call list for a period of up to five (5) years. A separate Master Professional Services Agreement was executed with the individual firms, including AMG, for a period of three years, with an option for an administrative extension up to two years based on satisfactory performance, if needed. The City Council approved the MPSA execution with AMG under Resolution No. 2024-212.

ANALYSIS

The scope of services mainly includes traffic engineering-related services such as conducting speed surveys, traffic studies, and analysis of high-accident locations with recommended mitigation measures. It also involves services preparing reports, presenting findings to the City's Traffic Advisory Committee, designing new traffic signal systems, and modifying existing signal equipment. The scope also covers traffic signal operations assessment, project planning, review of plans, specifications, and cost estimates for traffic and transportation projects.
Traffic engineering is a specialized discipline within the engineering field. The

department currently does not have in-house expertise in this area. Therefore, when staff require assistance with a traffic engineering task, they rely on the on-call consultant who has the necessary knowledge and experience to perform these services efficiently and effectively.

Following the full execution of the MPSA, multiple task orders were issued to AMG for related traffic engineering services. These tasks have incurred costs that exceed the maximum budget allowed for the current fiscal year, and some tasks remain pending completion. To ensure that these tasks can be resumed and completed promptly, staff recommends that the City Council approve Amendment No. 1 to the AMG MPSA, to increase the current not-to-exceed fiscal year funding limit from $250,000 to $500,000.

FISCAL IMPACT

The cost of work by AMG will be partially recoverable through the developer's fee, Capital Improvement Project budgets, and federal and state grant funds. Funding for the MPSA with AMG is allocated annually within the department's approved budget.

CEQA DETERMINATION

The approval requested in this item is "planning and feasibility services" and, therefore, is not considered a "project" as defined by Section 21065 of the Public Resources Code. Any projects for which such services are performed will be reviewed as required under the California Environmental Quality Act (CEQA) before future discretionary actions are taken.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix, and services, and cultivating connections to promote positive change and progress in our community.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution approving Amendment No. 1 to the Master Professional Services Agreement with Advanced Mobility Group, a California Corporation, to provide On-Call Traffic Engineering Services, increasing the not-to-exceed amount to $500,000 per fiscal year.

Prepared by: Habibullah Habib, PE, Senior Civil Engineer

Reviewed by: Sharat Bandugula, PE, Assistant City Engineer
Even Marcelo, PE, City Engineer
Anush Nejad, PE, Director of Public Works
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arthuro M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A – Amendment No.1 to MPSA with Advanced Mobility Group.

CITY OF TRACY
Amendment No. 1
To Master Professional Services Agreement
For
Traffic Engineering Services

This Amendment No. 1 (**Amendment**) to the Master Professional Services Agreement entered between the City of Tracy, a municipal corporation (**City**), and Advanced Mobility Group of Walnut Creek, California (**Consultant**) dated December 3, 2024 (**Agreement**) is entered into as of the date of last signature below. City and Consultant are referred to individually as "**Party**" and collectively as "**Parties**."

Recitals

A. The Master Professional Service Agreement was executed pursuant to the authority granted in Resolution No. 2024-212 approved by the Tracy City Council on December 03, 2024.

B. City and Consultant now seek to amend the agreement by increasing the current not-to-exceed fiscal year amount from $250,000 to a new not-to-exceed fiscal year amount of $500,000.

C. This Amendment is being executed pursuant to the authority granted in Resolution No. 2025-____approved by Tracy City Council on December 02, 2025.

Now therefore, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Agreement as follows:

1. **Annual Total Not to Exceed Amount**. Consultant's total compensation for all Task Orders and Services under this Agreement shall not exceed $500,000.00 (Five hundred thousand Dollars) per City fiscal year ("Total Not-to-Exceed Amount"). Consultant's billing rates shall cover all costs and expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the Total Not-to-Exceed Amount. Consultant acknowledges City has no obligation to compensate or reimburse Consultant for any fees or costs incurred in excess of the Total Not-to-Exceed Amount. Unless specifically stated otherwise or agreed to in writing and approved by City Council, the fees proposed by Consultant, as set forth in Exhibit B of the MPSA, shall remain unchanged for the entire term of this Agreement and any extensions of this Agreement.

2. **Effect.** The Parties hereto ratify the Agreement and, except as expressly modified by this Amendment, all provisions of the Agreement will remain unchanged and in full force and effect.

3. **Entire Agreement.** This Amendment represents the entire agreement and understanding of the Parties and shall supersede any prior agreement—written or oral—between the Parties. This Amendment will not be valid and enforceable until executed by all of the Parties hereto. This Amendment may not be modified or altered except through a subsequent writing signed by both Parties.

4. **Severability**. If any term of this Amendment is held invalid by a court of competent jurisdiction, this Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.

5. **Signatures.** The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity, and authority to enter and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Amendment may be executed in one or more counterparts. All counterparts so executed shall constitute one contract, binding on all Parties, even though all Parties are not signatory to the same counterpart.

The Parties agree to the full performance of the terms set forth here.

City of Tracy

By: _____
Dan Arriola

Title: Mayor

Date: _____

Consultant: Advanced Mobility Group.

By: Joy Bhattacharya
Joy Bhattacharya, PE, PTOE

Title: Vice President

Date: 11/6/2025

Federal Tax Employer ID No. 82-3883515

Attest:

By: _____
April B.A. Quintanilla, City Clerk

By: Armin Shamskhou
Armin Shamskhou

Title: Chief Financial Officer
Date: _____

Approved as to form.

By: _____
L.David Nefouse, City Attorney

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2025- _____

STAFF RECOMMENDS THAT THE CITY COUNCIL ADOPT A RESOLUTION APPROVING AMENDMENT NO. 1 TO THE MASTER PROFESSIONAL SERVICES AGREEMENT WITH ADVANCED MOBILITY GROUP, A CALIFORNIA CORPORATION, TO PROVIDE ON-CALL TRAFFIC ENGINEERING SERVICES, INCREASING THE NOT-TO-EXCEED AMOUNT TO $500,000 PER FISCAL YEAR.

WHEREAS, on August 26, 2024, a Request for Proposal (RFP) was issued to solicit experienced and qualified consultant firms to provide On-Call Traffic Engineering Services. On September 13, 2024, the City received seven (7) proposals. The City's internal Selection Committee evaluated these proposals and determined that all the consulting firms have the necessary skills, experience, competence, professional qualifications, and certifications to provide the requested services; and

WHEREAS, on December 3, 2024, by Resolution No. 2024-210, the City Council approved these consultants for the on-call list for a period of up to five (5) years. A separate Master Professional Services Agreement was executed with the individual firms, including Advanced Mobility Group, a California Corporation (AMG), for a period of three years, with an option for an administrative extension up to (2) two years based on satisfactory performance, if needed. The City Council approved the Master Professional Services Agreement (MPSA) execution with AMG under Resolution No. 2024-212; and

WHEREAS, the scope of services mainly includes traffic engineering-related services such as conducting speed surveys, traffic studies, and analysis of high-accident locations with recommended mitigation measures. It also involves services preparing reports, presenting findings to the City's Traffic Advisory Committee, designing new traffic signal systems, and modifying existing signal equipment. The scope also covers traffic signal operations assessment, project planning, review of plans, specifications, and cost estimates for traffic and transportation projects; and

WHEREAS, traffic engineering is a specialized discipline within the engineering field. The department currently does not have in-house expertise in this area. Therefore, when staff require assistance with a traffic engineering task, they rely on the on-call consultant who has the necessary knowledge and experience to perform these services efficiently and effectively; and

WHEREAS, following the full execution of the MPSA, multiple task orders were issued to AMG for related traffic engineering services. These tasks have incurred costs that exceed the maximum budget allowed for the current fiscal year, and some tasks remain pending completion. To ensure that these tasks can be resumed and completed promptly, staff recommends that the City Council approve Amendment No. 1 to the AMG MPSA, to increase the current not-to-exceed fiscal year funding limit from $250,000 to $500,000; and

WHEREAS, the cost of work by AMG will be partially recoverable through the developer's fee, Capital Improvement Project budgets, and federal and state grant funds. Funding for the MPSA with AMG is allocated annually within the department's approved budget; and

WHEREAS, the approval requested in this item is "planning and feasibility services" and, therefore, is not considered a "project" as defined by Section 21065 of the Public Resources Code. Any projects for which such services are performed will be reviewed as required under the California Environmental Quality Act (CEQA) before future discretionary actions are taken; and

WHEREAS, the approval requested in this item is "planning and feasibility services" and, therefore, is not considered a "project" as defined by Section 21065 of the Public Resources Code. Any projects for which such services are performed will be reviewed as required under the California Environmental Quality Act (CEQA) before future discretionary actions are taken; and

WHEREAS, this agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix, and services, and cultivating connections to promote positive change and progress in our community; now, therefore, be it

RESOLVED: Staff recommends that the City Council adopt a resolution approving Amendment No. 1 to the Master Professional Services Agreement with Advanced Mobility Group, a California Corporation, to provide On-Call Traffic Engineering Services, increasing the not-to-exceed amount to $500,000 per fiscal year.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on 2nd day of December 2025 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.R

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution establishing a General Plan Advisory Committee and the Associated Qualifications and Appointment Process.

EXECUTIVE SUMMARY

The proposed action establishes a General Plan Advisory Committee (GPAC) and creates the appointment and operational standards for its administration.

BACKGROUND INFORMATION

On September 2, 2025, the City Council directed staff to initiate a comprehensive update to the Tracy General Plan. On November 4, 2025, the City Council directed staff to form a General Plan Advisory Committee (GPAC) and offered suggestions on the composition and use of the GPAC.

The purpose of the current action is to clearly establish the GPAC and to provide clear appointment criteria and policies for its use. The attached resolution includes those suggestions provided by the City Council on November 4 in a more formal format.

The proposed establishment and operational standards are as follows:

1. The purpose of the General Plan Advisory Committee (GPAC) is to seek diverse perspectives to inform and guide advisory recommendations on the content and policies of the forthcoming General Plan update process. Thus, the GPAC shall solely function as a recommending body to the City Council.
2. The General Plan Advisory Committee (GPAC) shall be composed of no more than 11 committee members.
3. The GPAC shall be subject to the Brown Act and shall function as an *ad hoc* committee with limited scope and duration tied to the General Plan update process.
4. One GPAC membership shall be reserved for each of the following City Commissions: Planning, Parks and Community Services, and Transportation Advisory members in good standing. Committee membership shall be concurrent and coterminous with Commissionership on the GPAC.
5. The remaining eight GPAC memberships may be filled by any persons residing within the Tracy City limits for the past 24 months. Should the City not receive sufficient interest and application from City residents, non-residents within the Tracy Unified and/or Jefferson School Districts (who are not City residents) may be considered to fill remaining GPAC memberships.

6. GPAC members shall serve automatic terms of 24 months with one optional one-year extension. Extension shall be considered in the same manner as appointment. Terms shall be staggered.
7. Service on the GPAC is voluntary and no stipend is provided.
8. The GPAC shall meet regularly and as needed, as determined by the Director of Community and Economic Development.
9. Appointment to the GPAC shall be by majority of the City Council and GPAC members shall serve at the pleasure of the City Council.
10. The GPAC shall have bylaws that shall address the conduct, scope, and format of meetings (and other areas not addressed in this resolution). Such by laws shall be approved by the City Council, including any amendments therein.
11. In advance of the appointment consideration, City staff shall implement a formal application process to ensure transparency, equity and access for the Tracy community. This process shall include the following:
    a. A uniform application form.
    b. A requirement that the applicant submit a written response to the following prompt: *Please describe how your experience, perspective, and/or talents would positively contribute to the City of Tracy's forthcoming General Plan Update process.*
    c. A 30-day application period will be held in January of each year. Following the initial appointment, application periods will be held only in years when vacancies occur. City staff will solicit nominations from each Commission during this application period.
    d. Applications will be presented to the City Council with recommendations as appropriate. The City Council may elect to form an ad hoc committee to review applications and recommend appointments to the full Council.
    e. Applicants will be mandated to disclose any known and/or potential conflicts of interest as part of the application process.
12. Meetings will be noticed and conducted in accordance with the Brown Act and with the general conventions and rules of order of the City's other commissions. The Director of Community and Economic Development, or designee, shall serve as coordinator and liaison to the GPAC.

The proposed terms would generate the following timeline:

- Late December 2025: Application forms are created, posted online, and promoted through social media and City website.
- January 2026: Open application period runs from January 1 to January 31.
- February 2026: Applications are reviewed and recommended for appointment.
- March 2026: Appointments are made by the City Council.

ANALYSIS

The proposed terms for the establishment and operation of the General Plan Advisory Committee (GPAC) reflect the direction of the City Council on November 4, 2025 and promote a broad and inclusive advisory board.

COORDINATION AND OUTREACH

No unique coordination or outreach was conducted for this meeting.

FISCAL IMPACT

The cost of the establishment and administration of the General Plan Advisory Committee (GPAC) will be borne by the existing budget of the Community and Economic Development Department as it will be conducted by City staff. Should a future consultant engage with the GPAC, the costs will be borne by the consultant budget for the General Plan Update.

ACTION REQUESTED OF THE CITY COUNCIL

That the City Council by resolution establish a General Plan Advisory Committee and the associated qualifications and appointment process.

Prepared by: Forrest Ebbs, Director of Community and Economic Development
Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2025-_____

ESTABLISHING A GENERAL PLAN ADVISORY COMMITTEE AND THE ASSOCIATED QUALIFICATIONS AND APPOINTMENT PROCESS.

WHEREAS, on September 2, 2025, the City Council directed staff to initiate a comprehensive update to the City of Tracy General Plan; and

WHEREAS, on November 4, 2025, the City Council directed staff to proceed with a General Plan Advisory Committee to inform the process and provide advisory recommendations to the Planning Commission and/or City Council; and

WHEREAS, the purpose of this resolution is to establish a General Plan Advisory Committee, criteria for appointment thereto, and to describe the objectives, operational expectations, and general terms of appointment; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy establishes a General Plan Advisory Committee (GPAC), which shall be established and operated in accordance with the following standards:

1. The purpose of the General Plan Advisory Committee (GPAC) is to seek diverse perspectives to inform and guide advisory recommendations on the content and policies of the forthcoming General Plan update process. Thus, the GPAC shall solely function as a recommending body to the City Council.
2. The General Plan Advisory Committee (GPAC) shall be composed of no more than 11 committee members.
3. The GPAC shall be subject to the Brown Act and shall function as an *ad hoc* committee with limited scope and duration tied to the General Plan update process.
4. One GPAC membership shall be reserved for each of the following City Commissions: Planning, Parks and Community Services, and Transportation Advisory members in good standing. Committee membership shall be concurrent and coterminous with Commissionership on the GPAC.
5. The remaining eight GPAC memberships may be filled by any persons residing within the Tracy City limits for the past 24 months. Should the City not receive sufficient interest and application from City residents, non-residents within the

Tracy Unified and/or Jefferson School Districts (who are not City residents) may be considered to fill remaining GPAC memberships.

6. GPAC members shall serve automatic terms of 24 months with one optional one-year extension. Extension shall be considered in the same manner as appointment. Terms shall be staggered.
7. Service on the GPAC is voluntary and no stipend is provided.
8. The GPAC shall meet regularly and as needed, as determined by the Director of Community and Economic Development.
9. Appointment to the GPAC shall be by majority of the City Council and GPAC members shall serve at the pleasure of the City Council.
10. The GPAC shall have bylaws that shall address the conduct, scope, and format of meetings (and other areas not addressed in this resolution). Such by laws shall be approved by the City Council, including any amendments therein.
11. In advance of the appointment consideration, City staff shall implement a formal application process to ensure transparency, equity and access for the Tracy community. This process shall include the following:
    a. A uniform application form.
    b. A requirement that the applicant submit a written response to the following prompt: *Please describe how your experience, perspective, and/or talents would positively contribute to the City of Tracy's forthcoming General Plan Update process.*
    c. A 30-day application period will be held in January of each year. Following the initial appointment, application periods will be held only in years when vacancies occur. City staff will solicit nominations from each Commission during this application period.
    d. Applications will be presented to the City Council with recommendations as appropriate. The City Council may elect to form an ad hoc committee to review applications and recommend appointments to the full Council.
    e. Applicants will be mandated to disclose any known and/or potential conflicts of interest as part of the application process.
12. Meetings will be noticed and conducted in accordance with the Brown Act and with the general conventions and rules of order of the City's other commissions. The Director of Community and Economic Development, or designee, shall serve as coordinator and liaison to the GPAC.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 2nd day of December 2025 by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:

_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.S

RECOMMENDATION

Staff recommends that the City Council, by motion designate Juan Lopez, DBA Amistad Associates as the City's negotiator for matters related to the City Manager and City Attorney salary and compensation pursuant to Government Code Section 54957.6 (Brown Act).

EXECUTIVE SUMMARY

The City Council periodically reviews the City Manager's employment agreement, which may include adjustments to salary, benefits, goals, performance or other terms of employment. In order to conduct these discussions consistent with the requirements of the Brown Act, the City Council must identify its designated negotiator for compensation matters prior to convening a closed session meeting. If approved, the negotiator designation may apply to the City Attorney as well, if requested by the City Attorney at time of his annual review.

Government Code Section 54957.6 permits the City Council to meet in closed session with its designated representative to discuss and provide direction regarding compensation for unrepresented employees including the City Manager and City Attorney.

BACKGROUND AND LEGISLATIVE HISTORY

On December 19, 2023, the City Council approved an employment agreement with Midori Lichtwardt as the City Manager (CM Employment Agreement). The agreement includes provisions enabling the City Manager to utilize a facilitator acceptable to both parties to support the development of performance expectations, conduct the annual performance evaluation process, and advise the City Council on related discussions.

In 2024, the City Council concurred with the City Manager's selection of Juan Lopez of Amistad Associates to serve as both the City Manager's annual performance evaluation facilitator and as the City's negotiator.

ANALYSIS

The City Manager's performance is currently underway. To facilitate structured and legally compliant negotiations, the City Council is being asked to designate Juan Lopez of Amistad Associates to serve as employee evaluation facilitator and City negotiator for the City Manager. To support consistency and administrative efficiency, the City Attorney would like to have the option to employ the services of Amistad Associates to serve as City facilitator for any City Attorney employment agreement amendments, if requested.

Under Government Code Sections 54957 and 54957.6 (Brown Act), the City Council may meet in closed session to conduct performance evaluations and may also confer with a designated representative for discussions related to compensation and benefits. Designating Amistad Associates in open session fulfills these requirements and ensures Brown Act compliance.

If approved, the City Manager and City Attorney will negotiate contract agreements with Amistad Associates as needed to facilitate goal setting, annual performance reviews, and serve as the Ctiy's designated negotiator as needed.

FISCAL IMPACT

Council's designation of a negotiator does not have a fiscal impact. Any potential fiscal impact related to salary or benefit adjustments will be presented to the Council, if and when the respective employment agreement is brought forward for consideration.

CEQA

This action is exempt from the California Environmental Quality Act because it will not result in a physical change in the environment and therefore is not considered as a project as defined by Section 21065 of the Public Resources Code.

STRATEGIC PLAN

This agenda item supports the City's Governance Strategy, and specifically implements the following goal:

Government Accountability: Enhance Civic and Workplace Culture at City Hall

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council, by motion designate Juan Lopez, DBA Amistad Associates as the City's negotiator for matters related to the City Manager and City Attorney salary and compensation pursuant to Government Code Section 54957.6 (Brown Act).

Prepared by: Midori Lichtwardt, City Manager

Reviewed by: Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

DESIGNATE JUAN LOPEZ, DBA AMISTAD ASSOCIATES AS THE CITY'S NEGOTIATOR FOR MATTERS RELATED TO THE CITY MANAGER AND CITY ATTORNEY SALARY AND COMPENSATION PURSUANT TO GOVERNMENT CODE SECTION 54957.6 (BROWN ACT).

WHEREAS, On December 19, 2023, the City Council approved an employment agreement with Midori Lichtwardt as the City Manager (CM Employment Agreement); and

WHEREAS, Pursuant to the CM Employment Agreement with the City of Tracy, the City Council may engage with an agreed upon facilitator to assist in developing performance goals and conducting annual performance evaluations; and

WHEREAS, The City Manager has elected the option to engage a facilitator and has proposed Juan Lopez, DBA Amistad Associates (Amistad Associates) as the facilitator for performance evaluation processes; and

WHEREAS, In 2024, the City Council concurred with the City Manager's selection on Juan Lopez of Amistad Associates to serve as both the City Manager's annual performance evaluation facilitator and as the City's negotiator; and

WHEREAS, Pursuant to Government Code Section 54957, the City Council is authorized to meet in closed session to conduct performance evaluations of executive employees; and

WHEREAS, Pursuant to Government Code Sections 54957 and 54957.6 (Brown Act), the City Council may meet in closed session to conduct performance evaluations and may also confer with a designated representative for discussions related to compensation and benefits; and

RESOLVED: If approved, the City Manager and City Attorney will negotiate contract agreements with Amistad Associates as needed to facilitate goal setting, annual performance reviews, and serve as the City's designated negotiator as needed; and be it further

RESOLVED: That the City Council designates Juan Lopez, DBA Amistad Associates, as the City's negotiator for matters related to the City Manager and City Attorney salary and compensation pursuant to Government Code Section 54957.6 (Brown Act).

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the City Council on _____, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 1.T

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving and authorizing recordation of three (3) Right-of-ways, three (3) Public Utility Easement Dedications; and two (2) Right-of-ways, and two (2) Public Utility Easement quitclaims for Project Big Bird, located in the Northeast Industrial Specific Plan Area in the City of Tracy.

EXECUTIVE SUMMARY

The Developer, Prologis, LP, Application Number D20-0017, Project Big Bird (the "Project"), requests approval of three (3) right-of-ways, and three (3) public utility easement dedications; and two (2) right-of-ways and two (2) public utility easement quitclaims related to the Project located in the Northeast Industrial Area of the City. The action would create and finalize the legal right-of-way for the frontage roads surrounding the Project.

BACKGROUND AND LEGISLATIVE HISTORY

On October 28, 2020, the Planning Commission conducted a public hearing to review and consider a Development Review Permit (DRP) for the approved Project, which is a 99-foot tall 1,355,618 square-foot industrial warehouse building and associated improvements on 86-acres located on the south side of Grant Line Road between Skylark Road and Chrisman Road. The Project is located within the Northeast Industrial Specific Plan. The Commission approved the Project by a 4:1 vote.

On November 10, 2020, the City Council conducted another public hearing to review and consider the DRP. After the public hearing, City Council approved the DRP and certified the Environmental Impact Report (EIR) for the Project pursuant to Resolution No. 2020-184 by a 5:0 vote.

As a part of the Project's approvals, attached to the DRP is a set of conditions of approval which require the Project mitigate its impacts pursuant to the certified EIR as well construct frontage improvements and sign, notarize, file any and all necessary documents to satisfy the conditions of the Project.

On December 22, 2020, the Developer satisfied all required conditions for a building permit issuance and, therefore, the City of Tracy issued a building permit for the Project. Regular construction and inspections have occurred since that time. The building is constructed, and operational. Additional conditioned improvements include the frontage improvements and for the Developer to dedicate the land underneath the frontage improvements and public utility easements. Developer has completed the frontage improvements and said improvements are in a functional state. This approval completes the dedications.

ANALYSIS

All required public improvements for the Project have been constructed, inspected, completed, and are in a state nearly ready for acceptance. As part of the certificate of occupancy and public improvement acceptance process, the Developer reviewed its mitigations measures and conditions. The City and Developer agree that a component of obtaining a certificate of occupancy and public improvement acceptance would be to dedicate the land underneath the frontage improvements, otherwise known as right-of-way, and the public utility easement on private property. In addition, as a part of the Project, the Developer removed two older retention basins, an access road, and a cul-de-sac from service and incorporated the four items into the Project. Portions of the access road and cul-de-sac were public and therefore portions that would no longer be public would need to be quitclaimed to the adjacent property owner. Staff also reviewed the title reports for all the properties dedicating right-of-way and concludes that the right-of-way is free and clear of unnecessary encumbrances other than an old irrigation ditch, now as an underground irrigation pipe, from an irrigation district with prior rights. Lastly, the exhibits attached to the resolution are labeled based on the required recording order.

FISCAL IMPACT

This action will have no fiscal impact on the City.

PUBLIC OUTREACH / INTEREST

No public outreach was conducted.

COORDINATION

The proposed action was coordinated with the developer to ensure feasibility and consensus.

CEQA DETERMINATION

The project is exempt from the provisions of the California Environmental Quality Act (CEQA), per Section 15268(b)(3), which presumes the approval of final subdivision maps to be ministerial and therefore, exempt.

STRATEGIC PLAN

This action supports the following City Council Strategic Priority:

- Governance Goal 1: Model good governance, teamwork, and transparency.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution approving and authorizing recordation of three (3) Right-of-ways, three (3) Public Utility Easement Dedications; and two (2) Right-of-ways, and two (2) Public Utility Easement quitclaims for Project Big Bird, located in the Northeast Industrial Specific Plan Area in the City of Tracy.

Prepared by: Al Gali, Associate Engineer

Reviewed by: David I. Brotchie, PE, Senior Civil Engineer
Forrest Ebbs, Community and Economic Development Director
Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2025-_____

APPROVING AND AUTHORIZING RECORDATION OF THREE (3) RIGHT OF WAYS, THREE (3) PUBLIC UTILITY EASEMENT DEDICATIONS; AND TWO (2) RIGHT OF WAYS, AND TWO (2) PUBLIC UTILITY EASEMENT QUITCLAIMS FOR PROJECT BIG BIRD, LOCATED IN THE NORTHEAST INDUSTRIAL SPECIFIC PLAN AREA IN THE CITY OF TRACY

WHEREAS, on October 28, 2020, the Planning Commission conducted a public hearing to review and consider a Development Review Permit (DRP) for Project Big Bird, a 99-foot tall 1,355,618 square-foot industrial warehouse building and associated improvements on 86-acres located on the south side of Grant Line Road between Skylark Road and Chrisman Road (the "Project"). The Project proponent was Prologis, LP, (Developer); and

WHEREAS, on November 10, 2020, the City Council conducted another public hearing to review and consider the DRP. After the public hearing, City Council approved the DRP and certified the Environmental Impact Report (EIR) for the Project pursuant to Resolution No. 2020-184; and

WHEREAS, as a part of the approvals, attached to the DRP is a set of conditions of approvals which require the DRP to mitigate its impacts pursuant to the certified EIR as well construct frontage improvements and sign, notarize, file any and all necessary documents to satisfy the conditions of the Project; and

WHEREAS, on December 22, 2020, the Developer satisfied all required conditions for a building permit issuance and therefore the City of Tracy issued a building permit for the DRP. The building is constructed, and operational. Additional conditioned improvements include the frontage improvements and for the Developer to dedicate the land underneath the frontage improvements and public utility easements; and

WHEREAS, all required public improvements for the DRP have been constructed, inspected, completed, and are in a state nearly ready for acceptance. As part of the certificate of occupancy and public improvement acceptance process, the Developer reviewed its mitigations measures and conditions. The City and Developer agree that a component of obtaining a certificate of occupancy and public improvement acceptance would be to dedicate the land underneath the frontage improvements, otherwise known as right of way, and the public utility easement on private property; and

WHEREAS, the Developer removed two older retention basins, an access road, and a cul-de-sac from service and incorporated the four items into the DRP. Portions of the access road and cul-de-sac were public and therefore portions that would no longer be public would need to be quitclaimed to the adjacent property owner; and

WHEREAS, staff reviewed the title reports for all the properties dedicating right of way and concludes that the right of way is free and clear of unnecessary encumbrances other than an old irrigation ditch from an irrigation district with prior rights; and

WHEREAS, approval of the above dedications and quitclaims will satisfy all requirements of the DRP's conditions of approvals; now, therefore be it

RESOLVED: That the City Council of the City of Tracy hereby approves and authorizes recordation of three (3) Right of Ways, three (3) Public Utility Easement Dedications; and two (2) Right of Ways, and two (2) Public Utility Easement quitclaims for Project Big Bird, located in the Northeast Industrial Area of the City of Tracy; and be it

FURTHER RESOLVED: That the City Council of the City of Tracy hereby finds that the Project is exempt from the provisions of the California Environmental Quality Act (CEQA), per Cal. Code Regs. Title 14, Section 15268(b)(3), which presumes the approval of final subdivision maps to be ministerial, and therefore exempt; and be it

FURTHER RESOLVED: That the City Council authorizes the City Manager, the City Clerk, and City Attorney to take all such actions necessary to effectuate the purposes of this resolution.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 2nd day of December 2025 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTENTION: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Exhibit 1 - Paradise Court Right of Way Dedication from Prologis
Exhibit 2 - Paradise Court Right of Way Quit Claim to Prologis
Exhibit 3 - Paradise Court Right of Way Quit Claim to PAC Corporate Center Tracy
Exhibit 4 - Paradise Court PUE Quit Claim to Prologis
Exhibit 5 - Paradise Court PUE Quit Claim to PAC Corporate Center Tracy
Exhibit 6 - Skylark Way Right of Way Dedication from Prologis Amazon
Exhibit 7 - Chrisman Road and Paradise Road Right of Way Dedication from Prologis
Exhibit 8 - PUE Dedication from Prologis
Exhibit 9 - Paradise Road Extension PUE dedication from Prologis Amazon
Exhibit 10 - Paradise Court PUE dedication from PAC Corporate Center Tracy

EXHIBIT 1

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

City of Tracy
Attn: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

Space Above This Line For Recorder's Use

A portion of APN 25002096

This document is exempt from the payment of a recording fee pursuant to Government Code § 27383 and §6103, and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

PROLOGIS, L.P., a Delaware limited partnership ("Grantor'')

hereby grant(s) to the

CITY OF TRACY, a Municipal corporation ("Grantee")

the fee interest in the real property consisting of approximately 18,866 square feet or 0.4331 acres, more or less, as more particularly described and depicted in Exhibit A, attached hereto and made a part hereof (the "Right-of-Way"), for roadway purposes as offered in that certain Irrevocable Offer to Dedicate Right of Way for Road Purposes (Northerly Portion of Paradise Court) dated October 7, 2009 and recorded October 8, 2009 as Instrument No. 2009-147553 in the official records of San Joaquin County, California, subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the Right-of-Way as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE
(Grantee is exempt from County Transfer Tax)

[Signature Page to Grant Deed]

Grantor:

PROLOGIS, L.P.
a Delaware limited partnership

By: Prologis, Inc.
a Maryland corporation
its general partner

By: _____
Name: MATTHEW SIMS
Title: VICE PRESIDENT

Dated: 10/02/2025

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Alameda)

On 10/02/2025, before me, Amanda Walsh,
a Notary Public, personally appeared Mathew Sims,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature AWalsh (Seal)

JAS1 AMANDA WALSH COMM. # 2518274 NOTARY PUBLIC · CALIFORNIA ALAMEDA COUNTY MY COMMISSION EXPIRES APRIL 26, 2029 JAS1

RESOLUTION OF ACCEPTANCE:

This is to certify that the interest in real property conveyed by this Grant is hereby accepted, subject to the terms and conditions specified therein, by the undersigned City Clerk of the City of Tracy, pursuant to authority conferred by Resolution No. 1670 of the Tracy City Council, adopted on August 6, 1968, and recorded with the San Joaquin County Recorder on August 14, 1968, Book 3231, pages 581 through 583, and the grantee consents to recordation thereof by its duly authorized officer.

_____ _____

City Clerk, City of Tracy, California Date

Pursuant to Section 66477.5 of the California Government Code, the local agency shall re- convey the property to the subdivider if the local agency makes a finding that the same purpose for which the property was dedicated does not exist or any portion of thereof is not needed for public utilities, as specified in Subdivision (c) of the Section.

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me,

_____,

(insert name and title of the officer)

Notary Public, personally appeared

_____

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

Legal Description and Depiction of Right-of-Way

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
ROAD DEDICATION – PARADISE COURT NORTH

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, AND BEING DESCRIBED AS FOLLOWS:

BEING ALL OF THE PARCEL DESCRIBED IN THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE RIGHT OF WAY FOR ROAD PURPOSES (NORTHERLY PORTION OF PARADISE COURT), RECORDED OCTOBER 8, 2003, AS DOCUMENT NO. 2009-147553, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHEASTERLY CORNER OF ADJUSTED PARCEL A, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, RECORDED JANUARY 1, 2021, AS DOCUMENT NO. 2021-013966, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY;

THENCE ALONG THE SOUTHERLY LINE OF SAID ADJUSTED PARCEL A NORTH 89° 34' 00" WEST, 422.31 FEET;

THENCE LEAVING SAID SOUTHERLY LINE, ALONG THE FOLLOWING EIGHT (8) COURSES:

1) ALONG THE ARC OF A NON-TANGENT 75.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 40° 55' 19" EAST, THROUGH A CENTRAL ANGLE OF 48° 28' 59", AN ARC DISTANCE OF 63.46 FEET TO A POINT OF REVERSE CURVATURE,
2) ALONG THE ARC OF A 75.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 21° 38' 08", AN ARC DISTANCE OF 28.32 FEET TO A POINT OF REVERSE CURVATURE,
3) ALONG THE ARC OF A 692.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 14° 30' 28", AN ARC DISTANCE OF 175.22 FEET,
4) SOUTH 89° 34' 00" EAST, 55.05 FEET,
5) NORTH 45° 27' 52" EAST, 63.67 FEET,
6) NORTH 00° 29' 45" EAST, 15.00 FEET,
7) SOUTH 89° 30' 15" EAST, 62.00 FEET, AND
8) SOUTH 00° 29' 45" WEST, 101.93 FEET, THE **POINT OF BEGINNING;**

CONTAINING 18,866 SQUARE FEET OR 0.4331 ACRES OF LAND MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

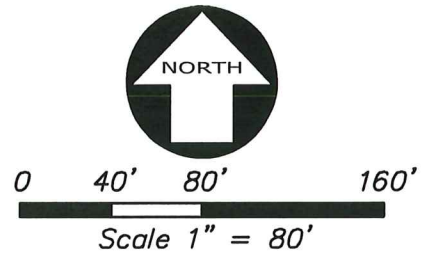


Gary K. Lamb

GARY K. LAMB, PLS 6627

5-31-24

DATE



LEGEND

AC	ACRES
ADJ	ADJUSTED
IOD	IRREVOCABLE OFFER OF DEDICATION
OR	OFFICIAL RECORDS
POB	POINT OF BEGINNING
(R)	RADIAL BEARING
SF	SQUARE FEET

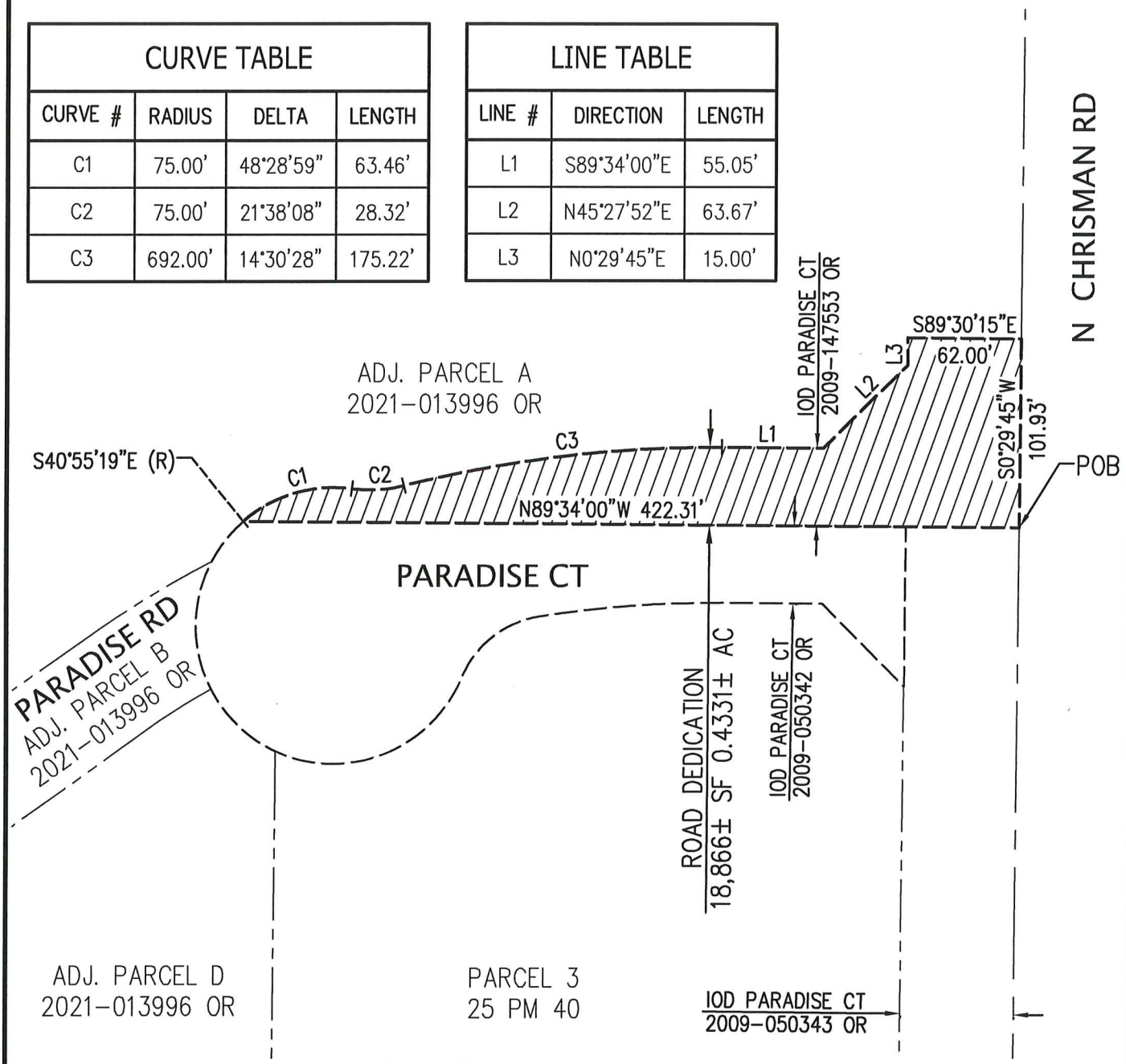


CURVE TABLE

CURVE #	RADIUS	DELTA	LENGTH
C1	75.00'	48°28'59"	63.46'
C2	75.00'	21°38'08"	28.32'
C3	692.00'	14°30'28"	175.22'

LINE TABLE

LINE #	DIRECTION	LENGTH
L1	S89°34'00"E	55.05'
L2	N45°27'52"E	63.67'
L3	N0°29'45"E	15.00'



KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
ROAD DEDIICATION
PARADISE CT-NORTH

TRACY, CALIFORNIA

DATE	MAY, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\ROAD DEDICATIONS\A05728-45-PD-ROAD-DED-PARADISE-CT.dwg 5-30-24 11:28:13 AM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 5/30/2024 10:51:02 AM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-BNDRY - CLOSURE-ROAD-DED-PARADISE-CT-NORTH
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,097,262.9729' East:6,300,983.5542'

Segment# 1: Line
Course: N89° 34' 00"W Length: 422.31'
North: 2,097,266.1669' East: 6,300,561.2563'

Segment# 2: Curve
Length: 63.46' Radius: 75.00'
Delta: 48° 28' 59" Tangent: 33.77'
Chord: 61.59' Course: N73° 19' 11"E
Course In: S40° 55' 19"E Course Out: N7° 33' 40"E
RP North: 2,097,209.4967' East: 6,300,610.3836'
End North: 2,097,283.8446' East: 6,300,620.2523'

Segment# 3: Curve
Length: 28.32' Radius: 75.00'
Delta: 21° 38' 08" Tangent: 14.33'
Chord: 28.15' Course: N86° 44' 36"E
Course In: N7° 33' 40"E Course Out: S14° 04' 28"E
RP North: 2,097,358.1924' East: 6,300,630.1211'
End North: 2,097,285.4439' East: 6,300,648.3598'

Segment# 4: Curve
Length: 175.22' Radius: 692.00'
Delta: 14° 30' 28" Tangent: 88.08'
Chord: 174.75' Course: N83° 10' 46"E
Course In: S14° 04' 28"E Course Out: N0° 26' 00"E
RP North: 2,096,614.2173' East: 6,300,816.6420'
End North: 2,097,306.1975' East: 6,300,821.8756'

Segment# 5: Line
Course: S89° 34' 00"E Length: 55.05'

North: 2,097,305.7812' East: 6,300,876.9240'

Segment# 6: Line
Course: N45° 27' 52"E Length: 63.67'
North: 2,097,350.4363' East: 6,300,922.3090'

Segment# 7: Line
Course: N0° 29' 45"E Length: 15.00'
North: 2,097,365.4357' East: 6,300,922.4388'

Segment# 8: Line
Course: S89° 30' 15"E Length: 62.00'
North: 2,097,364.8992' East: 6,300,984.4365'

Segment# 9: Line
Course: S0° 29' 45"W Length: 101.93'
North: 2,097,262.9730' East: 6,300,983.5544'

Perimeter: 986.96' Area: 18,866Sq.Ft.
Error Closure: 0.0002 Course: N74° 39' 44"E
Error North : 0.00005 East: 0.00018

Precision 1: 4,934,800.00

EF-502-A-R17-0522-39004157-1
BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

City of Tracy
Attn: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

ASSESSOR'S PARCEL NUMBER: A portion of 25002096
SELLER/TRANSFEROR: Prologis, L.P.
BUYER'S DAYTIME TELEPHONE NUMBER: ( )
BUYER'S EMAIL ADDRESS:

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY: 1500 E. Grant Line Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy. MO | DAY | YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME)

MAIL PROPERTY TAX INFORMATION TO (ADDRESS) | CITY | STATE | ZIP CODE

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO — This section contains possible exclusions from reassessment for certain types of transfers.

- ☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.
- ☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.
- ☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
  Was this the transferor/grantor's principal residence? ☐ YES ☐ NO
- ☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____
- ☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.
- ☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.
- ☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.
- ☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____
- ☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.
- ☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____
- ☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.
- L. This is a transfer of property:
  - ☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of ☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.
  - ☐ ☑ 2. to/from an irrevocable trust for the benefit of the ☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.
- ☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.
- ☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.
- ☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.
- ☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.
- ☑ ☐ Q. Other. This transfer is to convey right-of-way for roadway purposes

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004157

EF-502-A-R17-0522-39004157-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: convevance of right-of-way for roadway purposes

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) ☐ Timeshare ☐ Commercial/Industrial

right-of-way for roadway purposes

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER ▶	DATE	TELEPHONE ( )
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE	EMAIL ADDRESS
City of Tracy		

The Assessor's office may contact you for additional information regarding this transaction.



EF-502-A-R17-0522-39004157

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 2

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

Prologis, L.P.
Attn: Mae Harris [Anne]
1800 Wazee Street, Suite 500
Denver, CO 80202

Space Above This Line For Recorder's Use

QUITCLAIM DEED
(Vacation of portions of Paradise Court and a portion of Skylark Way Rights of Way)

APN 25002096

The undersigned Grantor declares Documentary Transfer Tax is $0.00. Both the value of the property conveyed herein, and the consideration received by Grantor is less than $100.00 (California Revenue and Taxation Code §11911)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

CITY OF TRACY, a Municipal corporation ("Grantor'')

hereby remises, releases and forever quitclaims to

PROLOGIS, L.P., a Delaware limited partnership ("Grantee")

any and all interest in and to the real property consisting of three portions of rights-of-way all abutting Adjusted Parcel A of LLA MS20-00013 recorded as Document No. 2021-013996, located in the City of Tracy, County of San Joaquin, State of California, as more particularly described and depicted in Exhibit A, attached hereto and made a part hereof (collectively, the "Vacated Rights-of-Way"). The instruments by which Paradise Court and Skylark Road legal descriptions were granted to and accepted by Grantor are referenced within their respective legal descriptions on Exhibit A attached hereto. The portion of Paradise Court was offered for dedication to Grantor in that certain Irrevocable Offer to Dedicate Right of Way for Road Purposes (Northerly Portion of Paradise Court) dated October 7, 2009 and recorded October 8, 2009 as Instrument No. 2009-147553 in the official records of San Joaquin County, California, and accepted by Grantor in that certain Grant Deed (for roadway purposes) recorded immediately prior to the date hereof. The foregoing grant of the three portions of rights-of way are subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the Vacated Rights-of-Way as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE

[*Signature Page to Quitclaim Deed*]

Grantor:

_____ _____

City Clerk, City of Tracy, California Date

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____,

a Notary Public, personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

Legal Descriptions and Depictions of Vacated Rights-of-Way

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
PARADISE COURT VACATION

BEING A PORTION OF PARADISE COURT, AS SAID COURT WAS DEDICATED ON THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE RIGHT OF WAY FOR ROADWAY PURPOSES RECORDED ON OCTOBER 8, 2009 AS DOCUMENT NO. 2009-147553, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE WESTERLY TERMINUS OF THE LINE SHOWN AS NORTH 89° 34' 00" WEST, 422.31 FEET IN SAID IRREVOCABLE OFFER TO DEDICATE, AT THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 40° 39' 33" EAST;

THENCE ALONG SAID NON-TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 75.00 FEET, THROUGH A CENTRAL ANGLE OF 48° 12' 52", FOR AN ARC DISTANCE OF 63.11 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT, THE CENTER OF WHICH BEARS NORTH 07° 33' 53" EAST;

THENCE ALONG SAID NON-TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 75.00 FEET, THROUGH A CENTRAL ANGLE OF 21° 38' 08", FOR AN ARC DISTANCE OF 28.32 FEET TO THE BEGINNING OF A REVERSE CURVE TO THE RIGHT;

THENCE ALONG SAID REVERSE CURVE TO THE RIGHT, HAVING A RADIUS OF 692.00 FEET, THROUGH A CENTRAL ANGLE OF 03° 38' 12", FOR AN ARC DISTANCE OF 43.92 FEET, TO A POINT OF CUSP AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 10° 38' 43" EAST;

THENCE ALONG SAID NON-TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 547.00 FEET, THROUGH A CENTRAL ANGLE OF 10° 50' 29", FOR AN ARC DISTANCE OF 103.50 FEET TO A POINT OF THE SOUTHERLY LINE OF SAID IRREVOCABLE OFFER TO DEDICATE;

THENCE ALONG SAID SOUTHERLY LINE, NORTH 89° 34' 00" WEST, 30.44 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 735 SQUARE FEET OF LAND, MORE OR LESS

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

DEAN A. JURADO, L.S. 9032

3-11-21
DATE



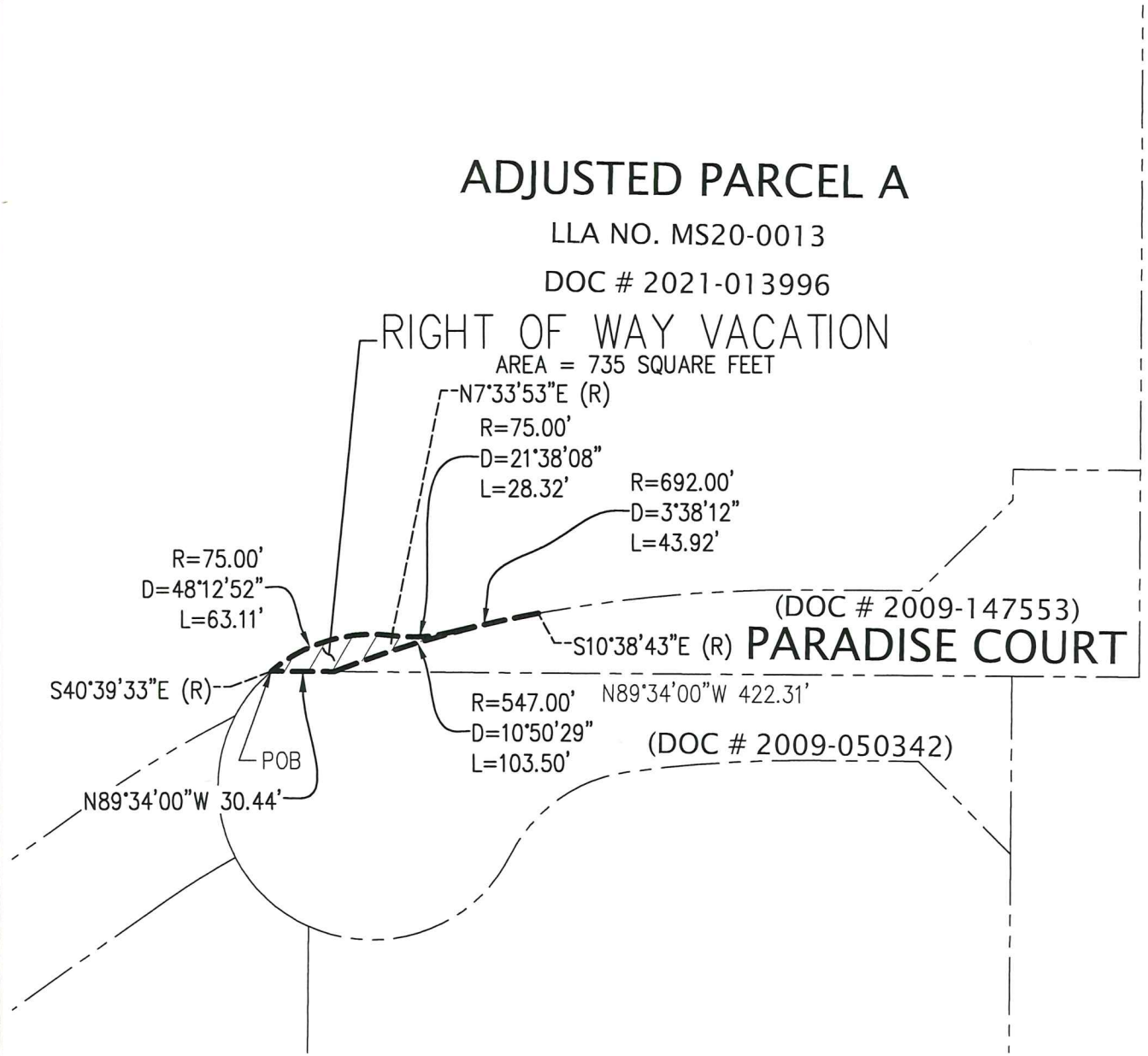
ADJUSTED PARCEL A

LLA NO. MS20-0013

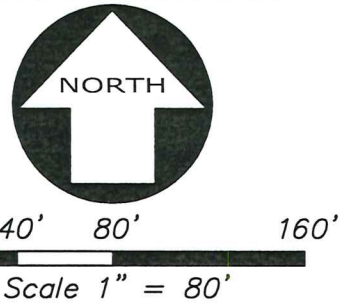
DOC # 2021-013996

RIGHT OF WAY VACATION

AREA = 735 SQUARE FEET



CHRISMAN ROAD



LEGEND

POC	POINT OF COMMENCING
POB	POINT OF BEGINNING
(R)	RADIAL BEARING
LLA	LOT LINE ADJUSTMENT



KIER+WRIGHT

250 Cherry Lane, Suite 107, 208
Manteca, CA 95337

Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
RIGHT OF WAY VACATION

TRACY, SAN JOAQUIN COUNTY, CALIFORNIA

DATE	MARCH, 2021
SCALE	1" = 80'
BY	CSW
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\VACATION\A05728-45_RD_(2009-147553).dwg, 3-11-21 06:54:18 PM, emilioc

EXHIBIT "A"
LEGAL DESCRIPTION
PARADISE COURT VACATION

BEING A PORTION OF PARADISE COURT, AS SAID COURT WAS DEDICATED ON THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE RIGHT OF WAY FOR ROADWAY PURPOSES RECORDED ON APRIL 2, 2009 AS DOCUMENT NO. 2009-050342, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE WESTERLY TERMINUS OF THE LINE SHOWN AS NORTH 89° 34' 00" WEST, 422.31 FEET IN SAID IRREVOCABLE OFFER TO DEDICATE, SOUTH 89° 34' 00" EAST, 30.44' FEET TO A POINT OF CUSP AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 21° 29' 13" EAST;

THENCE ALONG SAID NON-TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 547.00 FEET, THROUGH A CENTRAL ANGLE OF 05° 29' 40", AN ARC DISTANCE OF 52.46 FEET TO A POINT OF CUSP AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 62° 04' 52" EAST;

THENCE ALONG SAID NON-TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 75.00 FEET, THROUGH A CENTRAL ANGLE OF 21° 23' 33", AN ARC DISTANCE OF 28.00 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 335 SQUARE FEET OF LAND, MORE OR LESS

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.



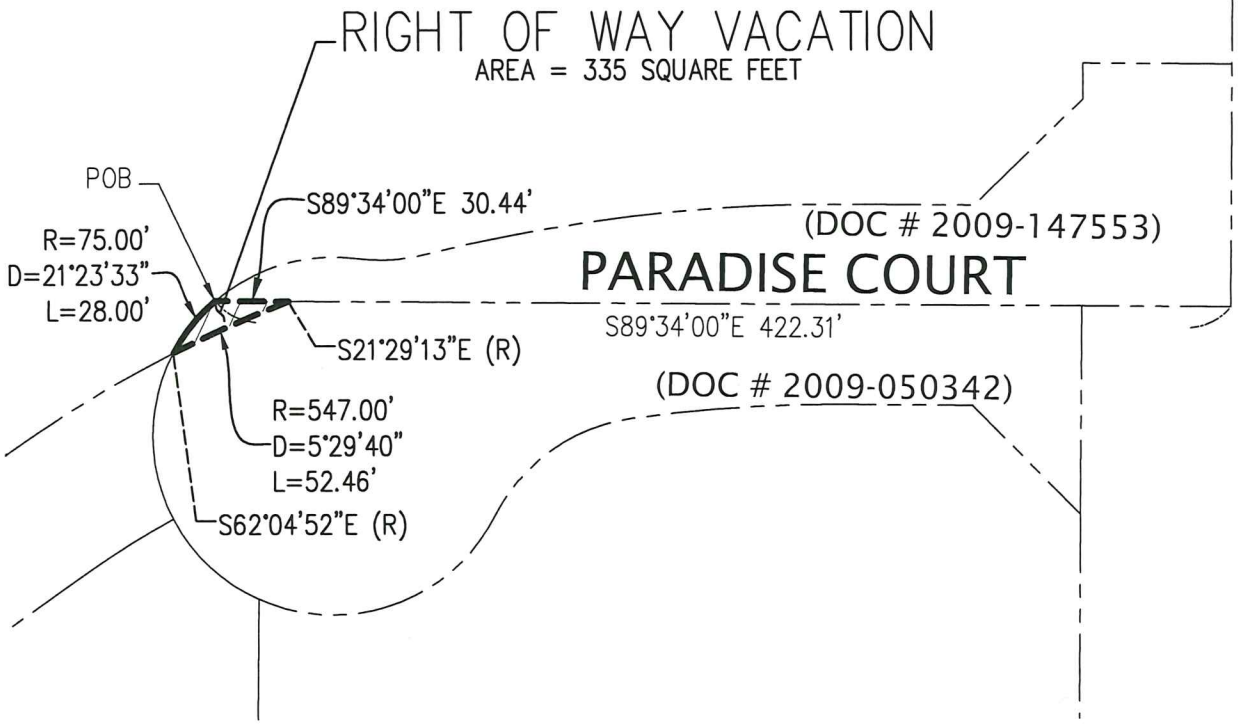
DEAN A. JURADO, L.S. 9032

3-11-21
DATE

ADJUSTED PARCEL A

LLA NO. MS20-0013

DOC # 2021-013996





0 40' 80' 160'

Scale 1" = 80'

LEGEND

POC	POINT OF COMMENCING
POB	POINT OF BEGINNING
(R)	RADIAL BEARING
LLA	LOT LINE ADJUSTMENT



KIER+WRIGHT

250 Cherry Lane, Suite 107, 208
Manteca, CA 95337

Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"

RIGHT OF WAY VACATION

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	MARCH, 2021
SCALE	1" = 80'
BY	CSW
JOB NO.	A05728-45
SHEET	1 OF 1

EXHIBIT "A"
LEGAL DESCRIPTION
ROAD VACATION SKYLARK WAY

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN AS DECRIBED IN THAT CERTAIN GRANT DEED RECORDED MAY 17, 2005 AS DOCUMENT NO. 2005-118012 OFFICIAL RECORDS, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING A PORTION OF SKYLARK WAY AS DEDICATED IN THAT CERTAIN GRANT DEED, RECORDED AS INSTRUMENT NO. 2014-084369, ON AUGUST 26, 2014, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY QUARTER CORNER OF SAID SECTION 22, THENCE ALONG THE WESTERLY LINE OF SECTION 22, SOUTH 0° 26' 26" WEST, 1399.60 FEET

THENCE SOUTH 89° 34' 01" EAST, 94.52 FEET TO THE **POINT OF BEGINNING**;

THENCE ALONG SAID RIGHT OF WAY LINE, NORTH 00° 26' 26" EAST, 49.92 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF SKYLARK WAY;

THENCE ALONG SAID RIGHT OF WAY LINE, SOUTH 44° 33' 44" EAST, 70.58 FEET;

THENCE LEAVING SAID RIGHT OF WAY LINE, 89° 34' 54" WEST, 49.91 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 1,246 SQUARE FEET OR 0.0286 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51"WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

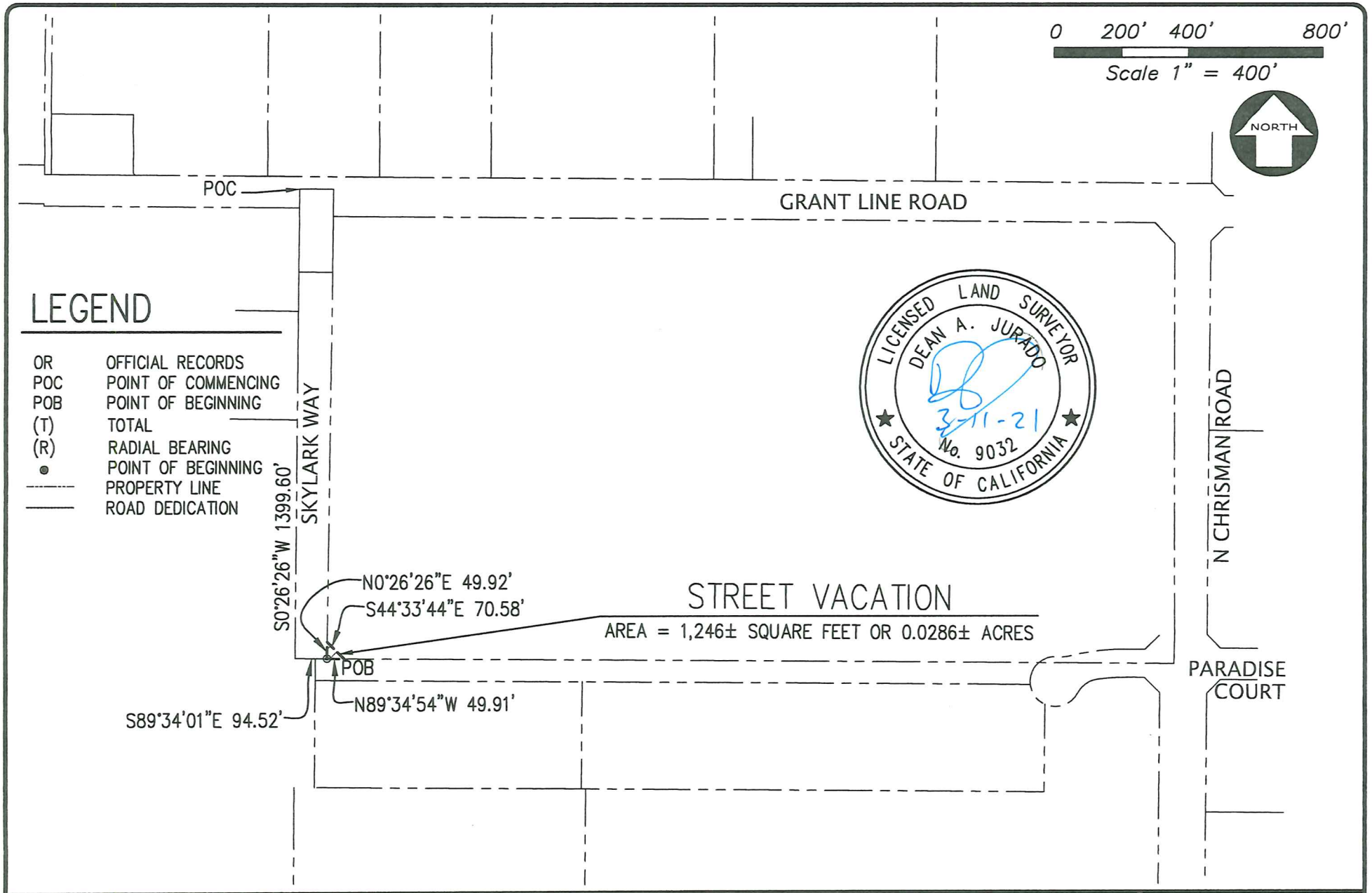
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SYRVEYORS, INC.

DEAN A. JURADO L.S. 9032

3-11-21
DATE





KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

ROAD VACATION
SKYLARK

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	NOVEMBER, 2020
SCALE	1" = 400'
BY	CSW
JOB NO.	A05728-44
SHEET	1 OF 1

Z:\2005\A05728-44\DWG\SURVEY\PLATS\A05728-44_RD_ESMTS.dwg 11/25/20 12:47:35 PM

EF-502-A-R17-0522-39004160-1

BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

Prologis, L.P.
Attention: Mae Harris [SAF - Mock 2 and 7]
1800 Wazee Street, Suite 500
Denver, CO 80202

ASSESSOR'S PARCEL NUMBER: A portion of 25002096

SELLER/TRANSFEROR: City of Tracy

BUYER'S DAYTIME TELEPHONE NUMBER: (317) 750-6090

BUYER'S EMAIL ADDRESS: sfrancis@prologis.com

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY: 1500 E. Grant Line Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy.

MO	DAY	YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME): Prologis, L.P. c/o Prologis Tax Coordinator

MAIL PROPERTY TAX INFORMATION TO (ADDRESS)	CITY	STATE	ZIP CODE
60 State Street, Suite 2200	Boston	MA	02109

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO — This section contains possible exclusions from reassessment for certain types of transfers.

☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.

☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.

☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
Was this the transferor/grantor's principal residence? ☐ YES ☐ NO

☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____

☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.

☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.

☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.

☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____

☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.

☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____

☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.

L. This is a transfer of property:

☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of
☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.

☐ ☑ 2. to/from an irrevocable trust for the benefit of the
☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.

☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.

☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.

☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.

☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.

☑ ☐ Q. Other. This transfer is to vacate a portion of right-of-way

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004160

EF-502-A-R17-0522-39004160-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: vacation of portion of right-of-way

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☐ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) right-of-way ☐ Timeshare ☐ Commercial/Industrial

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☐ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER	DATE	TELEPHONE
▶ [signature]	10/02/2025	(317) 750-6090
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	**TITLE**	**EMAIL ADDRESS**
MATTHEW SIMS	VICE PRESIDENT	See Buyer Page 1

The Assessor's office may contact you for additional information regarding this transaction.

EF-502-A-R17-0522-39004160

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 3

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

c/o Prologis, L.P.
Attn: Mae Harris [Anne]
1800 Wazee Street, Suite 500
Denver, CO 80202

Space Above This Line For Recorder's Use

QUITCLAIM DEED
(Vacation of Southerly portion of Paradise Court Right of Way)

A portion of APNs 25002090 and 25002098

The undersigned Grantor declares Documentary Transfer Tax is $0.00. Both the value of the property conveyed herein, and the consideration received by Grantor is less than $100.00 (California Revenue and Taxation Code §11911).

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

CITY OF TRACY, a Municipal corporation ("Grantor'')

hereby remises, releases and forever quitclaims to

PAC CORPORATE CENTER TRACY LLC, a Delaware limited liability company ("Grantee")

any and all interest in and to the real property consisting of an approximately 7,968 square foot Southerly portion of right-of-way commonly known as Paradise Court, abutting Grantee's property, and located in the City of Tracy, County of San Joaquin, State of California, as more particularly described and depicted in Exhibit A, attached hereto and made a part hereof (the "Vacated Right-of-Way"), subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the Vacated Right-of-Way as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE

[*Signature Page to Quitclaim Deed*]

Grantor:

_____ _____

City Clerk, City of Tracy, California Date

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____,

a Notary Public, personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

Legal Description and Depiction of Vacated Right-of-Way

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
PARADISE COURT VACATION

BEING A PORTION OF PARADISE COURT, AS SAID COURT WAS DEDICATED ON THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE RIGHT OF WAY FOR ROADWAY PURPOSES RECORDED ON APRIL 2, 2009 AS DOCUMENT NO. 2009-050342, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE WESTERLY LINE OF CHRISMAN ROAD, SAID POINT BEING THE SOUTHWEST CORNER OF SAID IRREVOCABLE OFFER TO DEDICATE;

THENCE FROM SAID POINT OF COMMENCING, NORTH 44° 32' 08" WEST, 63.61 FEET;

THENCE NORTH 89° 34' 00" WEST, 54.95 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE LEFT;

THENCE ALONG ASID TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 608.00' FEET, THROUGH A CENTRAL ANGLE OF 04° 06' 22", FOR AN ARC DISTANCE OF 43.57 FEET TO THE **POINT OF BEGINNING;**

THENCE CONTINUING ALONG LAST SAID CURVE, HAVING A RADIUS OF 608.00 FEET, THROUGH A CENTRAL ANGLE OF 04° 06' 22", FOR AN ARC DISTANCE OF 43.57 FEET TO THE BEGINNING OF A REVERSE CURVE TO THE LEFT,

THENCE ALONG SAID CURVE TO THE LEFT, HAVING A RADIUS OF 75.00 FEET, THROUGH A CENTRAL ANGLE OF 55° 36' 43", AN ARC DISTANCE OF 72.80 FEET TO THE BEGINNING OF A REVERSE CURVE TO THE RIGHT,

THENCE ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 75.00 FEET, THROUGH A CENTRAL ANGLE OF 125° 58' 36", AN ARC DISTANCE OF 164.90 FEET TO A POINT OF CUSP AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 28° 22' 13" EAST;

THENCE ALONG SAID CURVE TO THE RIGHT, HAVING A RADIUS OF 343.50 FEET, THROUGH A CENTRAL ANGLE OF 25° 06' 12", FOR AN ARC DISTANCE OF 150.50 FEET;

THENCE NORTH 86° 38' 42" EAST, 90.40 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 7,968 SQUARE FEET OF LAND, MORE OR LESS

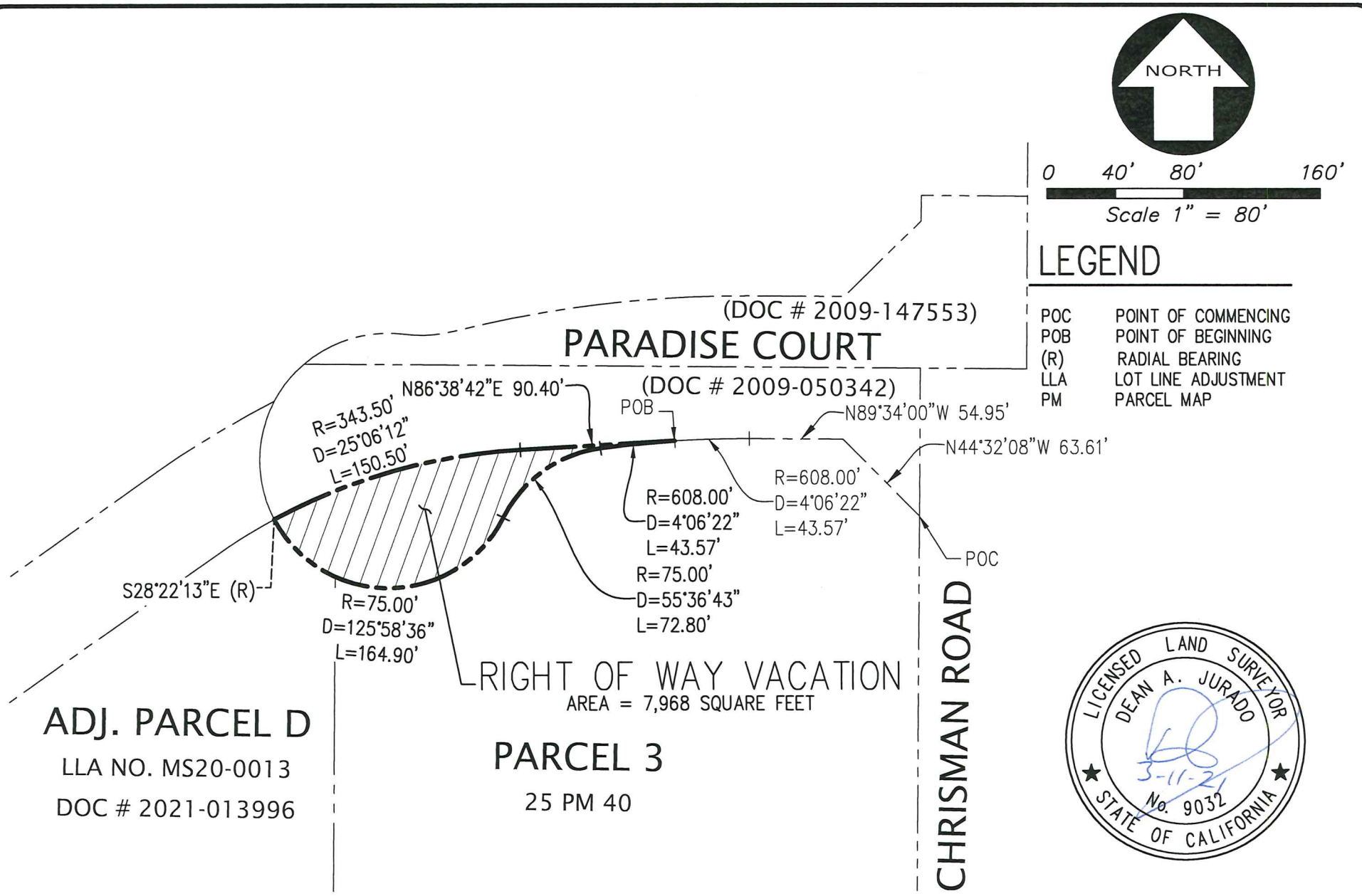
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

DEAN A. JURADO, L.S. 9032

3-11-21
DATE





KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
RIGHT OF WAY VACATION

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	MARCH, 2021
SCALE	1" = 80'
BY	CSW
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\VACATION\A05728-45_RD_SOUTH_(2009-050342).dwg 3-11-21 09:46:01 PM

EF-502-A-R17-0522-39004162-1

BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

PAC Corporate Center Tracy LLC
c/o Prologis, L.P.
Attention: Mae Harris [Annette]
1800 Wazee Street, Suite 500
Denver, CO 80202

ASSESSOR'S PARCEL NUMBER: A portion of 25002090; a portion of 25002098

SELLER/TRANSFEROR: City of Tracy

BUYER'S DAYTIME TELEPHONE NUMBER: (317) 750-6090

BUYER'S EMAIL ADDRESS: sfrancis@prologis.com

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY: 1605 N. Chrisman Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy. MO | DAY | YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME): PAC Corporate Center Tracy LLC c/o Prologis Tax Coordinator

MAIL PROPERTY TAX INFORMATION TO (ADDRESS)	CITY	STATE	ZIP CODE
60 State Street, Suite 2200	Boston	MA	02109

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO — This section contains possible exclusions from reassessment for certain types of transfers.

- ☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.
- ☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.
- ☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
  Was this the transferor/grantor's principal residence? ☐ YES ☐ NO
- ☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____
- ☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.
- ☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.
- ☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.
- ☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____
- ☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.
- ☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____
- ☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.
- ☐ ☑ L. This is a transfer of property:
  1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of
     ☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.
  2. to/from an irrevocable trust for the benefit of the
     ☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.
- ☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.
- ☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.
- ☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.
- ☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.
- ☑ ☐ Q. Other. This transfer is to vacate a portion of right-of-way

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004162

EF-502-A-R17-0522-39004162-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: vacation of right-of-way

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) right-of-way ☐ Timeshare ☐ Commercial/Industrial

B. ☐ YES ☐ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER	DATE	TELEPHONE
▶ [signature]	10/02/2025	(317) 750-6090
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE	EMAIL ADDRESS
MATTHEW SIMS	VICE PRESIDENT	See Buyer Page 1

The Assessor's office may contact you for additional information regarding this transaction.

EF-502-A-R17-0522-39004162

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 4

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

c/o Prologis, L.P.
Attn: Mae Harris [Anne]
1800 Wazee Street, Suite 500
Denver, CO 80202

Space Above This Line For Recorder's Use

QUITCLAIM DEED
(Vacation of portions of Easement for Public Utilities)

Portion APN 25002096, ADJ PCL B not assessed

The undersigned Grantor declares Documentary Transfer Tax is $0.00. Both the value of the property conveyed herein, and the consideration received by Grantor is less than $100.00 (California Revenue and Taxation Code §11911).

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

CITY OF TRACY, a Municipal corporation ("Grantor'')

hereby remises, releases and forever quitclaims to

PROLOGIS, L.P., a Delaware limited partnership ("Grantee")

any and all reserved easement rights in and to a portion of the non-exclusive easement for public utilities located in the City of Tracy, County of San Joaquin, State of California, offered to and accepted by Grantor under that certain Irrevocable Offer to Dedicate Easement for Public Utilities dated January 14, 2000 and recorded April 2, 2009 as Instrument No. 2009-050344 in the Official Records of San Joaquin County, California, as more particularly described and depicted in **Exhibit A**, attached hereto and made a part hereof (the "Vacated Easement"), subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the Vacated Easement as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE

[*Signature Page to Quitclaim Deed*]

Grantor:

_____ _____

City Clerk, City of Tracy, California Date

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____,

a Notary Public, personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

Legal Description and Depiction of Vacated Easement

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
PUE VACATION PARADISE COURT-ADJUSTED PARCEL A

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN, IN THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, AND BEING AS DESCRIBED FOLLOWS:

BEING A PORTION OF "ADJUSTED PARCEL A" AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, CALIFORNIA, AND BEING DESCRIBED AS FOLLOWS:

BEING A PORTION OF THAT 10.00-FOOT-WIDE PUBLIC UTILITY EASEMENT, AS SAID PUE WAS DEDICATED ON THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE EASEMENT FOR PUBLIC UTILITIES, RECORDED ON APRIL 2, 2009, AS DOCUMENT NO. 2009-050344, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE WESTERLY TERMINUS OF THE LINE SHOWN AS NORTH 89° 34' 00" WEST, 422.31 FEET IN SAID IRREVOCABLE OFFER TO DEDICATE, SAID POINT BEING THE NORTHWESTERLY CORNER OF THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE RIGHT OF WAY FOR ROADWAY PURPOSES RECORDED ON APRIL 2, 2009, AS DOCUMENT NO. 2009-050342, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY;

THENCE ALONG A NON-TANGENT 75.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 40° 51' 17" EAST, THROUGH A CENTRAL ANGLE OF 21° 20' 03", AN ARC DISTANCE OF 27.93 FEET, TO A POINT OF COMPOUND CURVATURE;

THENCE ALONG A NON-TANGENT 547.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 26° 58' 37" EAST, THROUGH A CENTRAL ANGLE OF 1° 39' 57", AN ARC DISTANCE OF 15.90 FEET, TO A POINT OF REVERSE CURVATURE;

THENCE ALONG A NON-TANGENT 85.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 71° 04' 20" EAST, THROUGH A CENTRAL ANGLE OF 23° 02' 05", AN ARC DISTANCE OF 34.17 FEET;

THENCE SOUTH 89° 34' 00" EAST, 14.14 FEET, TO THE **POINT OF BEGINNING.**

CONTAINING 311 SQUARE FEET OR 0.0071 ACRES OF LAND, MORE OR LESS

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

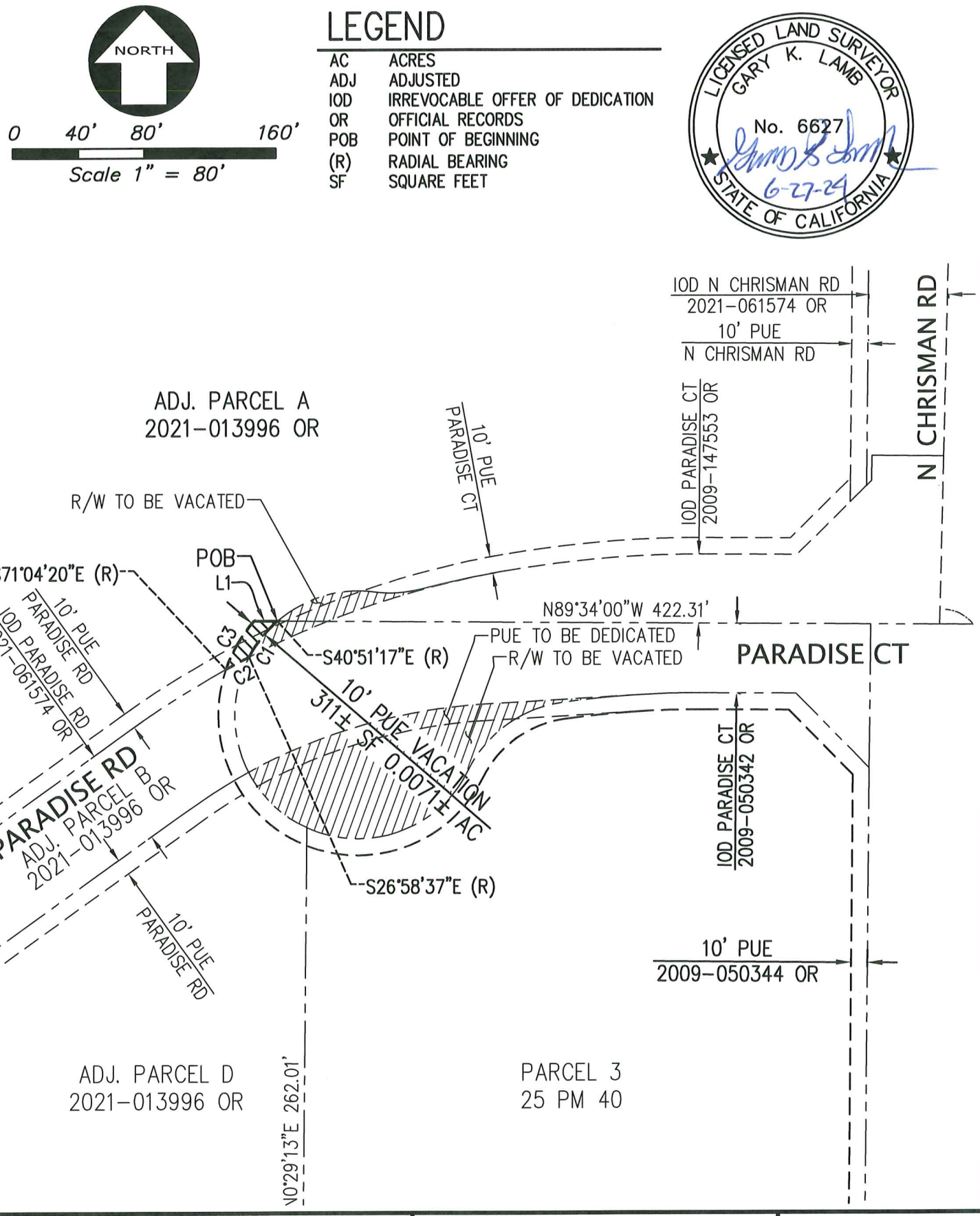
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.



Gary K Lamb
GARY K. LAMB, PLS 6627

06-27-24
DATE



KIER+WRIGHT

250 Cherry Lane, Suite 107, 208
Manteca, CA 95337

Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
VACATION OF PUBLIC UTILITY EASEMENT OVER ADJUSTED PARCEL A

TRACY, CALIFORNIA

DATE	JUNE, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\VACATIONS\A05728-45-PD-VAC-PUE-PARADISE-CT-PARCEL A.dwg 6-05-24 11:23:58 AM glamb

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S89°34'00"E	14.14'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	75.00'	21°20'03"	27.93'
C2	547.00'	1°39'57"	15.90'
C3	85.00'	23°02'05"	34.17'

KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
VACATION OF PUBLIC UTILITY EASEMENT OVER ADJUSTED PARCEL A
TRACY, CALIFORNIA

DATE	JUNE, 2024
SCALE	NONE
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\VACATIONS\A05728-45-PD-VAC-PUE-PARADISE-CT-PARCEL A.dwg 6-05-24 11:26:45 AM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 6/5/2024 11:19:46 AM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-ESMT - CLOSURE-PUE-VAC-PARADISE CT-PARCEL A
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,096,765.1025' East:6,302,182.9417'

Segment# 1: Curve
Length: 27.93' Radius: 75.00'
Delta: 21° 20' 03" Tangent: 14.13'
Chord: 27.77' Course: S38° 28' 42"W
Course In: S40° 51' 17"E Course Out: N62° 11' 20"W
RP North: 2,096,708.3747' East: 6,302,232.0024'
End North: 2,096,743.3665' East: 6,302,165.6656'

Segment# 2: Curve
Length: 15.90' Radius: 547.00'
Delta: 1° 39' 57" Tangent: 7.95'
Chord: 15.90' Course: S62° 11' 24"W
Course In: S26° 58' 37"E Course Out: N28° 38' 34"W
RP North: 2,096,255.8861' East: 6,302,413.8023'
End North: 2,096,735.9471' East: 6,302,151.5994'

Segment# 3: Curve
Length: 34.17' Radius: 85.00'
Delta: 23° 02' 05" Tangent: 17.32'
Chord: 33.94' Course: N30° 26' 43"E
Course In: S71° 04' 20"E Course Out: N48° 02' 15"W
RP North: 2,096,708.3752' East: 6,302,232.0033'
End North: 2,096,765.2099' East: 6,302,168.7987'

Segment# 4: Line
Course: S89° 34' 00"E Length: 14.14'
North: 2,096,765.1030' East: 6,302,182.9383'

Perimeter: 92.15' Area: 311Sq.Ft.
Error Closure: 0.0034 Course: N81° 24' 13"W

Error North : 0.00051 East: -0.00335

Precision 1: 27,100.00

EXHIBIT "A"
LEGAL DESCRIPTION
PUE VACATION PARADISE COURT-ADJUSTED PARCEL B

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN, IN THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, AND BEING AS DESCRIBED FOLLOWS:

BEING A PORTION OF "ADJUSTED PARCEL B" AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, CALIFORNIA, AND BEING DESCRIBED AS FOLLOWS:

BEING A PORTION OF THAT 10.00-FOOT-WIDE PUBLIC UTILITY EASEMENT, AS SAID PUE WAS DEDICATED ON THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE EASEMENT FOR PUBLIC UTILITIES, RECORDED ON APRIL 2, 2009, AS DOCUMENT NO. 2009-050344, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WESTERLY TERMINUS OF THE LINE SHOWN AS NORTH 89° 34' 00" WEST, 422.31 FEET IN SAID IRREVOCABLE OFFER TO DEDICATE, SAID POINT BEING THE NORTHWESTERLY CORNER OF THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE RIGHT OF WAY FOR ROADWAY PURPOSES RECORDED ON APRIL 2, 2009, AS DOCUMENT NO. 2009-050342, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY;

THENCE ALONG A NON-TANGENT 75.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 40° 51' 17" EAST, THROUGH A CENTRAL ANGLE OF 21° 20' 03", AN ARC DISTANCE OF 27.93 FEET, TO THE **POINT OF BEGINNING**;

THENCE CONTINUING ALONG SAID 75.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 55° 13' 18", AN ARC DISTANCE OF 72.29 FEET, TO A POINT OF COMPOUND CURVATURE;

THENCE ALONG A NON-TANGENT 340.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 28° 33' 10" EAST, THROUGH A CENTRAL ANGLE OF 1° 41' 10", AN ARC DISTANCE OF 10.01 FEET, TO A POINT OF REVERSE CURVATURE:

THENCE ALONG A NON-TANGENT 85.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS NORTH 62° 21' 21" EAST, THROUGH A CENTRAL ANGLE OF 46° 34' 20", AN ARC DISTANCE OF 69.09 FEET, TO A POINT OF COMPOUND CURVATURE;

THENCE ALONG A NON-TANGENT 547.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 28° 38' 24'" EAST, THROUGH A CENTRAL ANGLE OF 1° 39' 57", AN ARC DISTANCE OF 15.90 FEET, TO THE **POINT OF BEGINNING.**

CONTAINING 705 SQUARE FEET OR 0.0162 ACRES OF LAND, MORE OR LESS

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

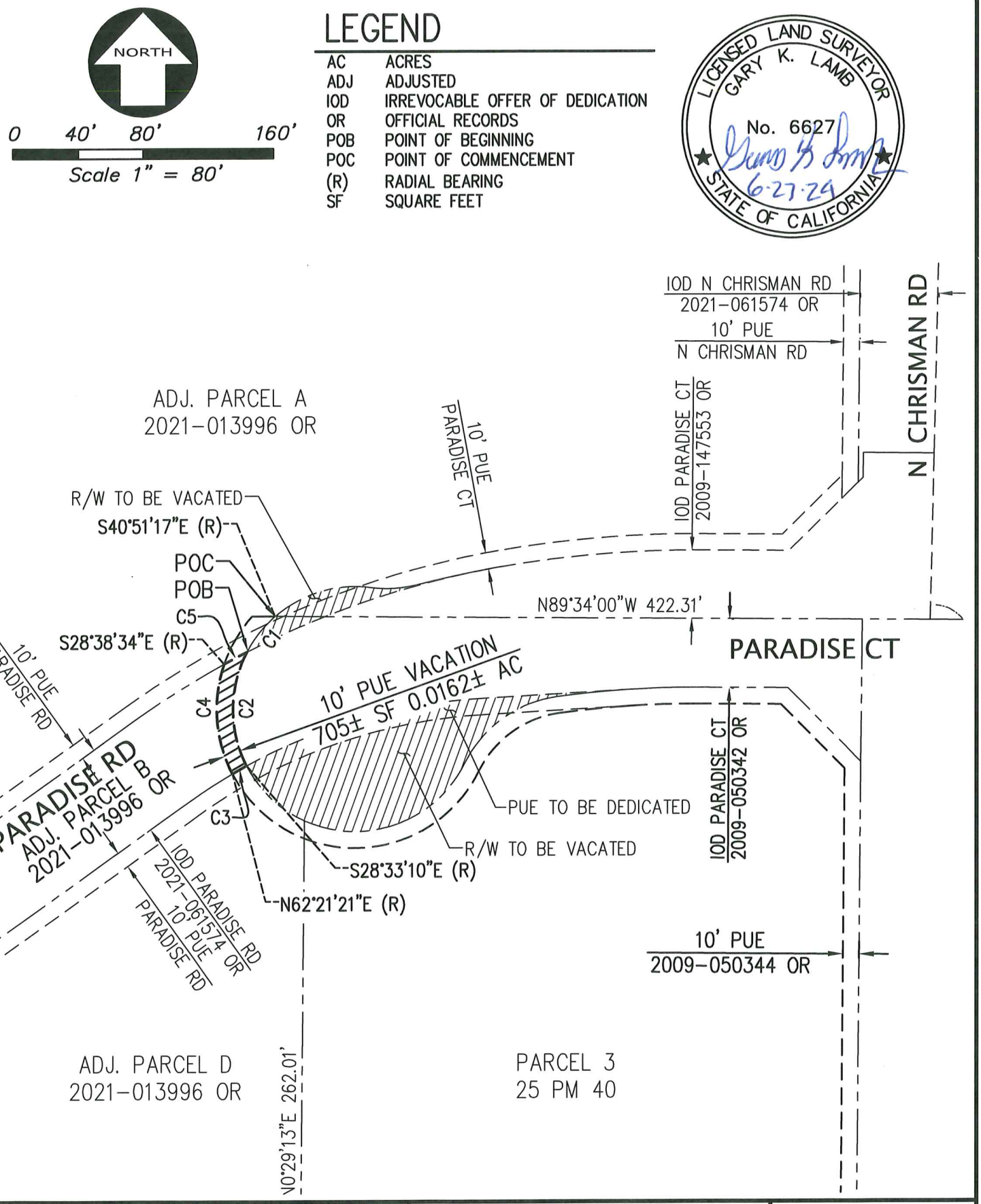
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.



GARY K. LAMB, PLS 6627

06.27.24
DATE



KIER+WRIGHT

250 Cherry Lane, Suite 107, 208
Manteca, CA 95337

Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
VACATION OF PUBLIC UTILITY EASEMENT OVER ADJUSTED PARCEL B

TRACY, CALIFORNIA

DATE	JUNE, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\VACATIONS\A05728-45-PD-VAC-PUE-PARADISE-CT-PARCEL B.dwg 6-05-24 12:23:17 PM glamb

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	75.00'	21°20'03"	27.93'
C2	75.00'	55°13'18"	72.29'
C3	340.00'	1°41'10"	10.01'
C4	85.00'	46°34'20"	69.09'
C5	547.00'	1°39'57"	15.90'

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Manteca, CA 95337
Phone: (209) 328-1123
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EXHIBIT "B"
VACATION OF PUBLIC UTILITY EASEMENT OVER ADJUSTED PARCEL B
TRACY, CALIFORNIA

DATE	JUNE, 2024
SCALE	NONE
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 6/5/2024 12:15:03 PM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-ESMT - CLOSURE-PUE-VAC-PARADISE CT-PARCEL B
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,096,851.9646' East:6,302,199.7618'

Segment# 1: Curve
Length: 72.29' Radius: 75.00'
Delta: 55° 13' 18" Tangent: 39.23'
Chord: 69.52' Course: S0° 12' 01"W
Course In: S62° 11' 20"E Course Out: S62° 35' 22"W
RP North: 2,096,816.9728' East: 6,302,266.0986'
End North: 2,096,782.4455' East: 6,302,199.5188'

Segment# 2: Curve
Length: 10.01' Radius: 340.00'
Delta: 1° 41' 10" Tangent: 5.00'
Chord: 10.01' Course: S60° 36' 15"W
Course In: S28° 33' 10"E Course Out: N30° 14' 20"W
RP North: 2,096,483.7973' East: 6,302,362.0280'
End North: 2,096,777.5345' East: 6,302,190.8018'

Segment# 3: Curve
Length: 69.09' Radius: 85.00'
Delta: 46° 34' 20" Tangent: 36.58'
Chord: 67.20' Course: N4° 21' 29"W
Course In: N62° 21' 21"E Course Out: N71° 04' 20"W
RP North: 2,096,816.9728' East: 6,302,266.0987'
End North: 2,096,844.5447' East: 6,302,185.6948'

Segment# 4: Curve
Length: 15.90' Radius: 547.00'
Delta: 1° 39' 57" Tangent: 7.95'
Chord: 15.90' Course: N62° 11' 24"E
Course In: S28° 38' 34"E Course Out: N26° 58' 37"W
RP North: 2,096,364.4837' East: 6,302,447.8977'

End North: 2,096,851.9641' East: 6,302,199.7611'

Perimeter: 167.29' Area: 705Sq.Ft.
Error Closure: 0.0009 Course: S56° 17' 48"W
Error North : -0.00050 East: -0.00075

Precision 1: 185,877.78

EF-502-A-R17-0522-39004166-1

BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

Prologis L.P.
Attention: Mae Harris [SAF - Mock 4]
1800 Wazee Street, Suite 500
Denver, CO 80202

ASSESSOR'S PARCEL NUMBER: Portion of 25002096, ADJ PCL B not assessed

SELLER/TRANSFEROR: City of Tracy

BUYER'S DAYTIME TELEPHONE NUMBER: (415) 733-9412

BUYER'S EMAIL ADDRESS: dfhorton@prologis.com

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY: 1500 E. Grant Line Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy. MO | DAY | YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME): Prologis, L.P. c/o Prologis Tax Coordinator

MAIL PROPERTY TAX INFORMATION TO (ADDRESS): 60 State Street, Suite 2200 | CITY: Boston | STATE: MA | ZIP CODE: 02109

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO — This section contains possible exclusions from reassessment for certain types of transfers.

- ☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.
- ☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.
- ☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
  Was this the transferor/grantor's principal residence? ☐ YES ☐ NO
- ☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____
- ☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.
- ☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.
- ☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.
- ☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____
- ☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.
- ☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____
- ☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.
- L. This is a transfer of property:
  - ☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of ☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.
  - ☐ ☑ 2. to/from an irrevocable trust for the benefit of the ☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.
- ☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.
- ☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.
- ☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.
- ☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.
- ☑ ☐ Q. Other. This transfer is to vacate portions of a public utility easement

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004166

EF-502-A-R17-0522-39004166-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: ____ Remaining term in years *(including written options)*: ____

☑ Other. Please explain: vacation of portions of public utility easement

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: ____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) ☐ Timeshare ☐ Commercial/Industrial

easement vacation

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER	DATE	TELEPHONE
▶ [signature]	10/02/2025	(415) 733-9412
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	**TITLE**	**EMAIL ADDRESS**
MATTHEW SIMS	VICE PRESIDENT	see Buyer page 1

The Assessor's office may contact you for additional information regarding this transaction.

EF-502-A-R17-0522-39004166

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 5

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

c/o Prologis, L.P.
Attn: Mae Harris [Anne]
1800 Wazee Street, Suite 500
Denver, CO 80202

Space Above This Line For Recorder's Use

QUITCLAIM DEED
(Vacation of portions of Easement for Public Utilities)

Portions of APN 25002090 and 25002098

The undersigned Grantor declares Documentary Transfer Tax is $0.00. Both the value of the property conveyed herein, and the consideration received by Grantor is less than $100.00 (California Revenue and Taxation Code §11911).

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

CITY OF TRACY, a Municipal corporation ("Grantor'')

hereby remises, releases and forever quitclaims to

PAC CORPORATE CENTER TRACY LLC, a Delaware limited liability company ("Grantee")

any and all reserved easement rights in and to a portion of the non-exclusive easement for public utilities located in the City of Tracy, County of San Joaquin, State of California, offered to and accepted by Grantor under that certain Irrevocable Offer to Dedicate Easement for Public Utilities dated January 14, 2000 and recorded April 2, 2009 as Instrument No. 2009-050344 in the Official Records of San Joaquin County, California, as more particularly described and depicted in **Exhibit A**, attached hereto and made a part hereof (the "Vacated Easement"), subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the Vacated Easement as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE

[*Signature Page to Quitclaim Deed*]

Grantor:

_____ _____

City Clerk, City of Tracy, California Date

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____,

a Notary Public, personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, 2025, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

Legal Description and Depiction of Public Utility Easement

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
PUE VACATION PARADISE COURT - ADJUSTED PARCEL D & PARCEL 3

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN, IN THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, AND BEING AS DESCRIBED FOLLOWS:

BEING A PORTION OF "ADJUSTED PARCEL D", AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, CALIFORNIA, AND ALSO BEING A PORTION OF PARCEL 3 OF THAT CERTAIN PARCEL MAP, FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, CALIFORNIA, BEING DESCRIBED AS FOLLOWS:

BEING A PORTION OF THAT 10.00-FOOT-WIDE PUBLIC UTILITY EASEMENT, AS SAID PUE WAS DEDICATED ON THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE EASEMENT FOR PUBLIC UTILITIES, RECORDED ON APRIL 2, 2009, AS DOCUMENT NO. 2009-050344, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WESTERLY TERMINUS OF THE LINE SHOWN AS NORTH 89° 34' 00" WEST, 422.31 FEET IN SAID IRREVOCABLE OFFER TO DEDICATE, SAID POINT BEING THE NORTHWESTERLY CORNER OF THAT CERTAIN IRREVOCABLE OFFER TO DEDICATE RIGHT OF WAY FOR ROADWAY PURPOSES RECORDED ON APRIL 2, 2009, AS DOCUMENT NO. 2009-050342, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY;

THENCE ALONG A NON-TANGENT 75.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 40° 51' 17" EAST, THROUGH A CENTRAL ANGLE OF 76° 33' 21", AN ARC DISTANCE OF 100.21 FEET, TO THE **POINT OF BEGINNING.**

THENCE CONTINUING ALONG SAID 75.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 128° 58' 36", AN ARC DISTANCE OF 169.40, FEET, TO A POINT OF REVERSE CURVATURE;

THENCE ALONG A 75.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 55° 36' 43", AN ARC DISTANCE OF 72.80 FEET, TO A POINT OF COMPOUND CURVATURE;

THENCE ALONG A 608.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 04° 06' 22", AN ARC DISTANCE OF 43.57 FEET;

THENCE SOUTH 03° 39' 29" EAST, 10.00 FEET;

THENCE ALONG A NON-TANGENT 598.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 03° 40' 10" EAST, THROUGH A CENTRAL ANGLE OF 04° 06' 22", AN ARC DISTANCE OF 42.86 FEET, TO A POINT OF COMPOUND CURVATURE;

THENCE ALONG A 65.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 55° 36' 43", AN ARC DISTANCE OF 63.09 FEET, TO A POINT OF REVERSE CURVATURE;

THENCE ALONG AN 85.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 125° 44' 35", AN ARC DISTANCE OF 186.54 FEET TO A POINT OF COMPOUND CURVATURE;

THENCE ALONG AN NON-TANGENT 340.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 30° 14' 20" EAST,THROUGH A CENTRAL ANGLE OF 1° 41' 10", AN ARC DISTANCE OF 10.01 FEET, TO THE **POINT OF BEGINNING.**

CONTAINING 2,869 SQUARE FEET OR 0.0659 ACRES OF LAND, MORE OR LESS

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

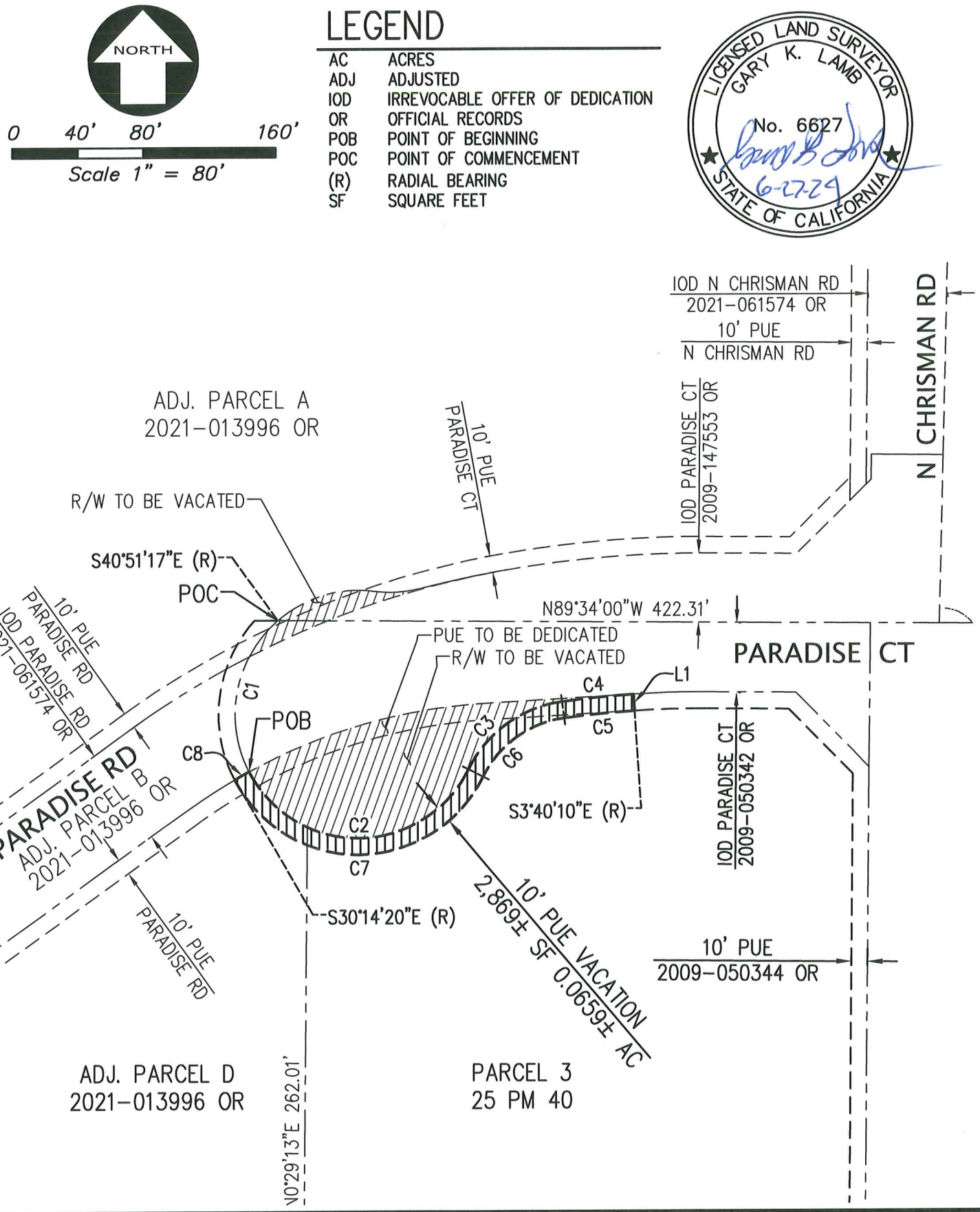
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

LICENSED LAND SURVEYOR
GARY K. LAMB
No. 6627
STATE OF CALIFORNIA

Gary K Lamb
GARY K. LAMB, PLS 6627

06-27-24
DATE



KIER+WRIGHT

250 Cherry Lane, Suite 107, 208
Manteca, CA 95337

Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
VACATION OF PUBLIC UTILITY EASEMENT
ADJ. PARCEL D & PARCEL 3
TRACY, CALIFORNIA

DATE	JUNE, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 2

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S3°39'29"E	10.00'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	75.00'	76°33'21"	100.21'
C2	75.00'	125°58'36"	164.90'
C3	75.00'	55°36'43"	72.80'
C4	608.00'	4°06'22"	43.57'
C5	598.00'	4°06'22"	42.86'
C6	65.00'	55°36'43"	63.09'
C7	85.00'	125°44'35"	186.54'
C8	340.00'	1°41'10"	10.01'

KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
VACATION OF PUBLIC UTILITY EASEMENT ADJ. PARCEL D & PARCEL 3
TRACY, CALIFORNIA

DATE	JUNE, 2024
SCALE	NONE
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 6/5/2024 2:23:10 PM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-ESMT - CLOSURE-PUE-VAC-PARADISE CT-PARCEL D-3
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,096,673.9070' East:6,302,079.0977'

Segment# 1: Curve
Length: 164.90' Radius: 75.00'
Delta: 125° 58' 36" Tangent: 147.12'
Chord: 133.64' Course: N89° 36' 04"E
Course In: N62° 35' 22"E Course Out: S63° 23' 14"E
RP North: 2,096,708.4342' East: 6,302,145.6775'
End North: 2,096,674.8373' East: 6,302,212.7316'

Segment# 2: Curve
Length: 72.80' Radius: 75.00'
Delta: 55° 36' 43" Tangent: 39.55'
Chord: 69.97' Course: N54° 25' 07"E
Course In: S63° 23' 14"E Course Out: N7° 46' 32"W
RP North: 2,096,641.2404' East: 6,302,279.7857'
End North: 2,096,715.5509' East: 6,302,269.6387'

Segment# 3: Curve
Length: 43.57' Radius: 608.00'
Delta: 4° 06' 22" Tangent: 21.80'
Chord: 43.56' Course: N84° 16' 39"E
Course In: S7° 46' 32"E Course Out: N3° 40' 09"W
RP North: 2,096,113.1410' East: 6,302,351.8968'
End North: 2,096,719.8947' East: 6,302,312.9876'

Segment# 4: Line
Course: S3° 39' 29"E Length: 10.00'
North: 2,096,709.9151' East: 6,302,313.6256'

Segment# 5: Curve
Length: 42.86' Radius: 598.00'

Delta: 4° 06' 22"
Tangent: 21.44'
Chord: 42.85'
Course: S84° 16' 39"W
Course In: S3° 40' 10"E
Course Out: N7° 46' 32"W
RP North: 2,096,113.1411'
East: 6,302,351.8977'
End North: 2,096,705.6429'
East: 6,302,270.9926'

Segment# 6: Curve
Length: 63.09'
Radius: 65.00'
Delta: 55° 36' 43"
Tangent: 34.28'
Chord: 60.64'
Course: S54° 25' 07"W
Course In: S7° 46' 32"E
Course Out: N63° 23' 14"W
RP North: 2,096,641.2405'
East: 6,302,279.7866'
End North: 2,096,670.3578'
East: 6,302,221.6731'

Segment# 7: Curve
Length: 186.54'
Radius: 85.00'
Delta: 125° 44' 35"
Tangent: 165.90'
Chord: 151.30'
Course: S89° 29' 03"W
Course In: N63° 23' 14"W
Course Out: S62° 21' 21"W
RP North: 2,096,708.4343'
East: 6,302,145.6785'
End North: 2,096,668.9960'
East: 6,302,070.3815'

Segment# 8: Curve
Length: 10.01'
Radius: 340.00'
Delta: 1° 41' 10"
Tangent: 5.00'
Chord: 10.01'
Course: N60° 36' 15"E
Course In: S30° 14' 20"E
Course Out: N28° 33' 10"W
RP North: 2,096,375.2588'
East: 6,302,241.6077'
End North: 2,096,673.9070'
East: 6,302,079.0986'

Perimeter: 593.77'
Area: 2,869Sq.Ft.
Error Closure: 0.0009
Course: N85° 54' 46"E
Error North : 0.00006
East: 0.00087

Precision 1: 659,744.44

EF-502-A-R17-0522-39004166-1

BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

PAC Corporate Center Tracy LLC
Attention: Mae Harris [SAF - Mock 4]
1800 Wazee Street, Suite 500
Denver, CO 80202

ASSESSOR'S PARCEL NUMBER: Portions of 25002090 and 25002098

SELLER/TRANSFEROR: City of Tracy

BUYER'S DAYTIME TELEPHONE NUMBER: (415) 733-9412

BUYER'S EMAIL ADDRESS: dfhorton@prologis.com

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY: Paradise Court, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy. MO | DAY | YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME): PAC Corporate Center Tracy LLC, c/o Prologis Tax Coordinator

MAIL PROPERTY TAX INFORMATION TO (ADDRESS)	CITY	STATE	ZIP CODE
60 State Street, Suite 2200	Boston	MA	02109

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO This section contains possible exclusions from reassessment for certain types of transfers.

☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.

☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.

☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
Was this the transferor/grantor's principal residence? ☐ YES ☐ NO

☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____

☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.

☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.

☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.

☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____

☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.

☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____

☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.

L. This is a transfer of property:

☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of
☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.

☐ ☑ 2. to/from an irrevocable trust for the benefit of the
☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.

☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.

☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.

☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.

☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.

☑ ☐ Q. Other. This transfer is to vacate portions of a public utility easement

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004166

EF-502-A-R17-0522-39004166-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: vacation of portions of public utility easement

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) easement vacation ☐ Timeshare ☐ Commercial/Industrial

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER	DATE	TELEPHONE
▶ [signature]	10/02/2025	(415) 733-9412
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	**TITLE**	**EMAIL ADDRESS**
MATTHEW SIMS	VICE PRESIDENT	see Buyer page 1

The Assessor's office may contact you for additional information regarding this transaction.

EF-502-A-R17-0522-39004166

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 6

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

City of Tracy
Attn: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

Space Above This Line For Recorder's Use

A portion of APN 25002091

This document is exempt from the payment of a recording fee pursuant to Government Code § 27383 and §6103, and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

PROLOGIS AMAZON TRACY LLC, a Delaware limited liability company ("Grantor")

hereby grant(s) to the

CITY OF TRACY, a Municipal corporation ("Grantee")

the fee interest in the real property consisting of approximately 0.5285 acres, more or less, as more particularly described and depicted in Exhibit A, attached hereto and made a part hereof (the "Right-of-Way"), for roadway purposes as intended to be offered in that certain Irrevocable Offer of Dedication of Fee Interest dated December 16, 2020 and recorded April 7, 2021 as Instrument No. 2021-0651574 in the official records of San Joaquin County, California, but for which the wrong grantor was shown for this parcel. The foregoing grant is subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the Right-of-Way as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE
(Grantee is exempt from County Transfer Tax)

[Signature Page to Grant Deed]

Grantor:

PROLOGIS AMAZON TRACY LLC
a Delaware limited liability company

By: Prologis, L.P.
a Delaware limited partnership
its sole member

By: Prologis, Inc.
a Maryland corporation
its general partner

By: _____
Name: MATTHEW SIMS
Title: VICE PRESIDENT

Dated: 10/2/2025

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Alameda)

On 10/02/2025, before me, Amanda Walsh,
a Notary Public, personally appeared Matthew Sims,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature AWalsh (Seal)

JAS1 AMANDA WALSH COMM. # 2518274 NOTARY PUBLIC • CALIFORNIA ALAMEDA COUNTY MY COMMISSION EXPIRES APRIL 25, 2029 JAS1

RESOLUTION OF ACCEPTANCE:

This is to certify that the interest in real property conveyed by this Grant is hereby accepted, subject to the terms and conditions specified therein, by the undersigned City Clerk of the City of Tracy, pursuant to authority conferred by Resolution No. 1670 of the Tracy City Council, adopted on August 6, 1968, and recorded with the San Joaquin County Recorder on August 14, 1968, Book 3231, pages 581 through 583, and the grantee consents to recordation thereof by its duly authorized officer.

_____ _____

City Clerk, City of Tracy, California Date

Pursuant to Section 66477.5 of the California Government Code, the local agency shall re- convey the property to the subdivider if the local agency makes a finding that the same purpose for which the property was dedicated does not exist or any portion of thereof is not needed for public utilities, as specified in Subdivision (c) of the Section.

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____,

a Notary Public, personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

Legal Description and Depiction of Right-of-Way

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
ROAD DEDICATION–SKYLARK WAY

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, AND BEING DESCRIBED AS FOLLOWS:

BEING A PORTION OF PARCEL 6, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY RIGHT OF WAY OF SKYLARK WAY (WIDTH VARIES) SAID POINT ALSO BEING THE NORTHWESTERLY CORNER OF SAID PARCEL 6;

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY AND THE NORTHERLY LINE OF SAID PARCEL 6, SOUTH 89° 34' 00" EAST, 60.00 FEET, TO THE NORTHEASTERLY CORNER OF SAID PARCEL 6;

THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 6, SOUTH 00° 29' 13" WEST 348.77 FEET;

THENCE LEAVING SAID LINE, NORTH 89° 30' 47" WEST, 59.67 FEET, TO A POINT ON THE WESTERLY LINE OF SAID PARCEL 6;

THENCE ALONG SAID WESTERLY LINE, NORTH 00° 26' 18" EAST, 384.71 FEET, TO THE **POINT OF BEGINNING;**

CONTAINING 23,022 SQUARE FEET OR 0.5285 ACRES OF LAND MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

LICENSED LAND SURVEYOR
GARY K. LAMB
No. 6627
STATE OF CALIFORNIA

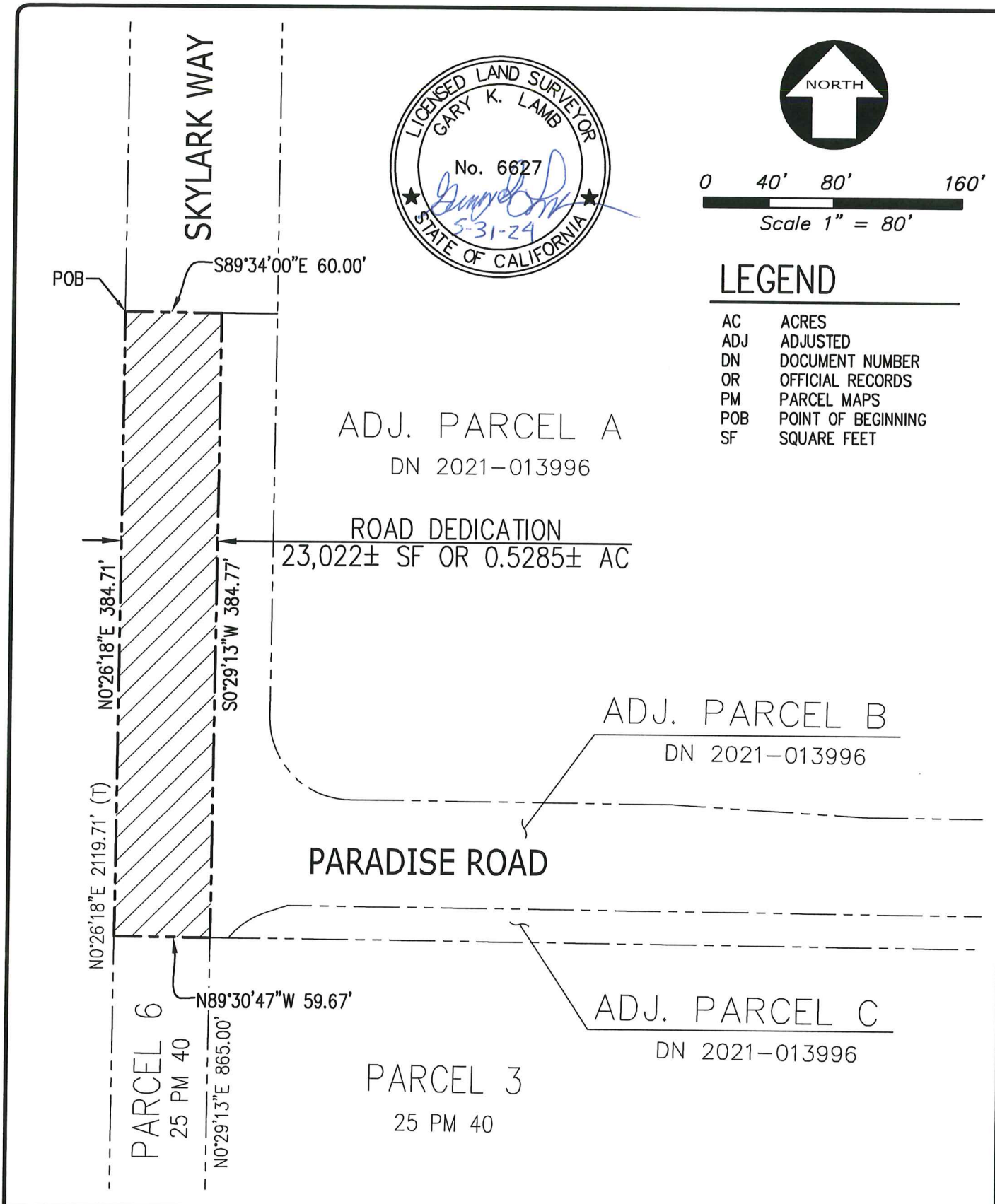
Gary K. Lamb

GARY K. LAMB, PLS 6627

5-31-24

DATE

Z:\2005\A05728-45\DOCS\SURVEY\LEGAL DESCRIPTIONS\ROAD DEDICATIONS\A05728-45-LD-ROAD-DED-SKYLARK.docx



LEGEND

AC	ACRES
ADJ	ADJUSTED
DN	DOCUMENT NUMBER
OR	OFFICIAL RECORDS
PM	PARCEL MAPS
POB	POINT OF BEGINNING
SF	SQUARE FEET

KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
ROAD DEDICATION

TRACY, CALIFORNIA

DATE	MAY, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\ROAD DEDICATIONS\A05728-45-PD-ROAD-DED- SKYLARK.dwg 5-29-24 11:35:33 AM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 12/18/2024 9:38:39 AM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-BNDRY - CLOSURE-ROAD-DEDICATION-SKYLARK
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,096,967.8893' East:6,298,497.5941'

Segment# 1: Line
Course: S89° 34' 00"E Length: 60.00'
North: 2,096,967.4355' East: 6,298,557.5924'

Segment# 2: Line
Course: S0° 29' 13"W Length: 384.77'
North: 2,096,582.6794' East: 6,298,554.3224'

Segment# 3: Line
Course: N89° 30' 47"W Length: 59.67'
North: 2,096,583.1865' East: 6,298,494.6545'

Segment# 4: Line
Course: N0° 26' 18"E Length: 384.71'
North: 2,096,967.8853' East: 6,298,497.5977'

Perimeter: 889.15' Area: 23,022Sq.Ft.
Error Closure: 0.0054 Course: S41° 20' 08"E
Error North : -0.00403 East: 0.00354

Precision 1: 164,657.41

EF-502-A-R17-0522-39004162-1

BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

City of Tracy
Attn: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

ASSESSOR'S PARCEL NUMBER
A portion of 25002091

SELLER/TRANSFEROR
Prologis Amazon Tracy LLC

BUYER'S DAYTIME TELEPHONE NUMBER
( )

BUYER'S EMAIL ADDRESS

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY
1555 N. Chrisman Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy. MO | DAY | YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME)

MAIL PROPERTY TAX INFORMATION TO (ADDRESS) | CITY | STATE | ZIP CODE

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO This section contains possible exclusions from reassessment for certain types of transfers.

☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.

☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.

☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
Was this the transferor/grantor's principal residence? ☐ YES ☐ NO

☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____

☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.

☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.

☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.

☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____

☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.

☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____

☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.

L. This is a transfer of property:

☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of
☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.

☐ ☑ 2. to/from an irrevocable trust for the benefit of the
☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.

☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.

☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.

☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.

☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.

☑ ☐ Q. Other. This transfer is to vacate a portion of right-of-way

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004162

EF-502-A-R17-0522-39004162-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: vacation of portion of right-of-way

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) right-of-way ☐ Timeshare ☐ Commercial/Industrial

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER ▶	DATE	TELEPHONE ( )
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE	EMAIL ADDRESS

The Assessor's office may contact you for additional information regarding this transaction.

EF-502-A-R17-0522-39004162

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 7

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

City of Tracy
Attn: April B. A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

Space Above This Line For Recorder's Use

Portions of APN 25002096 and ADJ PCL B not assessed

This document is exempt from the payment of a recording fee pursuant to Government Code § 27383 and §6103, and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

PROLOGIS, L.P., a Delaware limited partnership ("Grantor'')

hereby grant(s) to the

CITY OF TRACY, a Municipal corporation ("Grantee")

the fee interest of the herein described real property consisting of portions of Adjusted Parcel A and all of Adjusted Parcel B, Certificate of Compliance for Lot Line Adjustment, recorded January 25, 2021, Instrument No. 2021-013996, Official Records of San Joaquin County, California, as more particularly described and depicted in Exhibit A, attached hereto and made a part hereof (the "Right-of-Way"), for roadway purposes as offered in that certain Irrevocable Offer of Dedication of Fee Interest dated December 16, 2020 and recorded April 7, 2021 as Instrument No. 2021-061574 in the official records of San Joaquin County, California, subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the Right-of-Way as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE
(Grantee is exempt from County Transfer Tax)

[Signature Page to Grant Deed]

Grantor:

PROLOGIS, L.P.
a Delaware limited partnership

By: Prologis, Inc.
a Maryland corporation
its general partner

By: _____
Name: Matthew Sims
Title: Vice President

Dated: 10/02/2025

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Alameda)

On 10/02/2025 before me, Amanda Walsh,
a Notary Public, personally appeared Matthew Sims,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature AWalsh (Seal)

JAS1 AMANDA WALSH
COMM. # 2518274
NOTARY PUBLIC • CALIFORNIA
ALAMEDA COUNTY
MY COMMISSION EXPIRES
APRIL 25, 2029 JAS1

RESOLUTION OF ACCEPTANCE:

This is to certify that the interest in real property conveyed by this Grant is hereby accepted, subject to the terms and conditions specified therein, by the undersigned City Clerk of the City of Tracy, pursuant to authority conferred by Resolution No. 1670 of the Tracy City Council, adopted on August 6, 1968, and recorded with the San Joaquin County Recorder on August 14, 1968, Book 3231, pages 581 through 583, and the grantee consents to recordation thereof by its duly authorized officer.

_____ _____

City Clerk, City of Tracy, California Date

Pursuant to Section 66477.5 of the California Government Code, the local agency shall re- convey the property to the subdivider if the local agency makes a finding that the same purpose for which the property was dedicated does not exist or any portion of thereof is not needed for public utilities, as specified in Subdivision (c) of the Section.

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____)

County of _____)

On _____, before me, _____,

a Notary Public, personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

Legal Description and Depiction of Right-of-Way

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
ROAD DEDICATION NORTH CHRISMAN ROAD

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN, AND BEING DESCRIBED AS FOLLOWS:

BEING A PORTION OF ADJUSTED PARCEL A, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, RECORDED JANUARY 1, 2021, AS DOCUMENT NO. 2021-013966, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY QUARTER CORNER OF SAID SECTION 22, THENCE ALONG THE NORTHERLY LINE OF SECTION 22, SOUTH 89° 33' 43" EAST, 100.00 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 0° 26' 26" WEST, 81.00 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF GRANT LINE ROAD;

THENCE ALONG THE SOUTHERLY RIGHT OF WAY, SOUTH 89° 33' 43" EAST, 180.00 FEET

THENCE CONTINUING ALONG SAID SOUTHERLY LINE, SOUTH 89° 33' 43" EAST, 2260.62 FEET;

THENCE SOUTH 43° 43' 46" EAST, 45.80 FEET TO THE **POINT OF BEGINNING;**

THENCE CONTINUING ALONG SAID COURSE, SOUTH 43° 43' 46" EAST, 20.40 FEET;

THENCE SOUTH 88° 41' 37" EAST, 17.00 FEET;

THENCE SOUTH 84° 39' 24" EAST, 22.93 FEET TO A POINT OF THE WESTERLY RIGHT OF WAY LINE OF NORTH CHRISMAN ROAD;

THENCE ALONG SAID WESTERLY LINE, SOUTH 01° 19' 00" WEST, 1167.11 FEET;

THENCE LEAVING SAID WESTERLY LINE, THE FOLLOWING EIGHT (8) COURSES:

1. NORTH 89° 30' 02" WEST, 43.43 FEET,
2. SOUTH 00° 29' 58" WEST, 15.00 FEET,
3. SOUTH 45° 28' 05" WEST, 4.21 FEET,
4. NORTH 00° 29' 53" EAST, 339.15 FEET,
5. ALONG THE ARC OF A 80.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 08° 36' 39", AN ARC DISTANCE OF 42.08 FEET,

6. NORTH 09° 06' 32" EAST, 20.21 FEET,
7. ALONG THE ARC OF A 250.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 08° 36' 39", AN ARC DISTANCE OF 37.57 FEET, AND
8. NORTH 00° 29' 53" EAST, 763.29 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 56,967 SQUARE FEET OR 1.3078 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

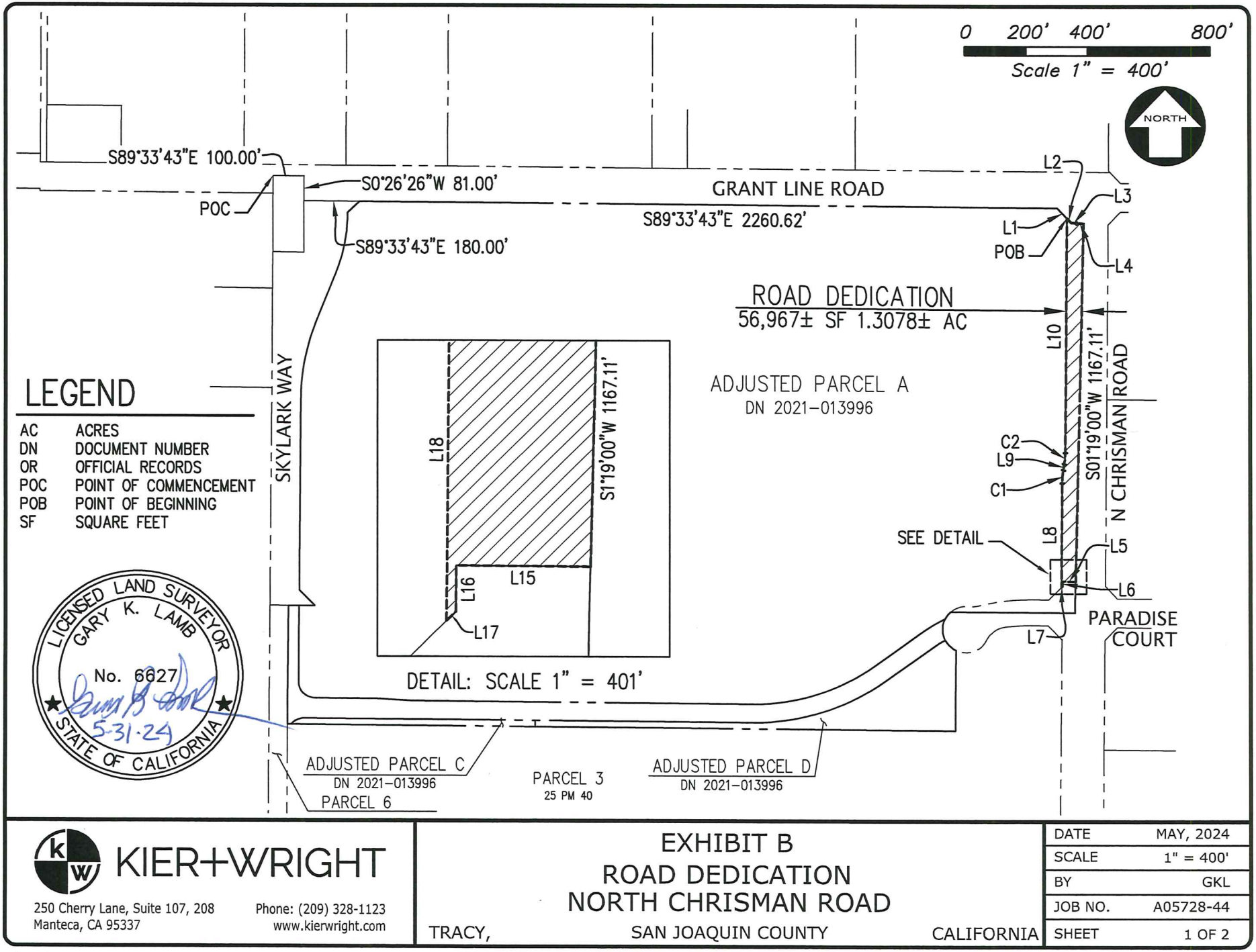
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.



GARY K. LAMB, PLS 6627

05-31-24
DATE



KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT B
ROAD DEDICATION
NORTH CHRISMAN ROAD

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	MAY, 2024
SCALE	1" = 400'
BY	GKL
JOB NO.	A05728-44
SHEET	1 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\ROAD DEDICATIONS\A05728-45-PD-ROAD-DED-CHRISMAN.dwg 5-31-24 02:38:19 PM glamb

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S43°43'46"E	45.80'
L2	S43°43'46"E	20.40'
L3	S88°41'37"E	17.00'
L4	S84°39'24"E	22.93'
L5	N89°30'02"W	43.43'
L6	S0°29'58"W	15.00'
L7	S45°28'05"W	4.21'
L8	N0°29'53"E	339.15'
L9	N9°06'32"E	20.21'
L10	N0°29'53"E	763.29'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	280.00'	8°36'39"	42.08'
C2	250.00'	8°36'39"	37.57'

KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT B
ROAD DEDICATION
NORTH CHRISMAN ROAD

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	MAY, 2024
SCALE	1" = 400'
BY	GKL
JOB NO.	A05728-44
SHEET	2 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\ROAD DEDICATIONS\A05728-45-PD-ROAD-DED-CHRISMAN.dwg 5-29-24 03:01:06 PM glamb

EXHIBIT "A"
LEGAL DESCRIPTION
ROAD DEDICATION GRANT LINE ROAD

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN, AND BEING DESCRIBED AS FOLLOWS:

BEING A PORTION OF ADJUSTED PARCEL A, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, RECORDED JANUARY 1, 2021, AS DOCUMENT NO. 2021-013966, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY QUARTER CORNER OF SAID SECTION 22, THENCE ALONG THE NORTHERLY LINE OF SECTION 22, SOUTH 89° 33' 43" EAST, 100.00 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 0° 26' 26" WEST, 81.00 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF GRANT LINE ROAD;

THENCE ALONG THE SOUTHERLY RIGHT OF WAY, SOUTH 89° 33' 43" EAST, 180.00 FEET TO THE **POINT OF BEGINNING;**

THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY, SOUTH 89° 33' 43" EAST, 2260.62 FEET;

AND, SOUTH 43° 43' 46" EAST, 16.73 FEET;

THENCE LEAVING SAID SOUTHERLY RIGHT OF WAY, NORTH 89° 33' 43" WEST, 1477.59 FEET;

THENCE NORTH 88° 41' 49" WEST, 794.78' TO THE **POINT OF BEGINNING**

CONTAINING 22,429 SQUARE FEET OR 0.5149 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

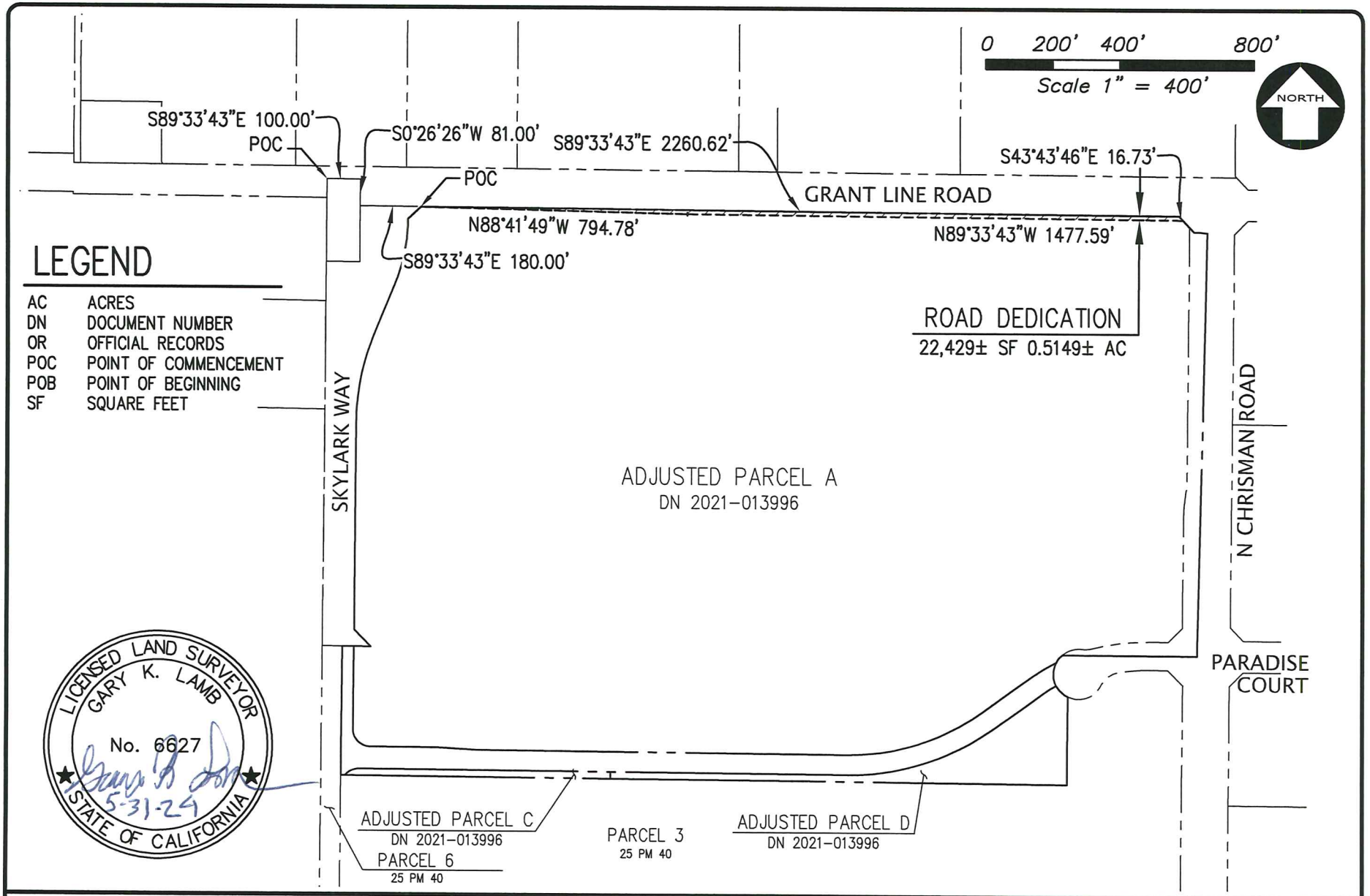
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

GARY K. LAMB, PLS 6627

5-31-24
DATE

LICENSED LAND SURVEYOR
GARY K. LAMB
No. 6627
STATE OF CALIFORNIA



LEGEND

AC	ACRES
DN	DOCUMENT NUMBER
OR	OFFICIAL RECORDS
POC	POINT OF COMMENCEMENT
POB	POINT OF BEGINNING
SF	SQUARE FEET

LICENSED LAND SURVEYOR
GARY K. LAMB
No. 6627
5-31-24
STATE OF CALIFORNIA

KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
ROAD DEDICATION GRANT LINE ROAD

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	MAY, 2024
SCALE	1" = 400'
BY	GKL
JOB NO.	A05728-44
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\DEDICATIONS\A05728-45-IOD-GRANT LINE.dwg 5-29-24 02:49:10 PM glamb

EXHIBIT "A"
LEGAL DESCRIPTION
ROAD DEDICATION – PARADISE ROAD

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, AND BEING DESCRIBED AS FOLLOWS:

BEING ALL OF ADJUSTED PARCEL B, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, RECORDED JANUARY 1, 2021, AS DOCUMENT NO. 2021-013966, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTHERLY RIGHT OF WAY OF SKYLARK WAY (WIDTH VARIES), SAID POINT ALSO BEING THE NORTHWESTERLY CORNER OF PARCEL 6, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY AND THE NORTHERLY LINE OF SAID PARCEL 6, SOUTH 89° 34' 00" EAST, 60.00 FEET, TO THE **POINT OF BEGINNING**;

THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT OF WAY, SOUTH 89° 34' 00" EAST, 34.44 FEET

THENCE LEAVING SAID SOUTHERLY RIGHT OF WAY LINE, THE FOLLOWING EIGHT (8) COURSES:

1. SOUTH 00° 26' 26" WEST, 248.38 FEET,
2. ALONG A 50.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 89° 57' 13", FOR AN ARC DISTANCE OF 78.50 FEET,
3. SOUTH 89° 30' 47" EAST, 200.25 FEET,
4. SOUTH 86° 39' 02" EAST, 120.15 FEET,
5. SOUTH 89° 30' 47" EAST, 1102.52 FEET,
6. ALONG A 673.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 36° 00' 13", FOR AN ARC DISTANCE OF 422.90 FEET,
7. NORTH 54° 29' 00" EAST, 192.29 FEET, AND
8. ALONG A 547.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 08° 32' 07", FOR AN ARC DISTANCE OF 81.49 FEET, TO A POINT ON THE RIGHT OF WAY OF PARADISE COURT.

THENCE ALONG SAID RIGHT OF WAY, ALONG A NON-TANGENT 75.00 FOOT RADOIS CURVE TO THE LEFT, THE CENTER BEARS SOUTH 62° 15' 36" EAST, THROUGH A CENTRAL ANGLE OF 55° 11' 27", FOR AN ARC DISTANCE OF 72.24 FEET;

THENCE LEAVING SAID RIGHT OF WAY THE FOLLOWING SIX (6) COURSES:

1. ALONG A NON-TANGENT 340.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER BEARS SOUTH 28° 32' 49" EAST, THROUGH A CENTRAL ANGLE OF 06° 58' 11", FOR AN ARC DISTANCE OF 41.36 FEET,
2. SOUTH 54° 29' 00" WEST, 191.71 FEET,
3. ALONG A 733.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 36° 00' 13", FOR AN ARC DISTANCE OF 460.60 FEET,
4. NORTH 89° 30' 47" WEST, 1,459.81 FEET;
5. SOUTH 72° 01' 13" WEST, 13.57 FEET, AND
6. ALONG A 50.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 32° 50' 03", FOR AN ARC DISTANCE OF 28.65 FEET TO A POINT ON THE SOUTHERLY LINE OF PARCEL 7 OF SAID MAP (25 PM 40).

THENCE ALONG SAID SOUTHERLY LINE, NORTH 89° 30' 47" WEST, 11.55 FEET, TO THE SOUTHWESTERLY CORNER OF SAID PAREL 7;

THENCE ALONG THE WESTERLY LINE OF SAID PARCEL 7, NORTH 00° 29' 13" EAST, 384.77 FEET TO THE **POINT OF BEGINNING;**

CONTAINING 145,215 SQUARE FEET OR 3.3337 ACRES OF LAND MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

LICENSED LAND SURVEYOR
GARY K. LAMB
No. 6627
STATE OF CALIFORNIA

Gary K Lamb

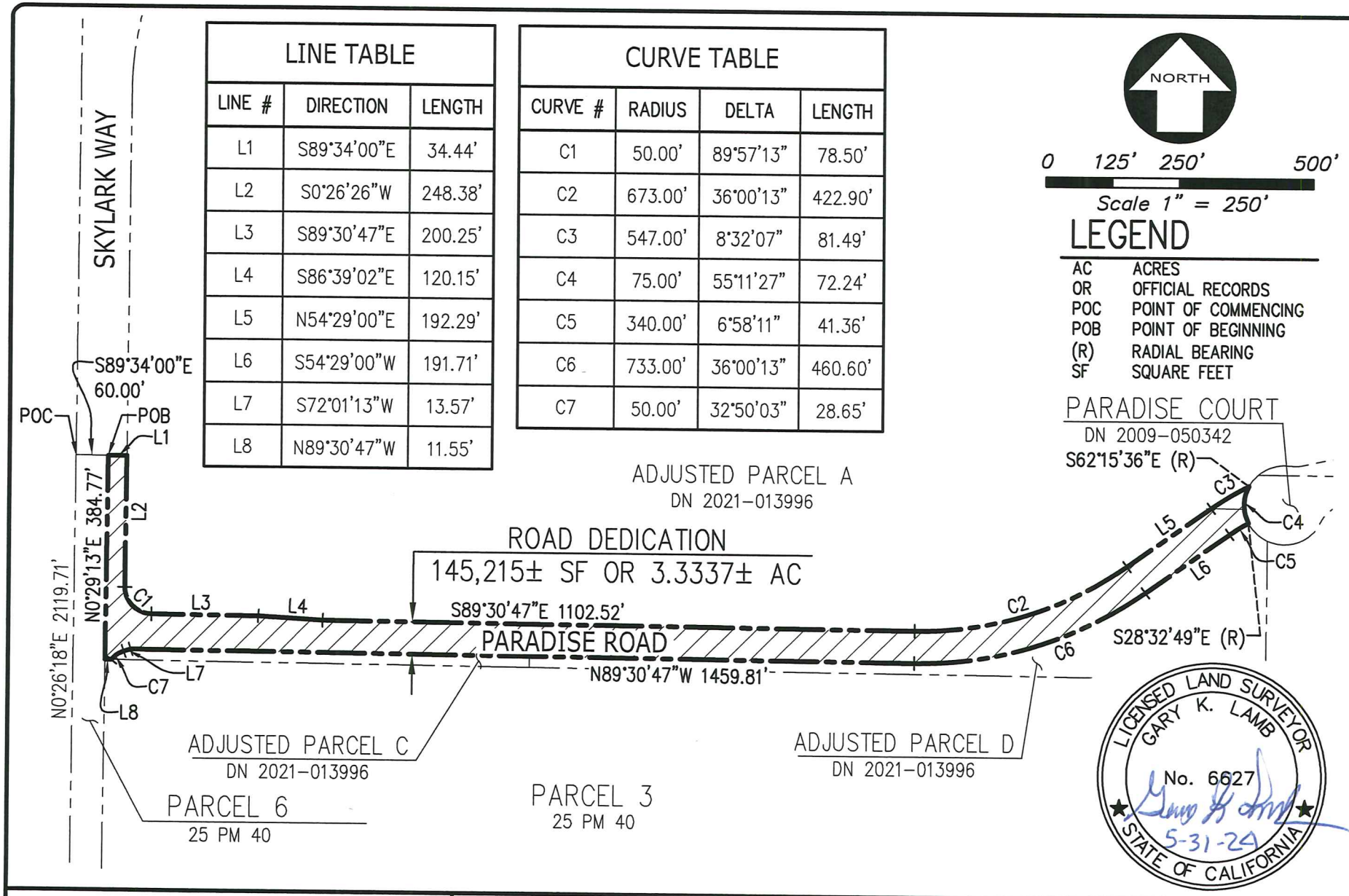
GARY K. LAMB, PLS 6627

5-31-24

DATE

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S89°34'00"E	34.44'
L2	S0°26'26"W	248.38'
L3	S89°30'47"E	200.25'
L4	S86°39'02"E	120.15'
L5	N54°29'00"E	192.29'
L6	S54°29'00"W	191.71'
L7	S72°01'13"W	13.57'
L8	N89°30'47"W	11.55'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	50.00'	89°57'13"	78.50'
C2	673.00'	36°00'13"	422.90'
C3	547.00'	8°32'07"	81.49'
C4	75.00'	55°11'27"	72.24'
C5	340.00'	6°58'11"	41.36'
C6	733.00'	36°00'13"	460.60'
C7	50.00'	32°50'03"	28.65'



LEGEND

AC	ACRES
OR	OFFICIAL RECORDS
POC	POINT OF COMMENCING
POB	POINT OF BEGINNING
(R)	RADIAL BEARING
SF	SQUARE FEET

LICENSED LAND SURVEYOR
GARY K. LAMB
No. 6627
5-31-24
STATE OF CALIFORNIA

KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
ROAD DEDICATION

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	FEBRUARY, 2024
SCALE	1" = 250'
BY	JF
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\ROAD DEDICATIONS\A05728-45-PD-ROAD-DED-PARADISE.dwg 5-29-24 11:44:11 AM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 12/18/2024 10:31:47 AM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-BNDRY - CLOSURE-ROAD-DED-PARADISE
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,100,191.9519' East:6,299,368.8869'

Segment# 1: Line
Course: S89° 34' 00"E Length: 34.44'
North: 2,100,191.6914' East: 6,299,403.3259'

Segment# 2: Line
Course: S0° 26' 26"W Length: 248.38'
North: 2,099,943.3187' East: 6,299,401.4161'

Segment# 3: Curve
Length: 78.50' Radius: 50.00'
Delta: 89° 57' 14" Tangent: 49.96'
Chord: 70.68' Course: S44° 32' 11"E
Course In: S89° 33' 34"E Course Out: S0° 29' 12"W
RP North: 2,099,942.9343' East: 6,299,451.4146'
End North: 2,099,892.9361' East: 6,299,450.9899'

Segment# 4: Line
Course: S89° 30' 47"E Length: 200.25'
North: 2,099,891.2342' East: 6,299,651.2327'

Segment# 5: Line
Course: S86° 39' 02"E Length: 120.15'
North: 2,099,884.2144' East: 6,299,771.1774'

Segment# 6: Line
Course: S89° 30' 47"E Length: 1,102.52'
North: 2,099,874.8444' East: 6,300,873.6576'

Segment# 7: Curve
Length: 422.90' Radius: 673.00'

Delta: 36° 00' 13"
Tangent: 218.69'
Chord: 415.98'
Course: N72° 29' 07"E
Course In: N0° 29' 13"E
Course Out: S35° 31' 00"E
RP North: 2,100,547.8201'
East: 6,300,879.3772'
End North: 2,100,000.0341'
East: 6,301,270.3497'

Segment# 8: Line
Course: N54° 29' 00"E
Length: 192.29'
North: 2,100,111.7430'
East: 6,301,426.8635'

Segment# 9: Curve
Length: 81.49'
Radius: 547.00'
Delta: 8° 32' 08"
Tangent: 40.82'
Chord: 81.41'
Course: N58° 45' 03"E
Course In: S35° 31' 00"E
Course Out: N26° 58' 53"W
RP North: 2,099,666.5142'
East: 6,301,744.6375'
End North: 2,100,153.9754'
East: 6,301,496.4630'

Segment# 10: Curve
Length: 72.24'
Radius: 75.00'
Delta: 55° 11' 27"
Tangent: 39.20'
Chord: 69.48'
Course: S0° 08' 41"W
Course In: S62° 15' 36"E
Course Out: S62° 32' 57"W
RP North: 2,100,119.0659'
East: 6,301,562.8432'
End North: 2,100,084.4919'
East: 6,301,496.2877'

Segment# 11: Curve
Length: 41.36'
Radius: 340.00'
Delta: 6° 58' 11"
Tangent: 20.71'
Chord: 41.33'
Course: S57° 58' 05"W
Course In: S28° 32' 49"E
Course Out: N35° 31' 00"W
RP North: 2,099,785.8271'
East: 6,301,658.7664'
End North: 2,100,062.5689'
East: 6,301,461.2469'

Segment# 12: Line
Course: S54° 29' 00"W
Length: 191.71'
North: 2,099,951.1970'
East: 6,301,305.2052'

Segment# 13: Curve
Length: 460.60'
Radius: 733.00'
Delta: 36° 00' 13"
Tangent: 238.19'
Chord: 453.06'
Course: S72° 29' 07"W
Course In: N35° 31' 00"W
Course Out: S0° 29' 13"W
RP North: 2,100,547.8198'
East: 6,300,879.3764'

End North: 2,099,814.8463' East: 6,300,873.1469'

Segment# 14: Line
Course: N89° 30' 47"W Length: 1,459.81'
North: 2,099,827.2527' East: 6,299,413.3896'

Segment# 15: Line
Course: S72° 01' 13"W Length: 13.57'
North: 2,099,823.0639' East: 6,299,400.4823'

Segment# 16: Curve
Length: 28.65' Radius: 50.00'
Delta: 32° 50' 03" Tangent: 14.73'
Chord: 28.26' Course: S55° 36' 11"W
Course In: S17° 58' 47"E Course Out: N50° 48' 50"W
RP North: 2,099,775.5056' East: 6,299,415.9163'
End North: 2,099,807.0977' East: 6,299,377.1614'

Segment# 17: Line
Course: N89° 30' 47"W Length: 11.55'
North: 2,099,807.1959' East: 6,299,365.6118'

Segment# 18: Line
Course: N0° 29' 13"E Length: 384.77'
North: 2,100,191.9520' East: 6,299,368.8818'

Perimeter: 5,145.18' Area: 145,215Sq.Ft.
Error Closure: 0.0050 Course: N88° 45' 56"W
Error North : 0.00011 East: -0.00503

Precision 1: 1,029,036.00

EF-502-A-R17-0522-39004158-1

BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

City of Tracy
Attention: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

ASSESSOR'S PARCEL NUMBER
A portion of 25002096; ADJ PCL B not assessed

SELLER/TRANSFEROR
Prologis, L.P.

BUYER'S DAYTIME TELEPHONE NUMBER
( )

BUYER'S EMAIL ADDRESS

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY
1500 E. Grant Line Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy.

MO	DAY	YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME)

MAIL PROPERTY TAX INFORMATION TO (ADDRESS)	CITY	STATE	ZIP CODE

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO This section contains possible exclusions from reassessment for certain types of transfers.

☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.

☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.

☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
Was this the transferor/grantor's principal residence? ☐ YES ☐ NO

☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____

☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.

☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.

☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.

☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____

☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.

☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____

☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.

L. This is a transfer of property:

☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of
☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.

☐ ☑ 2. to/from an irrevocable trust for the benefit of the
☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.

☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.

☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.

☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.

☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.

☑ ☐ Q. Other. This transfer is to grant of right-of-way for roadway purposes

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004158

EF-502-A-R17-0522-39004158-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: grant of right-of-way for roadway purposes

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) ☐ Timeshare ☐ Commercial/Industrial

right-of-way

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER ▶	DATE	TELEPHONE ( )
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE	EMAIL ADDRESS

The Assessor's office may contact you for additional information regarding this transaction.

EF-502-A-R17-0522-39004158

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 8

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

City of Tracy
Attn: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

Space Above This Line For Recorder's Use

Portions of APN 25002096

This document is exempt from the payment of a recording fee pursuant to Government Code§ 27383 and §6103, and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922

GRANT DEED

Public Utility Easement

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

PROLOGIS, L.P., a Delaware limited partnership ("Grantor'')

hereby grant(s) to the

CITY OF TRACY, a Municipal corporation ("Grantee")

a public utility easement consisting of a total of approximately 1.7623 acres, more or less, on, over, under and across a portion of Grantor's property, for the installation and maintenance of certain below-grade public utilities by the Grantee, which is more particularly described and depicted in **Exhibit A** (the "Public Utility Easement"), and which Public Utility Easement is subject to the additional terms, provisions and restrictions set forth in **Exhibit B** attached hereto and made a part hereof, subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the property as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE
(Grantee is exempt from County Transfer Tax)

[Signature Page to Grant Deed]

Grantor:

PROLOGIS, L.P.
a Delaware limited partnership

By: Prologis, Inc.
a Maryland corporation
its general partner

By: _____
Name: MATTHEW SIMS
Title: VICE PRESIDENT

Dated: 10/02/2025

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Alameda)

On October 2, 2025, before me, Amanda Walsh, notary public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature A Walsh (Seal)

JAS1 AMANDA WALSH COMM. # 2518274 NOTARY PUBLIC • CALIFORNIA ALAMEDA COUNTY MY COMMISSION EXPIRES APRIL 25, 2029 JAS1

RESOLUTION OF ACCEPTANCE:

This is to certify that the interest in real property conveyed by this Grant is hereby accepted, subject to the terms and conditions specified therein, by the undersigned City Clerk of the City of Tracy, pursuant to authority conferred by Resolution No. 1670 of the Tracy City Council, adopted on August 6, 1968, and recorded with the San Joaquin County Recorder on August 14, 1968, Book 3231, pages 581 through 583, and the grantee consents to recordation thereof by its duly authorized officer.

_____ _____

City Clerk, City of Tracy, California Date

Pursuant to Section 66477.5 of the California Government Code, the local agency shall re- convey the property to the subdivider if the local agency makes a finding that the same purpose for which the property was dedicated does not exist or any portion of thereof is not needed for public utilities, as specified in Subdivision (c) of the Section.

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A
Legal Descriptions and Depictions of
Public Utility Easement

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
PUBLIC UTILITY EASEMENT – SKYLARK WAY SOUTH
OVER SKYLARK WAY, 2021-013996 OR

BEING THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF SKYLARK WAY AS SHOWN ON THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWESTERLY CORNER OF SAID SKYLARK WAY, SAID POINT ALSO BEING THE NORTHWESTERLY CORNER OF PARCEL 4, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY;

THENCE ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID SKYLARK WAY, AND NORTHERLY LINE OF SAID PARCEL 4, SOUTH 89° 34' 00" EAST, 94.44 FEET TO THE **POINT OF BEGINNING**;

THENCE NORTH 00° 26' 26" EAST, 49.95 FEET, TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKYLARK WAY;

THENCE ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKYLARK WAY, SOUTH 44° 30' 11" EAST, 14.16 FEET;

THENCE LEAVING SAID LINE, SOUTH 00° 26' 26" WEST, 39.93 FEET, TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF SKYLARK WAY.

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, NORTH 89° 34' 00" WEST, 10.00, TO THE **POINT OF BEGINNING.**

CONTAINING 449 SQUARE FEET OR 0.0103 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

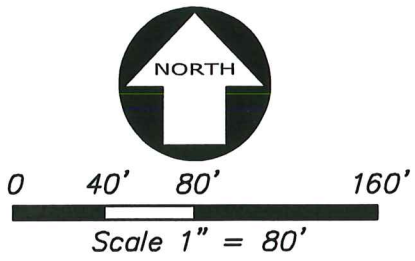
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

GARY K. LAMB, PLS 6627

4-9-24
DATE

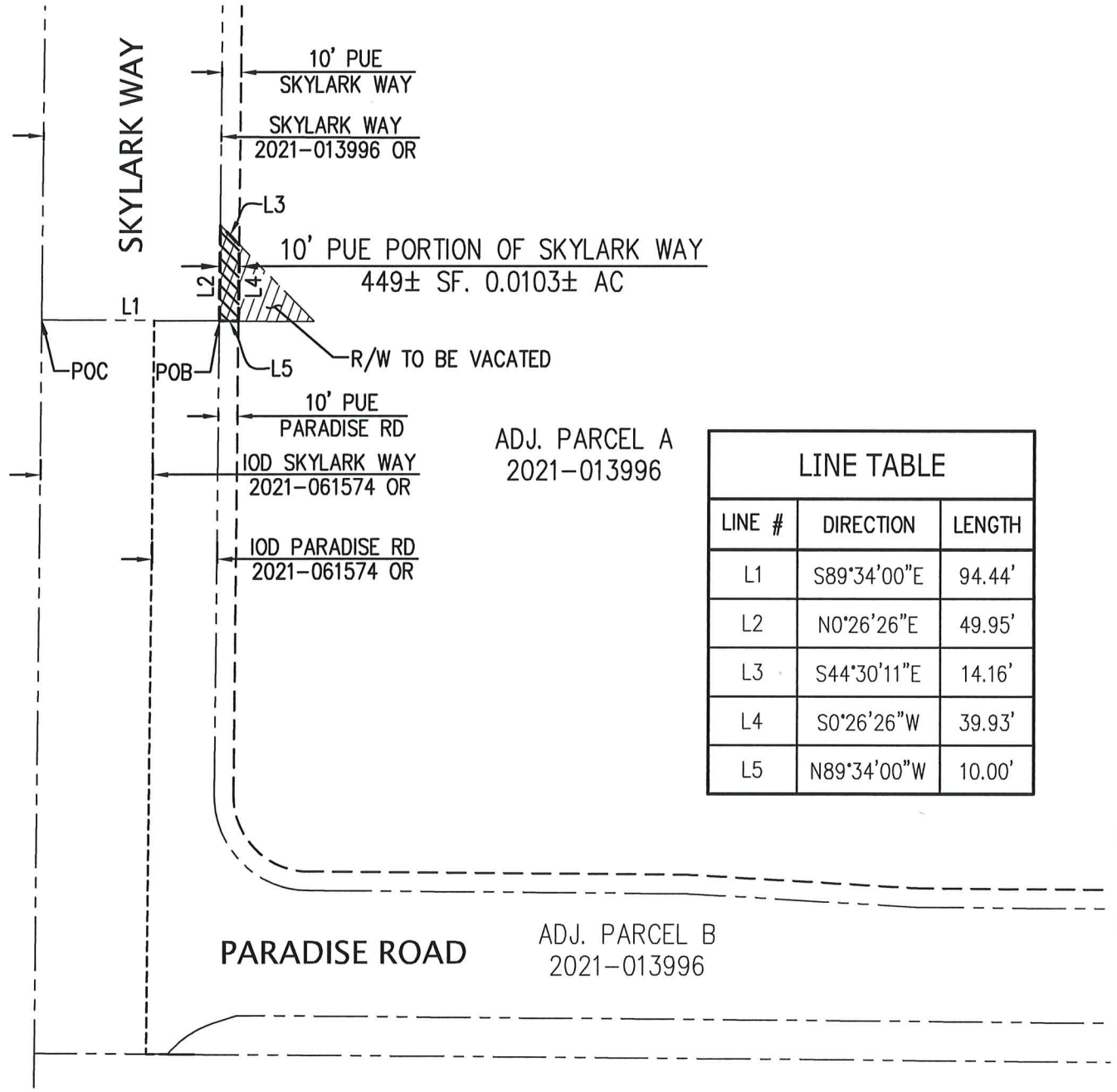




LEGEND

AC	ACRES
ADJ	ADJUSTED
IOD	IRREVOCABLE OFFER OF DEDICATION
OR	OFFICIAL RECORDS
POC	POINT OF COMMENCEMENT
POB	POINT OF BEGINNING
(R)	RADIAL BEARING
SF	SQUARE FEET





LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S89°34'00"E	94.44'
L2	N0°26'26"E	49.95'
L3	S44°30'11"E	14.16'
L4	S0°26'26"W	39.93'
L5	N89°34'00"W	10.00'

KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ADJUSTED PARCEL A
2021-013996 OR
TRACY, CALIFORNIA

DATE	APRIL, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-SKYLARK-SOUTH.dwg 4-08-24 10:25:26 AM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 4/5/2024 2:57:44 PM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-ESMT - CLOSURE-PUE SKYLARK-SOUTH
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,096,978.5344' East:6,299,951.0044'

Segment# 1: Line
Course: N0° 26' 26"E Length: 49.95'
North: 2,097,028.4829' East: 6,299,951.3884'

Segment# 2: Line
Course: S44° 30' 11"E Length: 14.16'
North: 2,097,018.3838' East: 6,299,961.3139'

Segment# 3: Line
Course: S0° 26' 26"W Length: 39.93'
North: 2,096,978.4550' East: 6,299,961.0068'

Segment# 4: Line
Course: N89° 34' 00"W Length: 10.00'
North: 2,096,978.5307' East: 6,299,951.0071'

Perimeter: 114.03' Area: 449Sq.Ft.
Error Closure: 0.0047 Course: S36° 06' 07"E
Error North : -0.00376 East: 0.00274

Precision 1: 24,263.83

EXHIBIT "A"
LEGAL DESCRIPTION
PUBLIC UTILITY EASEMENT – PARADISE CT NORTH
OVER ADJUSTED PARCEL A, 2021-013996 OR

BEING THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING A PORTION OF ADJUSTED PARCEL A, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT (LLA NO. MS20-0013), RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT AT THE SOUTHWESTERLY CORNER OF NORTH CHRISMAN ROAD (WIDTH VARIES), AS DESCRIBED IN THAT CERTAIN IRREVOCABLE OFFER OF DEDICATION, RECORDED, APRIL 7, 2021, AS DOCUMENT NO. 2021-061574, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, SAID POINT ALSO BEING ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF PARADISE COURT (WIDTH VARIES)), AS DESCRIBED IN THAT CERTAIN IRREVOCABLE OFFER OF DEDICATION, RECORDED, OCTOBER 8, 2009, AS DOCUMENT NO. 2009-147583, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, SOUTH 45° 29' 35" WEST, 14.14 FEET, TO THE **POINT OF BEGINNING**;

THENCE CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, THE FOLLOWING THREE (3) COURSES:

1) SOUTH 45° 29' 35" WEST, 45.38 FEET,
2) NORTH 89° 33' 47" WEST, 55.04 FEET, AND
3) ALONG A 692.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 10° 52' 23", AN ARC DISTANCE OF 131.32 FEET, TO A POINT OF COMPOUND CURVATURE.

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, LEAVING SAID NORTHERLY RIGHT-OF-WAY LINE, AND RETURNING TO SAID NORTHERLY RIGHT-OF-WAY LINE, ALONG A NON-TANGENT 547.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 10° 38' 43" EAST, THROUGH A CENTRAL ANGLE OF 16° 20' 10", AN ARC DISTANCE OF 155.96 FEET;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, ALONG A NON-TANGENT 75.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 62° 03' 33" EAST, THROUGH A CENTRAL ANGLE OF 16° 24' 06", AN ARC DISTANCE OF 21.47 FEET;

THENCE LEAVING SAID NORTHERLY RIGHT-OF-WAY LINE, THE FOLLOWING FIVE (5) COURSES:

1) ALONG A NON-TANGENT 557.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 25° 01' 04" EAST, THROUGH A CENTRAL ANGLE OF 14° 22' 27", AN ARC DISTANCE OF 139.74 FEET, TO A POINT OF COMPOUND CURVATURE,

2) ALONG A NON-TANGENT 702.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 10° 26' 16" EAST, THROUGH A CENTRAL ANGLE OF 10° 52' 29", AN ARC DISTANCE OF 133.24 FEET,

3) SOUTH 89° 33' 47" EAST, 50.90 FEET,

4) NORTH 45° 29' 35" EAST, 51.25 FEET, AND

5) SOUTH 0° 29' 53" WEST, 14.14 FEET, TO THE **POINT OF BEGINNING.**

CONTAINING 3,824 SQUARE FEET OR 0.0878 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

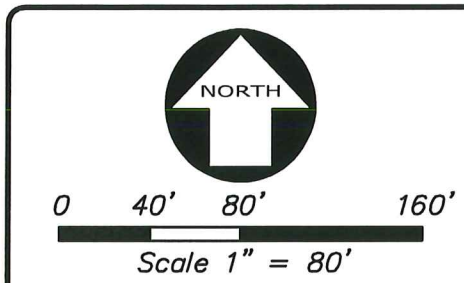


Gary K. Lamb

GARY K. LAMB, PLS 6627

1-9-24

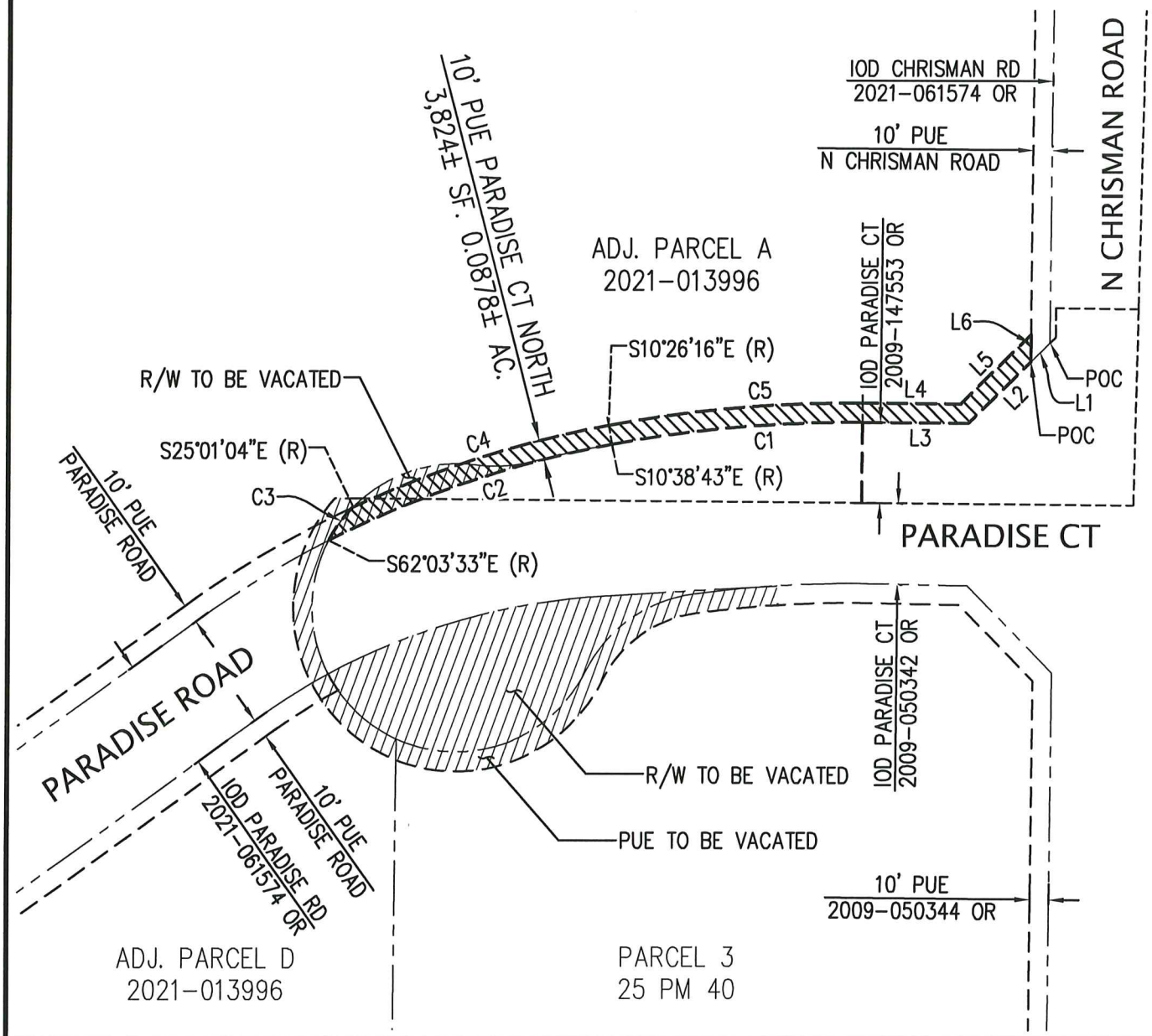
DATE



LEGEND

AC	ACRES
ADJ	ADJUSTED
IOD	IRREVOCABLE OFFER OF DEDICATION
OR	OFFICIAL RECORDS
POC	POINT OF COMMENCEMENT
POB	POINT OF BEGINNING
(R)	RADIAL BEARING
SF	SQUARE FEET





KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ADJUSTED PARCEL A
2021-013996 OR
TRACY, CALIFORNIA

DATE	APRIL, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-PARADISE-CT-NORTH.dwg 4-09-24 03:10:05 PM glamb

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S45°29'35"W	14.14'
L2	S45°29'35"W	45.38'
L3	N89°33'47"W	55.04'
L4	S89°33'47"E	50.90'
L5	N45°29'35"E	51.25'
L6	S0°29'53"W	14.14'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	692.00'	10°52'23"	131.32'
C2	547.00'	16°20'10"	155.96'
C3	75.00'	16°24'06"	21.47'
C4	557.00'	14°22'27"	139.74'
C5	702.00'	10°52'29"	133.24'

KIER+WRIGHT
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Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ADJUSTED PARCEL A
2021-013996 OR
TRACY, CALIFORNIA

DATE	APRIL, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-PARADISE-CT-NORTH.dwg 4-09-24 01:55:18 PM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 4/5/2024 3:37:56 PM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-ESMT - CLOSURE-PUE-PARADISE CT-NORTH
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,097,146.4937' East:6,302,485.8391'

Segment# 1: Line
Course: S45° 29' 35"W Length: 45.38'
North: 2,097,114.6825' East: 6,302,453.4756'

Segment# 2: Line
Course: N89° 33' 47"W Length: 55.04'
North: 2,097,115.1022' East: 6,302,398.4372'

Segment# 3: Curve
Length: 131.32' Radius: 692.00'
Delta: 10° 52' 23" Tangent: 65.86'
Chord: 131.13' Course: S85° 00' 01"W
Course In: S0° 26' 13"W Course Out: N10° 26' 10"W
RP North: 2,096,423.1223' East: 6,302,393.1600'
End North: 2,097,103.6749' East: 6,302,267.8118'

Segment# 4: Curve
Length: 155.96' Radius: 547.00'
Delta: 16° 20' 10" Tangent: 78.51'
Chord: 155.43' Course: S71° 11' 12"W
Course In: S10° 38' 43"E Course Out: N26° 58' 53"W
RP North: 2,096,566.0890' East: 6,302,368.8580'
End North: 2,097,053.5502' East: 6,302,120.6836'

Segment# 5: Curve
Length: 21.47' Radius: 75.00'
Delta: 16° 24' 06" Tangent: 10.81'
Chord: 21.40' Course: N36° 08' 30"E
Course In: S62° 03' 33"E Course Out: N45° 39' 27"W
RP North: 2,097,018.4082' East: 6,302,186.9409'

End North: 2,097,070.8292' East: 6,302,133.3029'

Segment# 6: Curve
Length: 139.74' Radius: 557.00'
Delta: 14° 22' 27" Tangent: 70.24'
Chord: 139.37' Course: N72° 10' 10"E
Course In: S25° 01' 04"E Course Out: N10° 38' 36"W
RP North: 2,096,566.0888' East: 6,302,368.8579'
End North: 2,097,113.5061' East: 6,302,265.9829'

Segment# 7: Curve
Length: 133.24' Radius: 702.00'
Delta: 10° 52' 29" Tangent: 66.82'
Chord: 133.04' Course: N84° 59' 59"E
Course In: S10° 26' 16"E Course Out: N0° 26' 13"E
RP North: 2,096,423.1227' East: 6,302,393.1626'
End North: 2,097,125.1023' East: 6,302,398.5161'

Segment# 8: Line
Course: S89° 33' 47"E Length: 50.90'
North: 2,097,124.7141' East: 6,302,449.4146'

Segment# 9: Line
Course: N45° 29' 35"E Length: 51.25'
North: 2,097,160.6401' East: 6,302,485.9643'

Segment# 10: Line
Course: S0° 29' 53"W Length: 14.14'
North: 2,097,146.5007' East: 6,302,485.8414'

Perimeter: 798.44' Area: 3,824Sq.Ft.
Error Closure: 0.0074 Course: N18° 32' 39"E
Error North : 0.00699 East: 0.00234

Precision 1: 107,897.30

EXHIBIT "A"
LEGAL DESCRIPTION
PUBLIC UTILITY EASEMENT – PARADISE ROAD
OVER ADJUSTED PARCEL A, 2021-013996 OR

BEING THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF PARCELS 7, 8, AND 9, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF ADJUSTED PARCEL A, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT (LLA NO. MS20-0013), RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE WESTERLY RIGHT OF WAY OF SKYLARK WAY, SAID POINT ALSO BEING THE NORTHWESTERLY CORNER OF PARCEL 4, AS SHOWN ON SAID PARCEL MAP (25 M 40);

THENCE ALONG SAID RIGHT OF WAY AND THE NORTHERLY LINE OF SAID PARCELS 4 AND 9, SOUTH 89° 34' 00" EAST, 94.44 FEET TO THE **POINT OF BEGINNING**;

THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID PARCEL 9, SOUTH 89° 34' 00" EAST, 10.00 FEET;

THENCE LEAVING SAID NORTHERLY LINE THE FOLLOWING EIGHT (8) COURSES:

1. SOUTH 00° 26' 26" WEST, 248.38 FEET TO THE BEGINNING OF CURVE TO THE LEFT,
2. ALONG A 40.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 89° 57' 13", AN ARC DISTANCE OF 62.80 FEET,
3. SOUTH 89° 30' 47" EAST, 200.50 FEET,
4. SOUTH 86° 39' 02" EAST, 120.15 FEET,
5. SOUTH 89° 30' 47" EAST, 1102.27 FEET TO THE BEGINNING OF A CURVE TO THE LEFT,
6. ALONG A 663.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 36° 00' 13", FOR AN ARC DISTANCE OF 416.62 FEET,
7. NORTH 54° 29' 00" EAST, 192.29 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, AND
8. ALONG A 557.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 10° 29' 56", AN ARC DISTANCE OF 102.07 FEET TO A POINT ON THE RIGHT OF WAY OF PARADISE COURT.

THENCE ALONG SAID RIGHT OF WAY AND ALONG A NON-TANGENT 75.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 45° 39' 27" EAST, THROUGH A CENTRAL ANGLE OF 16° 24' 06", AN ARC DISTANCE OF 21.47 FEET.

THENCE LEAVING SAID RIGHT OF WAY THE FOLLOWING EIGHT (8) COURSES:

1. ALONG A NON-TANGENT 547.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 26° 58' 53" EAST, THROUGH A CENTRAL ANGLE OF 08° 32' 07", FOR AN ARC DISTANCE OF 81.49 FEET,

2. SOUTH 54° 29' 00" WEST, 192.29 FEET,

3. ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 673.00 FEET, THROUGH A CENTRAL ANGLE OF 36° 00' 13", FOR AN ARC DISTANCE OF 422.90 FEET,

4. NORTH 89° 30' 47" WEST, 1102.52 FEET,

5. NORTH 86° 39' 02" WEST, 120.15 FEET,

6. NORTH 89° 30' 47" WEST, 200.25 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT,

7. ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 50.00 FEET, THROUGH A CENTRAL ANGLE OF 89° 57' 13", FOR AN ARC DISTANCE OF 78.50 FEET, AND

8. NORTH 00° 26' 26" EAST, 248.38 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 24,488 SQUARE FEET OR 0.5612 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

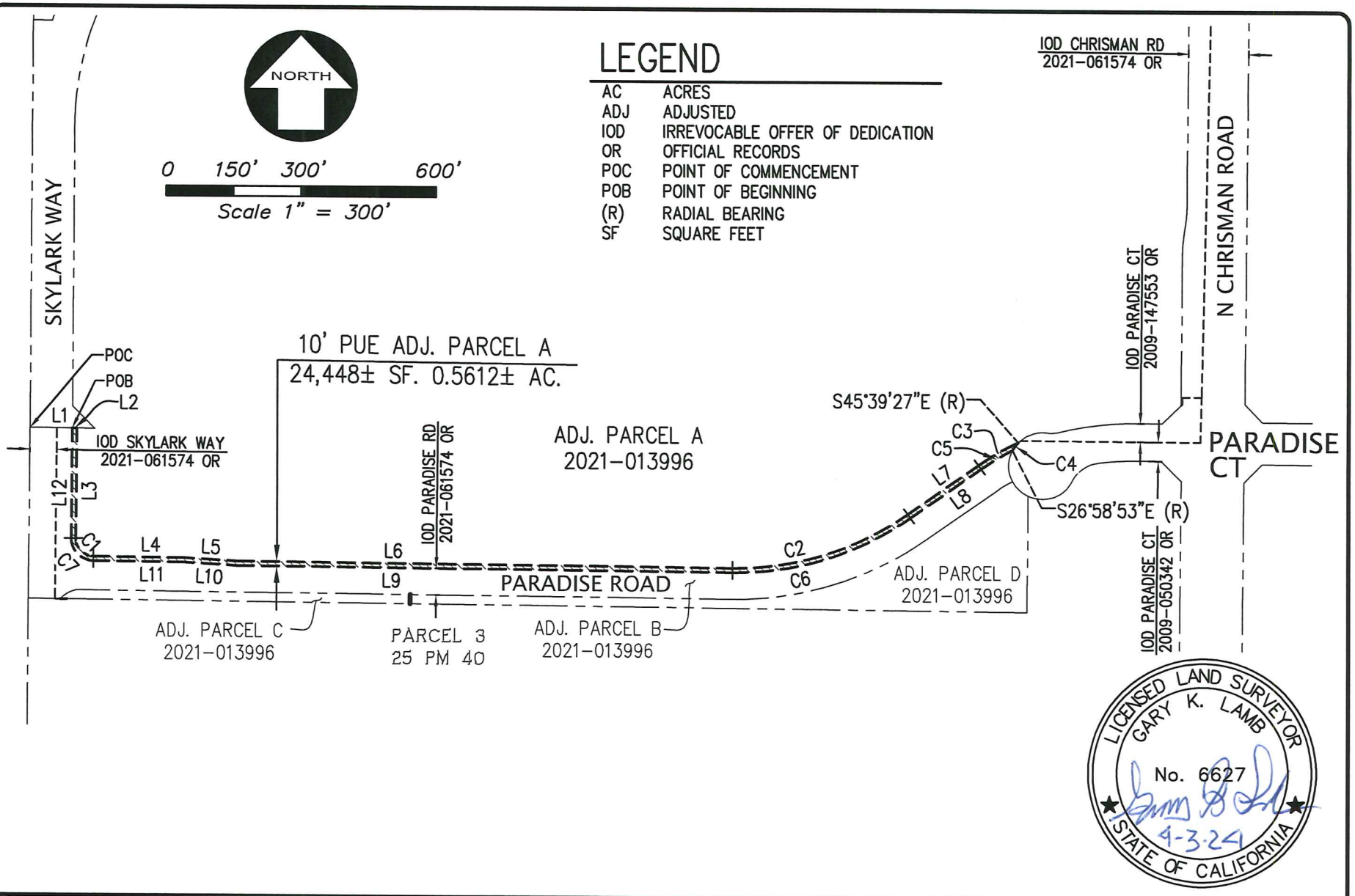
LICENSED LAND SURVEYOR
GARY K. LAMB
No. 6627
STATE OF CALIFORNIA

Gary K. Lamb

GARY K. LAMB, PLS 6627

4-3-24

DATE



KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ADJUSTED PARCEL A 2021-013996 OR

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	APRIL, 2024
SCALE	1" = 300'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-PARCEL A.dwg 4-01-24 10:18:43 AM glamb

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S89°34'00"E	94.44'
L2	S89°34'00"E	10.00'
L3	S0°26'26"W	248.38'
L4	S89°30'47"E	200.50'
L5	S86°39'02"E	120.15'
L6	S89°30'47"E	1102.27'

LINE TABLE		
LINE #	DIRECTION	LENGTH
L7	N54°29'00"E	192.29'
L8	S54°29'00"W	192.29'
L9	N89°30'47"W	1102.52'
L10	N86°39'02"W	120.15'
L11	N89°30'47"W	200.25'
L12	N0°26'26"E	248.38'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	40.00'	89°57'13"	62.80'
C2	663.00'	36°00'13"	416.62'
C3	557.00'	10°29'56"	102.07'
C4	75.00'	16°24'06"	21.47'
C5	547.00'	8°32'07"	81.49'
C6	673.00'	36°00'13"	422.90'
C7	50.00'	89°57'13"	78.50'

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Manteca, CA 95337
Phone: (209) 328-1123
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EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ALONG PARADISE ROAD

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	APRIL, 2024
SCALE	NONE
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-PARCEL A.dwg 4-01-24 10:19:09 AM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 4/1/2024 8:55:53 AM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-ESMT - CLOSURE-PUE-PARCEL A
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,096,969.4712' East:6,306,323.6173'

Segment# 1: Line
Course: S89° 34' 00"E Length: 10.00'
North: 2,096,969.3956' East: 6,306,333.6170'

Segment# 2: Line
Course: S0° 26' 26"W Length: 248.38'
North: 2,096,721.0230' East: 6,306,331.7072'

Segment# 3: Curve
Length: 62.80' Radius: 40.00'
Delta: 89° 57' 13" Tangent: 39.97'
Chord: 56.55' Course: S44° 32' 10"E
Course In: S89° 33' 34"E Course Out: S0° 29' 13"W
RP North: 2,096,720.7154' East: 6,306,371.7060'
End North: 2,096,680.7168' East: 6,306,371.3660'

Segment# 4: Line
Course: S89° 30' 47"E Length: 200.50'
North: 2,096,679.0129' East: 6,306,571.8588'

Segment# 5: Line
Course: S86° 39' 02"E Length: 120.15'
North: 2,096,671.9930' East: 6,306,691.8036'

Segment# 6: Line
Course: S89° 30' 47"E Length: 1,102.27'
North: 2,096,662.6252' East: 6,307,794.0338'

Segment# 7: Curve
Length: 416.62' Radius: 663.00'

Delta: 36° 00' 13" Tangent: 215.45'
Chord: 409.80' Course: N72° 29' 07"E
Course In: N0° 29' 13"E Course Out: S35° 31' 00"E
RP North: 2,097,325.6012' East: 6,307,799.6684'
End North: 2,096,785.9547' East: 6,308,184.8314'

Segment# 8: Line
Course: N54° 29' 00"E Length: 192.29'
North: 2,096,897.6636' East: 6,308,341.3452'

Segment# 9: Curve
Length: 102.07' Radius: 557.00'
Delta: 10° 29' 56" Tangent: 51.18'
Chord: 101.92' Course: N59° 43' 58"E
Course In: S35° 31' 00"E Course Out: N25° 01' 04"W
RP North: 2,096,444.2953' East: 6,308,664.9287'
End North: 2,096,949.0357' East: 6,308,429.3737'

Segment# 10: Curve
Length: 21.47' Radius: 75.00'
Delta: 16° 24' 06" Tangent: 10.81'
Chord: 21.40' Course: S36° 08' 30"W
Course In: S45° 39' 27"E Course Out: N62° 03' 33"W
RP North: 2,096,896.6148' East: 6,308,483.0117'
End North: 2,096,931.7567' East: 6,308,416.7544'

Segment# 11: Curve
Length: 81.49' Radius: 547.00'
Delta: 8° 32' 07" Tangent: 40.82'
Chord: 81.41' Course: S58° 45' 04"W
Course In: S26° 58' 53"E Course Out: N35° 31' 00"W
RP North: 2,096,444.2955' East: 6,308,664.9288'
End North: 2,096,889.5243' East: 6,308,347.1548'

Segment# 12: Line
Course: S54° 29' 00"W Length: 192.29'
North: 2,096,777.8154' East: 6,308,190.6410'

Segment# 13: Curve
Length: 422.90' Radius: 673.00'
Delta: 36° 00' 13" Tangent: 218.69'
Chord: 415.98' Course: S72° 29' 07"W
Course In: N35° 31' 00"W Course Out: S0° 29' 13"W
RP North: 2,097,325.6014' East: 6,307,799.6686'

End North: 2,096,652.6257' East: 6,307,793.9489'

Segment# 14: Line
Course: N89° 30' 47"W Length: 1,102.52'
North: 2,096,661.9957' East: 6,306,691.4688'

Segment# 15: Line
Course: N86° 39' 02"W Length: 120.15'
North: 2,096,669.0155' East: 6,306,571.5240'

Segment# 16: Line
Course: N89° 30' 47"W Length: 200.25'
North: 2,096,670.7174' East: 6,306,371.2812'

Segment# 17: Curve
Length: 78.50' Radius: 50.00'
Delta: 89° 57' 13" Tangent: 49.96'
Chord: 70.68' Course: N44° 32' 10"W
Course In: N0° 29' 13"E Course Out: N89° 33' 34"W
RP North: 2,096,720.7156' East: 6,306,371.7062'
End North: 2,096,721.1000' East: 6,306,321.7076'

Segment# 18: Line
Course: N0° 26' 26"E Length: 248.38'
North: 2,096,969.4727' East: 6,306,323.6175'

Perimeter: 4,923.03' Area: 24,448Sq.Ft.
Error Closure: 0.0015 Course: N7° 14' 49"E
Error North : 0.00144 East: 0.00018

Precision 1: 3,282,020.00

EXHIBIT "A"
LEGAL DESCRIPTION
PUBLIC UTILITY EASEMENT ALONG SKYLARK WAY, GRANT LINE ROAD & N CHRISMAN ROAD

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE MERIDIAN AS DESCRIBED IN THAT CERTAIN GRANT DEED RECORDED MAY 17, 2005, AS DOCUMENT NO. 2005-118012 OFFICIAL RECORDS, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING A PORTION OF ADJUSTED ROCHA PARCEL, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, DESCRIBED AS FOLLOWS:

BEING A PORTION OF ADJUSTED PARCEL A, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT (LLA NO. MS20-0013), RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE RIGHT OF WAY OF SKYLARK WAY, SAID POINT ALSO BEING THE SOUTHWESTERLY CORNER OF SAID ROCHA PARCEL;

THENCE ALONG SAID RIGHT OF WAY LINE AND THE SOUTHERLY LINE OF SAID ROCHA PARCEL, SOUTH 89° 34' 00" EAST, 94.44 FEET TO A POINT, SAID POINT BEING ON THE EASTERLY RIGHT OF WAY LINE OF SKYLARK WAY (WIDTH VARIES);

THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE, SOUTH 89° 34' 00" EAST, 49.84 FEET, AND NORTH 44° 30' 11" ST, 56.40 FEET, TO THE **POINT OF BEGINNING;**

THENCE CONTINUING ALONG SAID EASTERLY RIGHT OF WAY LINE, THE FOLLOWING SIX (6) COURSES AND DISTANCES:

1) NORTH 44° 30' 11" ST, 14.16 FEET,
2) NORTH 00° 26' 26" EAST, 628.93 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT,
3) ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 684.50 FEET, THROUGH A CENTRAL ANGLE OF 21° 49' 20", FOR AN ARC DISTANCE OF 260.71 FEET,
4) NORTH 22° 15' 46" EAST, 164.25 FEET TO THE BEGINNING OF A CURVE TO THE LEFT,
5) ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 530.00 FEET, THROUGH A CENTRAL ANGLE OF 21° 49' 29", FOR AN ARC DISTANCE OF 201.88 FEET,
6) NORTH 46° 41' 35" EAST, 51.76 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF GRANT LINE ROAD.

THENCE LEAVING SKYLARK WAY AND ALONG THE SOUTHERLY RIGHT OF WAY OF GRANT LINE ROAD THE FOLLOWING THREE (3) COURSES:

1) SOUTH 88° 41' 49" EAST, 794.78 FEET,
2) SOUTH 89° 33' 43" EAST, 1477.59 FEET,
3) SOUTH 43° 43' 46" EAST, 29.07 FEET, TO A POINT ON THE WESTERLY RIGHT OF WAY OF NORTH CHRISMAN ROAD.

THENCE ALONG SAID RIGHT OF WAY LINE THE FOLLOWING SIX (6) COURSES AND DISTANCES;

1) SOUTH 00° 29' 53" WEST, 763.29 FEET,
2) ALONG THE ARC OF A 250.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 08° 36' 39", AN ARC DISTANCE OF 37.57 FEET,
3) SOUTH 09° 06' 32" WEST, 20.21 FEET,
4) ALONG THE ARC OF A 280.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 08° 36' 39", AN ARC DISTANCE OF 42.08 FEET,
5) SOUTH 00° 29' 53" WEST, 339.15 FEET,
6) SOUTH 45° 29' 35" WEST, 14.14 FEET.

THENCE LEAVING NORTH CHRISMAN RAD THE FOLLOWING THIRTEEN (13) COURSES AND DISTANCES;

1) NORTH 00° 29' 53" EAST, 349.15 FEET,
2) ALONG THE ARC OF A 290.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 08° 36' 39", AN ARC DISTANCE OF 43.58 FEET,
3) NORTH 09° 06' 32" EAST, 20.21 FEET,
4) ALONG THE ARC OF A 240.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 08° 36' 39", AN ARC DISTANCE OF 36.07 FEET,
5) NORTH 00° 29' 53" EAST, 759.22 FEET,
6) NORTH 43° 43' 46" WEST, 20.78 FEET,
7) NORTH 89° 33' 43" WEST, 1473.44 FEET,
8) NORTH 88° 41' 49" WEST, 790.76 FEET,
9) SOUTH 46° 41' 35" WEST, 43.41 FEET,
10) ALONG THE ARC OF A 540.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 21° 22' 12", AN ARC DISTANCE OF 201.41 FEET,
11) SOUTH 22° 15' 46" WEST, 164.25 FEET,
12) ALONG THE ARC OF A 674.50 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 21° 49' 20", AN ARC DISTANCE OF 256.90 FEET,
13) SOUTH 00° 26' 26" WEST, 638.95 FEET TO THE **POINT OF BEGINNING.**

CONTAINING 48,047 SQUARE FEET OR 1.1030 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

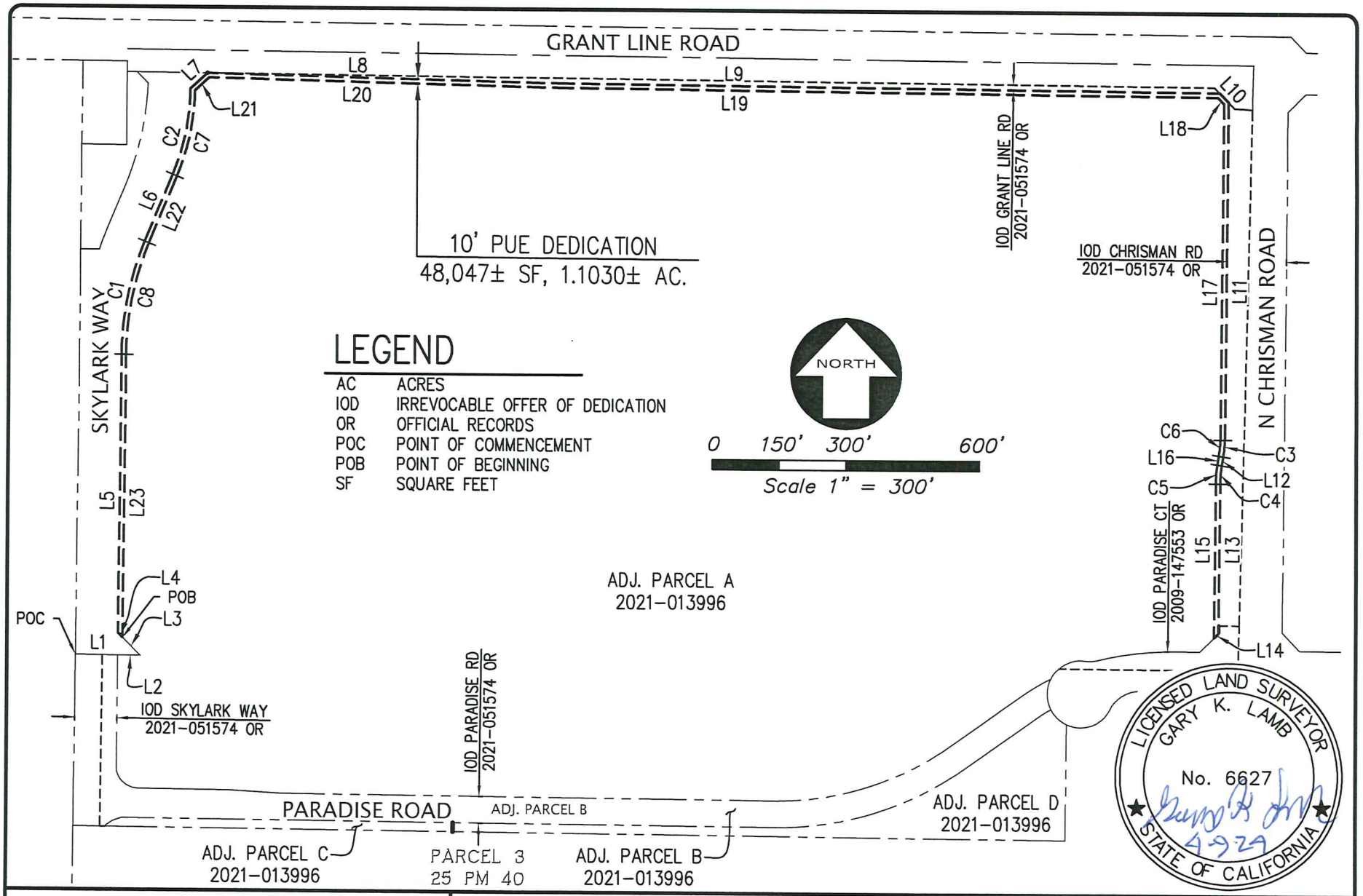
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.

GARY K. LAMB, PLS 6627

4-9-24
DATE





KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	SEP., 2023
SCALE	1" = 300'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-SKY-GRANT-CHRIS.dwg 10-02-23 02:19:18 PM glamb

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S89°34'01"E	94.44'
L2	S89°34'00"E	49.84'
L3	N44°30'11"W	56.40'
L4	N44°30'11"W	14.16'
L5	N0°26'26"E	628.93'
L6	N22°15'46"E	164.25'
L7	N46°41'35"E	51.76'
L8	S88°41'49"E	794.78'
L9	S89°33'43"E	1477.59'
L10	S43°43'46"E	29.07'
L11	S0°29'53"W	763.29'
L12	S9°06'32"W	20.21'

LINE TABLE		
LINE #	DIRECTION	LENGTH
L13	S0°29'53"W	339.15'
L14	S45°29'35"W	14.14'
L15	N0°29'53"E	349.15'
L16	N9°06'32"E	20.21'
L17	N0°29'53"E	759.22'
L18	N43°43'46"W	20.78'
L19	N89°33'43"W	1473.44'
L20	N88°41'49"W	790.76'
L21	S46°41'35"W	43.41'
L22	S22°15'46"W	164.25'
L23	S0°26'26"W	638.95'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	684.50'	21°49'20"	260.71'
C2	530.00'	21°49'29"	201.88'
C3	250.00'	8°36'39"	37.57'
C4	280.00'	8°36'39"	42.08'
C5	290.00'	8°36'39"	43.58'
C6	240.00'	8°36'39"	36.07'
C7	540.00'	21°22'12"	201.41'
C8	674.50'	21°49'20"	256.90'

KIER+WRIGHT
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Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	SEP., 2023
SCALE	NO SCALE
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-SKY-GRANT-CHRIS.dwg 10-02-23 01:45:17 PM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 10/2/2023 1:36:10 PM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-ESMT - CLOSURE-10' PUE-SKY-GRANT-CHRIS
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,099,946.1347' East:6,299,304.4941'

Segment# 1: Line
Course: N44° 30' 11"W Length: 14.16'
North: 2,099,956.2338' East: 6,299,294.5687'

Segment# 2: Line
Course: N0° 26' 26"E Length: 628.93'
North: 2,100,585.1452' East: 6,299,299.4046'

Segment# 3: Curve
Length: 260.71' Radius: 684.50'
Delta: 21° 49' 20" Tangent: 131.95'
Chord: 259.13' Course: N11° 21' 06"E
Course In: S89° 33' 34"E Course Out: N67° 44' 14"W
RP North: 2,100,579.8821' East: 6,299,983.8843'
End North: 2,100,839.2083' East: 6,299,350.4097'

Segment# 4: Line
Course: N22° 15' 46"E Length: 164.25'
North: 2,100,991.2145' East: 6,299,412.6366'

Segment# 5: Curve
Length: 201.88' Radius: 530.00'
Delta: 21° 49' 29" Tangent: 102.18'
Chord: 200.67' Course: N11° 21' 01"E
Course In: N67° 44' 14"W Course Out: S89° 33' 43"E
RP North: 2,101,192.0076' East: 6,298,922.1449'
End North: 2,101,187.9556' East: 6,299,452.1294'

Segment# 6: Line
Course: N46° 41' 35"E Length: 51.76'

North: 2,101,223.4581' East: 6,299,489.7946'

Segment# 7: Line
Course: S88° 41' 49"E Length: 794.78'
North: 2,101,205.3843' East: 6,300,284.3691'

Segment# 8: Line
Course: S89° 33' 43"E Length: 1,477.59'
North: 2,101,194.0875' East: 6,301,761.9159'

Segment# 9: Line
Course: S43° 43' 46"E Length: 29.07'
North: 2,101,173.0811' East: 6,301,782.0107'

Segment# 10: Line
Course: S0° 29' 53"W Length: 763.29'
North: 2,100,409.8200' East: 6,301,775.3757'

Segment# 11: Curve
Length: 37.57' Radius: 250.00'
Delta: 8° 36' 39" Tangent: 18.82'
Chord: 37.54' Course: S4° 48' 12"W
Course In: N89° 30' 07"W Course Out: S80° 53' 28"E
RP North: 2,100,411.9931' East: 6,301,525.3851'
End North: 2,100,372.4153' East: 6,301,772.2325'

Segment# 12: Line
Course: S9° 06' 32"W Length: 20.21'
North: 2,100,352.4602' East: 6,301,769.0330'

Segment# 13: Curve
Length: 42.08' Radius: 280.00'
Delta: 8° 36' 39" Tangent: 21.08'
Chord: 42.04' Course: S4° 48' 12"W
Course In: S80° 53' 28"E Course Out: N89° 30' 07"W
RP North: 2,100,308.1330' East: 6,302,045.5020'
End North: 2,100,310.5669' East: 6,301,765.5126'

Segment# 14: Line
Course: S0° 29' 53"W Length: 339.15'
North: 2,099,971.4298' East: 6,301,762.5645'

Segment# 15: Line
Course: S45° 29' 35"W Length: 14.14'

North: 2,099,961.5177' East: 6,301,752.4803'

Segment# 16: Line
Course: N0° 29' 53"E Length: 349.15'
North: 2,100,310.6545' East: 6,301,755.5153'

Segment# 17: Curve
Length: 43.58' Radius: 290.00'
Delta: 8° 36' 39" Tangent: 21.83'
Chord: 43.54' Course: N4° 48' 12"E
Course In: S89° 30' 07"E Course Out: N80° 53' 28"W
RP North: 2,100,308.1336' East: 6,302,045.5044'
End North: 2,100,354.0439' East: 6,301,759.1615'

Segment# 18: Line
Course: N9° 06' 32"E Length: 20.21'
North: 2,100,373.9990' East: 6,301,762.3610'

Segment# 19: Curve
Length: 36.07' Radius: 240.00'
Delta: 8° 36' 39" Tangent: 18.07'
Chord: 36.03' Course: N4° 48' 12"E
Course In: N80° 53' 28"W Course Out: S89° 30' 07"E
RP North: 2,100,411.9937' East: 6,301,525.3875'
End North: 2,100,409.9075' East: 6,301,765.3785'

Segment# 20: Line
Course: N0° 29' 53"E Length: 759.22'
North: 2,101,169.0988' East: 6,301,771.9781'

Segment# 21: Line
Course: N43° 43' 46"W Length: 20.78'
North: 2,101,184.1147' East: 6,301,757.6138'

Segment# 22: Line
Course: N89° 33' 43"W Length: 1,473.44'
North: 2,101,195.3798' East: 6,300,284.2169'

Segment# 23: Line
Course: N88° 41' 49"W Length: 790.76'
North: 2,101,213.3622' East: 6,299,493.6614'

Segment# 24: Line
Course: S46° 41' 35"W Length: 43.41'

North: 2,101,183.5870' East: 6,299,462.0724'

Segment# 25: Curve
Length: 201.41' Radius: 540.00'
Delta: 21° 22' 12" Tangent: 101.89'
Chord: 200.24' Course: S11° 34' 40"W
Course In: N89° 06' 25"W Course Out: S67° 44' 14"E
RP North: 2,101,192.0035' East: 6,298,922.1380'
End North: 2,100,987.4218' East: 6,299,421.8842'

Segment# 26: Line
Course: S22° 15' 46"W Length: 164.25'
North: 2,100,835.4156' East: 6,299,359.6573'

Segment# 27: Curve
Length: 256.90' Radius: 674.50'
Delta: 21° 49' 20" Tangent: 130.02'
Chord: 255.35' Course: S11° 21' 06"W
Course In: S67° 44' 14"E Course Out: N89° 33' 34"W
RP North: 2,100,579.8779' East: 6,299,983.8774'
End North: 2,100,585.0642' East: 6,299,309.3973'

Segment# 28: Line
Course: S0° 26' 26"W Length: 638.95'
North: 2,099,946.1331' East: 6,299,304.4844'

Perimeter: 9,637.70' Area: 48,047Sq.Ft.
Error Closure: 0.0099 Course: S80° 21' 02"W
Error North : -0.00165 East: -0.00972

Precision 1: 973,505.05

EXHIBIT B

Terms and Conditions Pertaining to the Public Utility Easement

1) Subject to the terms and conditions of this Exhibit B, in connection with the Public Utility Easement granted to the City hereunder, the City shall have the right to construct, reconstruct, install, maintain, repair, improve, operate, and/or replace any below-grade public utilities from time to time located in the applicable Public Utility Easement.

2) Notwithstanding anything herein to the contrary, Grantor shall have the right to use the area within the Public Utility Easement in any manner that does not unreasonably interfere with the City's right to use the Public Utility Easement pursuant to the terms and conditions herein. In furtherance of the foregoing, Grantor shall have the right to use the surface of the land within the boundaries of the Public Utility Easement, which right shall include, without limitation, the right to landscape or pave over the Public Utility Easement. For the avoidance of doubt, the City acknowledges and agrees that the existence of landscaping and paving in or on the Public Utility Easement shall not materially and unreasonably interfere with the City's right to use the Public Utility Easement.

3) Any damage caused by the City to any Grantor improvements that are permitted hereunder to be located in, on or under the Public Utility Easement (including, without limitation, any paved or landscaped areas) shall be promptly repaired and restored by the City at its sole cost and expense to the condition such improvements were in prior to such damage. However, the City shall not be obligated to repair any damage caused by the City to any Grantor improvements in the Public Utility Easement to the extent the existence of such improvements in the Public Utility Easement is expressly prohibited pursuant to the terms and conditions of this Agreement.

4) City shall indemnify, defend, and hold harmless Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement, from and against any and all claims, liabilities, and losses which Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement, may sustain, incur, or be liable for arising out of City's use or activities within the Public Utility Easement in connection with the City's reconstruction, repair, replacement, improvement, operation or maintenance of the same, except those which arise out of the negligent acts or omissions or willful misconduct of Grantor, or its employees, agents, lessees or permittees.

5) The covenants contained in this Exhibit B shall be covenants running with the land comprising the Public Utility Easement and shall bind every person or entity having any interest in the Public Utility Easement, for the benefit of Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement.

EF-502-A-R17-0522-39004166-1
BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

City of Tracy
Attention: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

ASSESSOR'S PARCEL NUMBER
PTN 25002096

SELLER/TRANSFEROR
Prologis, L.P.

BUYER'S DAYTIME TELEPHONE NUMBER
( )

BUYER'S EMAIL ADDRESS

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY
1500 E. Grant Line Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy. MO | DAY | YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME)

MAIL PROPERTY TAX INFORMATION TO (ADDRESS) | CITY | STATE | ZIP CODE

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO This section contains possible exclusions from reassessment for certain types of transfers.

☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.

☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.

☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
Was this the transferor/grantor's principal residence? ☐ YES ☐ NO

☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____

☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.

☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.

☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.

☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____

☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.

☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____

☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.

L. This is a transfer of property:

☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of
☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.

☐ ☑ 2. to/from an irrevocable trust for the benefit of the
☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.

☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.

☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.

☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.

☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.

☑ ☐ Q. Other. This transfer is to grant a public utility easement

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004166

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: grant of public utility easement

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) ☐ Timeshare ☐ Commercial/Industrial

easement

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER ▶	DATE	TELEPHONE ( )
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE	EMAIL ADDRESS

The Assessor's office may contact you for additional information regarding this transaction.

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 9

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

City of Tracy
Attn: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

Space Above This Line For Recorder's Use

A portion of APN 25002097

This document is exempt from the payment of a recording fee pursuant to Government Code§ 27383 and §6103, and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922

GRANT DEED

Public Utility Easement

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

PROLOGIS AMAZON TRACY LLC, a Delaware limited liability company ("Grantor'')

hereby grant(s) to the

CITY OF TRACY, a Municipal corporation ("Grantee")

a public utility easement consisting of approximately 0.1781 acres, more or less, on, over, under and across a portion of Grantor's property, for the installation and maintenance of certain below-grade public utilities by the Grantee, which is more particularly described and depicted in **Exhibit A** (the "Public Utility Easement"), and which Public Utility Easement is subject to the additional terms, provisions and restrictions set forth in **Exhibit B** attached hereto and made a part hereof, subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the property as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE
(Grantee is exempt from County Transfer Tax)

[Signature Page to Grant Deed]

Grantor:

PROLOGIS AMAZON TRACY LLC
a Delaware limited liability company

By: Prologis, L.P.
a Delaware limited partnership
its sole member

By: Prologis, Inc.
a Maryland corporation
its general partner

By: _____
Name: MATTHEW SIMS
Title: VICE PRESIDENT

Dated: 10/02/2025

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Alameda)

On October 2, 2025, before me, Amanda Walsh, notary public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature A Walsh (Seal)

JAS1 AMANDA WALSH
COMM. # 2518274
NOTARY PUBLIC • CALIFORNIA
ALAMEDA COUNTY
MY COMMISSION EXPIRES
APRIL 25, 2029 JAS1

RESOLUTION OF ACCEPTANCE:

This is to certify that the interest in real property conveyed by this Grant is hereby accepted, subject to the terms and conditions specified therein, by the undersigned City Clerk of the City of Tracy, pursuant to authority conferred by Resolution No. 1670 of the Tracy City Council, adopted on August 6, 1968, and recorded with the San Joaquin County Recorder on August 14, 1968, Book 3231, pages 581 through 583, and the grantee consents to recordation thereof by its duly authorized officer.

_____ _____

City Clerk, City of Tracy, California Date

Pursuant to Section 66477.5 of the California Government Code, the local agency shall re- convey the property to the subdivider if the local agency makes a finding that the same purpose for which the property was dedicated does not exist or any portion of thereof is not needed for public utilities, as specified in Subdivision (c) of the Section.

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT A

Legal Description and Depiction of Public Utility Easement

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
PUBLIC UTILITY EASEMENT – PARADISE ROAD
OVER ADJUSTED PARCEL C, 2021-013996 OR

BEING THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF PARCEL 7, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF ADJUSTED PARCEL C, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT (LLA NO. MS20-0013), RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE WESTERLY RIGHT OF WAY OF SKYLARK WAY, SAID POINT ALSO BEING THE NORTHWESTERLY CORNER OF PARCEL 4, AS SHOWN ON SAID PARCEL MAP (25 M 40);

THENCE ALONG THE WESTERLY LINE OF SAID PARCEL 4, SOUTH 00° 26' 31" WEST, 384.71 FEET;

THENCE LEAVING SAID WESTERLY LINE, SOUTH 89° 30' 47" EAST, 71.25 FEET TO POINT ON THE SOUTHERLY LINE OF SAID PARCEL 7 (25 M 40), SAID POINT ALSO BEING THE **POINT OF BEGINNING**,

THENCE LEAVING SAID SOUTHERLY LINE THE FOLLOWING THREE (3) COURSES:

1. ALONG A NON-TANGENT 50.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 50° 48' 50" EAST, THROUGH A CENTRAL ANGLE OF 32° 50' 03", AN ARC DISTANCE OF 28.65 FEET;
2. NORTH 72° 01' 13" EAST, 13.57 FEET, AND
3. SOUTH 89° 30' 47" EAST, 742.40 FEET, TO THE NORTHEASTERLY CORNER OF SAID ADJUSTED PARCEL C (2021-013996 OR).

THENCE ALONG THE EASTERLY LINE OF SAID ADJUSTED PARCEL C, SOUTH 0° 29' 13" WEST, 10.00 FEET;

THENCE LEAVING SAID EASTERLY LINE THE FOLLOWING THREE (3) COURSES:

1. NORTH 89° 30' 47" WEST, 740.77 FEET;
2. SOUTH 72° 01' 13" WEST, 11.94 FEET TO THE BEGINNING OF A CURVE TO THE LEFT;
3. ALONG A 40.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 20° 07' 54", FOR AN ARC DISTANCE OF 14.05 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID ADJUSTED PARCEL C;

THENCE ALONG SAID SOUTHERLY LINE, NORTH 89° 30' 47" WEST, 14.07 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,759 SQUARE FEET OR 0.1781 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

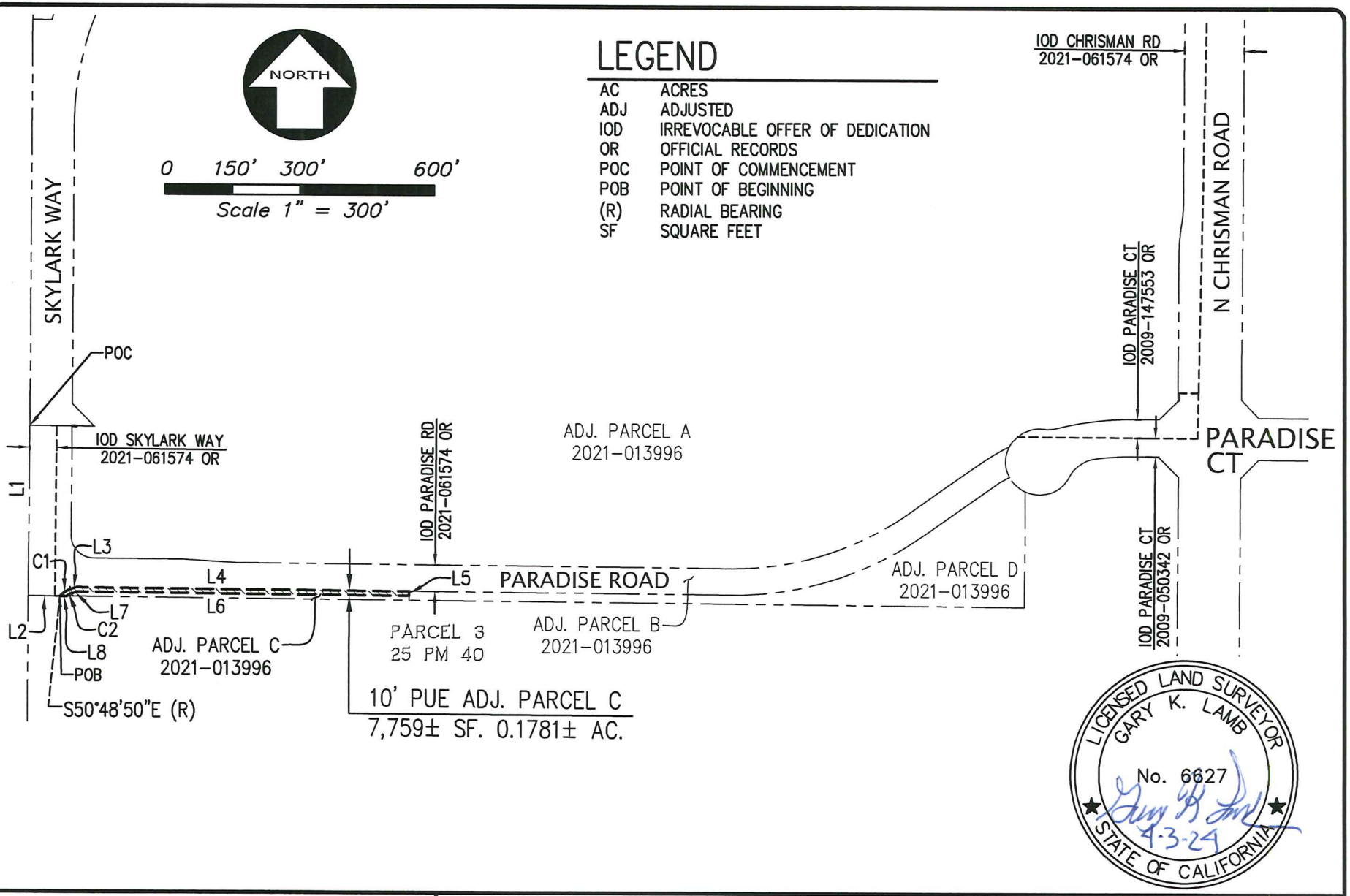
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.



Gary K. Lamb
GARY K. LAMB, PLS 6627

4-3-24
DATE



KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ADJUSTED PARCEL C 2021-013996 OR

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	APRIL, 2024
SCALE	1" = 300'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-PARCEL C.dwg 4-01-24 10:20:32 AM glamb

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S0°26'31"W	384.71'
L2	S89°30'47"E	71.25'
L3	N72°01'13"E	13.57'
L4	S89°30'47"E	742.40'
L5	S0°29'13"W	10.00'
L6	N89°30'47"W	740.77'
L7	S72°01'13"W	11.94'
L8	N89°30'47"W	14.07'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	50.00'	32°50'03"	28.65'
C2	40.00'	20°07'54"	14.05'

KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ALONG PARADISE ROAD

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	APRIL, 2024
SCALE	NONE
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-PARCEL C.dwg 4-01-24 10:21:21 AM glamb

Parcel Map Check Report

Client:
Client
Client Company
Address 1
Date: 4/1/2024 9:25:08 AM

Prepared by:
Preparer
Your Company Name
123 Main Street

Parcel Name: CLOSURE-ESMT - CLOSURE-PUE-PARCEL C
Description:
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North:2,096,484.5509' East:6,306,325.5952'

Segment# 1: Curve
Length: 28.65' Radius: 50.00'
Delta: 32° 50' 03" Tangent: 14.73'
Chord: 28.26' Course: N55° 36' 11"E
Course In: S50° 48' 50"E Course Out: N17° 58' 47"W
RP North: 2,096,452.9588' East: 6,306,364.3501'
End North: 2,096,500.5171' East: 6,306,348.9161'

Segment# 2: Line
Course: N72° 01' 13"E Length: 13.57'
North: 2,096,504.7059' East: 6,306,361.8234'

Segment# 3: Line
Course: S89° 30' 47"E Length: 742.40'
North: 2,096,498.3965' East: 6,307,104.1966'

Segment# 4: Line
Course: S0° 29' 13"W Length: 10.00'
North: 2,096,488.3969' East: 6,307,104.1116'

Segment# 5: Line
Course: N89° 30' 47"W Length: 740.77'
North: 2,096,494.6924' East: 6,306,363.3683'

Segment# 6: Line
Course: S72° 01' 13"W Length: 11.94'
North: 2,096,491.0068' East: 6,306,352.0114'

Segment# 7: Curve
Length: 14.05' Radius: 40.00'

Delta: 20° 07' 54"
Tangent: 7.10'
Chord: 13.98'
Course: S61° 57' 16"W
Course In: S17° 58' 47"E
Course Out: N38° 06' 41"W
RP North: 2,096,452.9602'
East: 6,306,364.3586'
End North: 2,096,484.4327'
East: 6,306,339.6709'

Segment# 8: Line
Course: N89° 30' 47"W
Length: 14.07'
North: 2,096,484.5522'
East: 6,306,325.6014'

Perimeter: 1,575.45'
Area: 7,759Sq.Ft.
Error Closure: 0.0064
Course: N78° 07' 26"E
Error North : 0.00131
East: 0.00625

Precision 1: 246,164.06

EXHIBIT B

Terms and Conditions Pertaining to the Public Utility Easement

1) Subject to the terms and conditions of this Exhibit B, in connection with the Public Utility Easement granted to the City hereunder, the City shall have the right to construct, reconstruct, install, maintain, repair, improve, operate, and/or replace any below-grade public utilities from time to time located in the applicable Public Utility Easement.

2) Notwithstanding anything herein to the contrary, Grantor shall have the right to use the area within the Public Utility Easement in any manner that does not unreasonably interfere with the City's right to use the Public Utility Easement pursuant to the terms and conditions herein. In furtherance of the foregoing, Grantor shall have the right to use the surface of the land within the boundaries of the Public Utility Easement, which right shall include, without limitation, the right to landscape or pave over the Public Utility Easement. For the avoidance of doubt, the City acknowledges and agrees that the existence of landscaping and paving in or on the Public Utility Easement shall not materially and unreasonably interfere with the City's right to use the Public Utility Easement.

3) Any damage caused by the City to any Grantor improvements that are permitted hereunder to be located in, on or under the Public Utility Easement (including, without limitation, any paved or landscaped areas) shall be promptly repaired and restored by the City at its sole cost and expense to the condition such improvements were in prior to such damage. However, the City shall not be obligated to repair any damage caused by the City to any Grantor improvements in the Public Utility Easement to the extent the existence of such improvements in the Public Utility Easement is expressly prohibited pursuant to the terms and conditions of this Agreement.

4) City shall indemnify, defend, and hold harmless Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement, from and against any and all claims, liabilities, and losses which Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement, may sustain, incur, or be liable for arising out of City's use or activities within the Public Utility Easement in connection with the City's reconstruction, repair, replacement, improvement, operation or maintenance of the same, except those which arise out of the negligent acts or omissions or willful misconduct of Grantor, or its employees, agents, lessees or permittees.

5) The covenants contained in this Exhibit B shall be covenants running with the land comprising the Public Utility Easement and shall bind every person or entity having any interest in the Public Utility Easement, for the benefit of Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement.

EF-502-A-R17-0522-39004166-1

BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

City of Tracy
Attention: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

ASSESSOR'S PARCEL NUMBER
Portion of 25002097

SELLER/TRANSFEROR
Prologis Amazon Tracy LLC

BUYER'S DAYTIME TELEPHONE NUMBER
( )

BUYER'S EMAIL ADDRESS

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY
1555 N. Chrisman Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy.

MO	DAY	YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME)

MAIL PROPERTY TAX INFORMATION TO (ADDRESS)	CITY	STATE	ZIP CODE

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO — This section contains possible exclusions from reassessment for certain types of transfers.

☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.

☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.

☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
Was this the transferor/grantor's principal residence? ☐ YES ☐ NO

☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____

☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.

☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.

☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.

☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____

☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.

☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____

☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.

L. This is a transfer of property:

☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of
☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.

☐ ☑ 2. to/from an irrevocable trust for the benefit of the
☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.

☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.

☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.

☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.

☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.

☑ ☐ Q. Other. This transfer is to grant a public utility easement

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004166

EF-502-A-R17-0522-39004166-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: grant of public utility easement

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) easement ☐ Timeshare ☐ Commercial/Industrial

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER ▶	DATE	TELEPHONE ( )
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE	EMAIL ADDRESS

The Assessor's office may contact you for additional information regarding this transaction.

EF-502-A-R17-0522-39004166

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

EXHIBIT 10

RECORDING REQUESTED
BY AND WHEN
RECORDED MAIL TO:

City of Tracy
Attn: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

Space Above This Line For Recorder's Use

Portions of APN 25002090 and 25002098

This document is exempt from the payment of a recording fee pursuant to Government Code§ 27383 and §6103, and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922

GRANT DEED

Public Utility Easement

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

PAC CORPORATE CENTER TRACY LLC, a Delaware limited liability company ("Grantor'')

hereby grant(s) to the

CITY OF TRACY, a Municipal corporation ("Grantee")

a public utility easement consisting of a total of approximately 0.3794 acres, more or less, on, over, under and across a portion of Grantor's property, for the installation and maintenance of certain below-grade public utilities by the Grantee, which is more particularly described and depicted in **Exhibit A** (the "Public Utility Easement"), and which Public Utility Easement is subject to the additional terms, provisions and restrictions set forth in **Exhibit B** attached hereto and made a part hereof, subject, however, to all matters of record and any state of facts which an accurate survey or personal inspection made of the property as of the date hereof would show.

[Signature Page Follows]

MAIL TAX STATEMENTS AS DIRECTED ABOVE
(Grantee is exempt from County Transfer Tax)

[Signature Page to Grant Deed]

Grantor:

PAC CORPORATE CENTER TRACY LLC
a Delaware limited liability company

By: Prologis, L.P.
a Delaware limited partnership
its sole member

By: Prologis, Inc.
a Maryland corporation
its general partner

By: _____
Name: MATTHEW SIMS
Title: VICE PRESIDENT

Dated: 10/02/2025

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Alameda)

On October 2, 2025, before me, Amanda Walsh, notary public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature AWalsh (Seal)

JAS1 AMANDA WALSH COMM. # 2518274 NOTARY PUBLIC • CALIFORNIA ALAMEDA COUNTY MY COMMISSION EXPIRES APRIL 25, 2029 JAS1

RESOLUTION OF ACCEPTANCE:

This is to certify that the interest in real property conveyed by this Grant is hereby accepted, subject to the terms and conditions specified therein, by the undersigned City Clerk of the City of Tracy, pursuant to authority conferred by Resolution No. 1670 of the Tracy City Council, adopted on August 6, 1968, and recorded with the San Joaquin County Recorder on August 14, 1968, Book 3231, pages 581 through 583, and the grantee consents to recordation thereof by its duly authorized officer.

_____ _____

City Clerk, City of Tracy, California Date

Pursuant to Section 66477.5 of the California Government Code, the local agency shall re- convey the property to the subdivider if the local agency makes a finding that the same purpose for which the property was dedicated does not exist or any portion of thereof is not needed for public utilities, as specified in Subdivision (c) of the Section.

EXHIBIT A

Legal Description and Depiction of Vacated Easement

(See attached)

EXHIBIT "A"
LEGAL DESCRIPTION
PUBLIC UTILITY EASEMENT – PARADISE CT SOUTH
OVER PARCEL 3, 25 PM 40

BEING THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF THAT CERTAIN IRREVOCABLE OFFER OF DEDICATION TO PARADISE COURT, (WIDTH VARIES), RECORDED APRIL 2, 2009, AS DOCUMENT NO. 2009-050342, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF PARCEL 3, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF ADJUSTED PARCEL D, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT (LLA NO. MS20-0013), RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY;

THENCE ALONG THE ARC OF A 343.50 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS SOUTH 28° 21' 51" EAST, THROUGH A CENTRAL ANGLE OF 25° 05' 51", AN ARC DISTANCE OF 150.46 FEET;

THENCE NORTH 86° 38' 42" EAST, 90.40 FEET, TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF SAID IRREVOCABLE OFFER OF DEDICATION (2009-050342 OR), AND ALONG THE NORTHERLY LINE OF SAID PARCEL 3, (25 PM 40);

THENCE LEAVING SAID LINE, ALONG THE FOLLOWING THREE (3) COURSES:

1. SOUTH 3° 39' 29" EAST, 10.00 FEET,
2. SOUTH 86° 38' 42" WEST, 90.46 FEET, AND
3. ALONG A NON-TANGENT 333.50 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 3° 15' 56" EAST, THROUGH A CENTRAL ANGLE OF 25° 00' 41", AN ARC DISTANCE OF 145.58 FEET. TO A POINT ON SAID SOUTHERLY RIGHT OF WAY LINE.

THENCE ALONG SAID SOUTHERLY RIGHT OF WAY LINE, ALONG THE ARC OF A NON-TANGENT 75.00 FOOT RADIUS CURVE TO THE RIGHT, THE CENTER OF WHICH BEARS NORTH 54° 53' 38" EAST, THROUGH A CENTRAL ANGLE OF 7° 39' 19", AN ARC DISTANCE OF 10.02 FEET, TO THE **POINT OF BEGINNING;**

CONTAINING 2,386 SQUARE FEET OR 0.0548 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

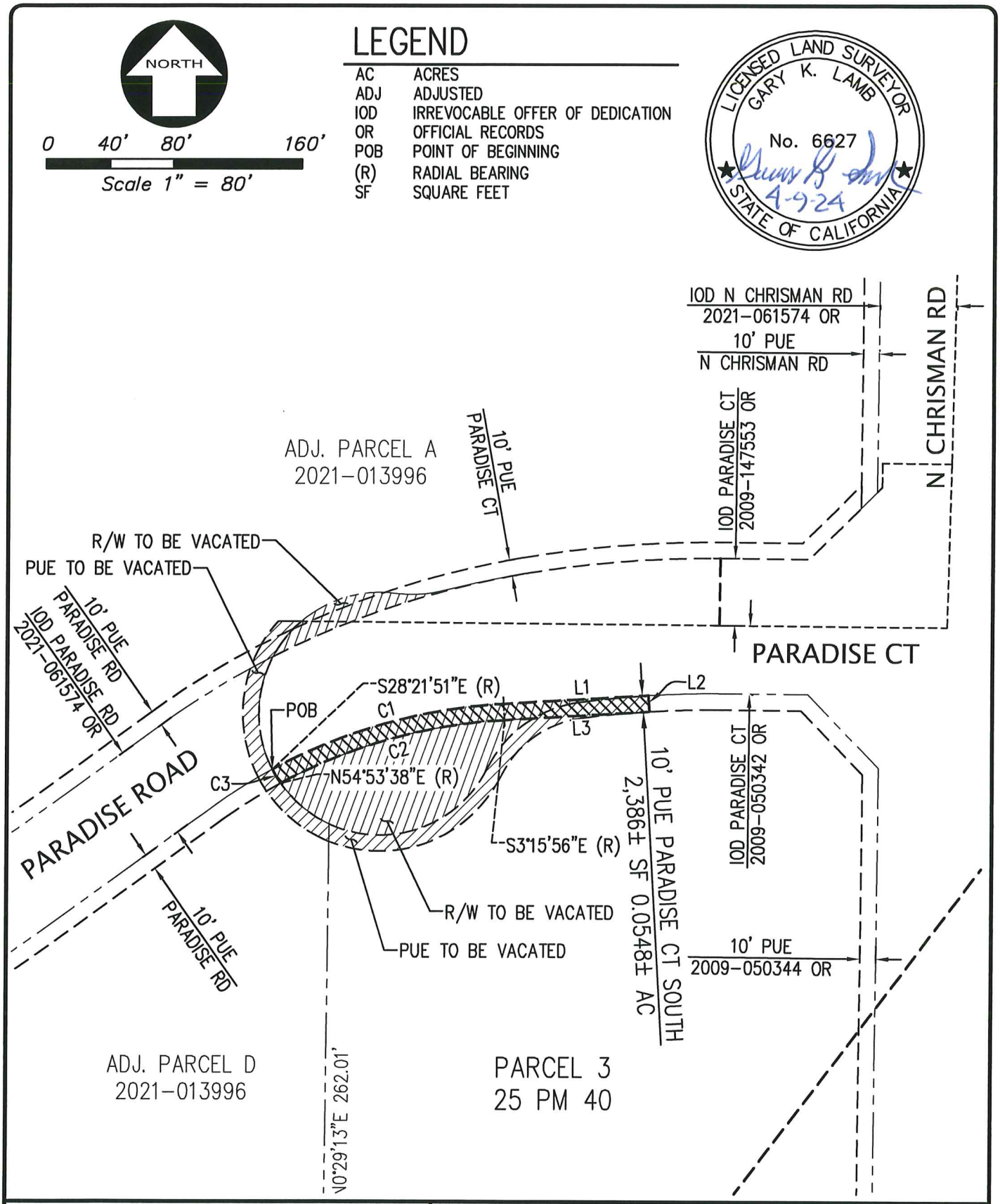
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.



Gary K. Lamb
GARY K. LAMB, PLS 6627

4-9-24
DATE



KIER+WRIGHT
250 Cherry Lane, Suite 107, 208
Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ADJUSTED PARCEL D
2021-013996 OR
TRACY, CALIFORNIA

DATE	APRIL, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	X OF X

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-PARADISE-CT-SOUTH.dwg 4-08-24 09:55:49 AM glamb

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	N86°38'42"E	90.40'
L2	S3°39'29"E	10.00'
L3	S86°38'42"W	90.46'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	343.50'	25°05'51"	150.46'
C2	333.50'	25°00'41"	145.58'
C3	75.00'	7°39'19"	10.02'

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EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ADJUSTED PARCEL D
2021-013996 OR
TRACY, CALIFORNIA

DATE	APRIL, 2024
SCALE	1" = 80'
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

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EXHIBIT "A"
LEGAL DESCRIPTION
PUBLIC UTILITY EASEMENT – PARADISE ROAD
OVER ADJUSTED PARCEL D, 2021-013996 OR

BEING THAT CERTAIN REAL PROPERTY SITUATE IN THE NORTHEAST 1/4 SECTION 22, TOWNSHIP 2 SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE, THE CITY OF TRACY, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF PARCELS 8, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 21, 2009, IN BOOK 25 OF PARCEL MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, DESCRIBED AS FOLLOWS:

ALSO BEING A PORTION OF ADJUSTED PARCEL D, AS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT (LLA NO. MS20-0013), RECORDED JANUARY 25, 2021, AS DOCUMENT NO. 2021-013996, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE WESTERLY RIGHT OF WAY OF SKYLARK WAY, SAID POINT ALSO BEING THE NORTHWESTERLY CORNER OF PARCEL 4, AS SHOWN ON SAID PARCEL MAP (25 M 40);

THENCE ALONG THE WESTERLY LINE OF SAID PARCEL 4, SOUTH 00° 26' 31" WEST, 384.71 FEET;

THENCE LEAVING SAID WESTERLY LINE, SOUTH 89° 30' 47" EAST, 59.70 FEET TO THE SOUTHWESTERLY CORNER OF ADJUSTED PARCEL C (2021-013996 OR);

THENCE ALONG THE SOUTHERLY LINE OF SAID ADJUSTED PARCEL C, SOUTH 89° 30' 47" EAST, 790.00 FEET, TO THE SOUTHEASTERLY CORNER THEREOF, SAID POINT ALSO BEING THE SOUTHWESTERLY CORNER OF SAID ADJUSTED PARCEL D (2021-013996 OR);

THENCE ALONG THE COMMON LINE TO SAID ADJUSTED PARCELS C AND D, NORTH 0° 29' 13" EAST, 10.46 FEET, TO THE **POINT OF BEGINNING**;

THENCE CONTINUING ALONG SAID LINE COMMON LINE, NORTH 0° 29' 13" EAST, 10.00 FEET, TO THE NORTHWESTERLY CORNER OF SAID ADJUSTED PARCEL D (2021-013996 OR);

THENCE ALONG THE NORTHERLY LINE OF SAID ADJUSTED PARCEL D, THE FOLLOWING FOUR (4) COURSES:

1. SOUTH 89° 30' 47" EAST, 717.41 FEET,
2. ALONG A 733.00 FOOT RADIUS CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 36° 00' 13", AN ARC DISTANCE OF 460.60 FEET,
3. NORTH 54° 29' 00" EAST, 191.71 FEET, AND
4. ALONG A 340.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 06° 58' 11", AN ARC DISTANCE OF 41.36 FEET TO A POINT ON THE RIGHT OF WAY OF PARADISE COURT.

THENCE ALONG SAID RIGHT OF WAY, ALONG A NON-TANGENT 75.00 FOOT CURVE TO THE LEFT, THE CENTER OF WHICH BEARS NORTH 62° 32' 57" EAST, THROUGH A CENTRAL ANGLE OF 07° 39' 15", AN ARC DISTANCE OF 10.02 FEET;

THENCE LEAVING SAID RIGHT OF WAY THE FOLLOWING FOUR (4) COURSES:

1. ALONG A NON-TANGENT 330.00 FOOT RADIUS CURVE TO THE LEFT, THE CENTER OF WHICH BEARS SOUTH 28° 27' 51" EAST, THROUGH A CENTRAL ANGLE OF 07° 03' 09", AN ARC DISTANCE OF 40.62 FEET;

2. SOUTH 54° 29' 00" WEST, 191.71 FEET;

3. ALONG A 743.00 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 36° 00' 13", AN ARC DISTANCE OF 466.89 FEET, AND

4. NORTH 89° 30' 47" WEST, 717.41 FEET, TO THE **POINT OF BEGINNING**.

CONTAINING 14,137 SQUARE FEET OR 0.3246 ACRES OF LAND, MORE OR LESS.

THE BASIS OF BEARINGS FOR THIS PLAT AND LEGAL DESCRIPTION IS THE LINE TAKEN AS NORTH 89°33'51" WEST, TAKEN ON THE MONUMENT LINE OF GRANT LINE ROAD AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON APRIL 25, 2009, IN BOOK 25 OF MAPS AT PAGE 40, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

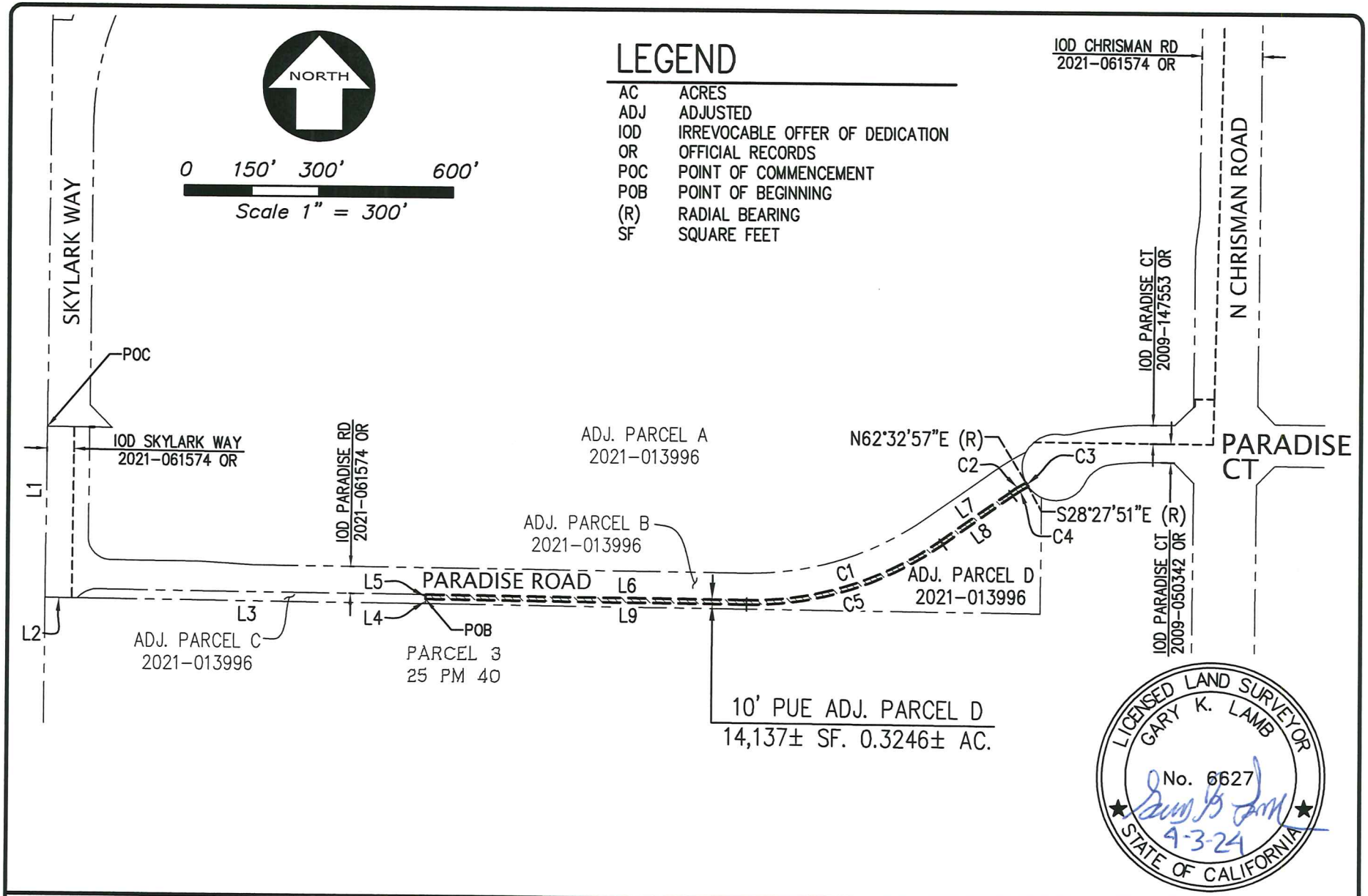
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART OF.

DESCRIPTION PREPARED BY KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.



GARY K. LAMB, PLS 6627

4-3-24
DATE



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Manteca, CA 95337
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www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ADJUSTED PARCEL D 2021-013996 OR

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	APRIL, 2024
SCALE	1" = 300'
BY	GKL
JOB NO.	A05728-45
SHEET	1 OF 1

Z:\2005\A05728-45\DWG\SURVEY\PLATS\PUE's\A05728-45-PD-PUE-PARCEL D.dwg 4-01-24 10:23:26 AM glamb

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S0°26'31"W	384.71'
L2	S89°30'47"E	59.70'
L3	S89°30'47"E	790.00'
L4	N0°29'13"E	10.46'
L5	N0°29'13"E	10.00'
L6	S89°30'47"E	717.41'
L7	N54°29'00"E	191.71'
L8	S54°29'00"W	191.71'
L9	N89°30'47"W	717.41'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	733.00'	36°00'13"	460.60'
C2	340.00'	6°58'11"	41.36'
C3	75.00'	7°39'15"	10.02'
C4	330.00'	7°03'09"	40.62'
C5	743.00'	36°00'13"	466.89'

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Manteca, CA 95337
Phone: (209) 328-1123
www.kierwright.com

EXHIBIT "B"
PUBLIC UTILITY EASEMENT
ALONG PARADISE ROAD

TRACY, SAN JOAQUIN COUNTY CALIFORNIA

DATE	APRIL, 2024
SCALE	NONE
BY	GKL
JOB NO.	A05728-45
SHEET	2 OF 2

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EXHIBIT B

Terms and Conditions Pertaining to the Public Utility Easement

1) Subject to the terms and conditions of this Exhibit B, in connection with the Public Utility Easement granted to the City hereunder, the City shall have the right to construct, reconstruct, install, maintain, repair, improve, operate, and/or replace any below-grade public utilities from time to time located in the applicable Public Utility Easement.

2) Notwithstanding anything herein to the contrary, Grantor shall have the right to use the area within the Public Utility Easement in any manner that does not unreasonably interfere with the City's right to use the Public Utility Easement pursuant to the terms and conditions herein. In furtherance of the foregoing, Grantor shall have the right to use the surface of the land within the boundaries of the Public Utility Easement, which right shall include, without limitation, the right to landscape or pave over the Public Utility Easement. For the avoidance of doubt, the City acknowledges and agrees that the existence of landscaping and paving in or on the Public Utility Easement shall not materially and unreasonably interfere with the City's right to use the Public Utility Easement.

3) Any damage caused by the City to any Grantor improvements that are permitted hereunder to be located in, on or under the Public Utility Easement (including, without limitation, any paved or landscaped areas) shall be promptly repaired and restored by the City at its sole cost and expense to the condition such improvements were in prior to such damage. However, the City shall not be obligated to repair any damage caused by the City to any Grantor improvements in the Public Utility Easement to the extent the existence of such improvements in the Public Utility Easement is expressly prohibited pursuant to the terms and conditions of this Agreement.

4) City shall indemnify, defend, and hold harmless Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement, from and against any and all claims, liabilities, and losses which Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement, may sustain, incur, or be liable for arising out of City's use or activities within the Public Utility Easement in connection with the City's reconstruction, repair, replacement, improvement, operation or maintenance of the same, except those which arise out of the negligent acts or omissions or willful misconduct of Grantor, or its employees, agents, lessees or permittees.

5) The covenants contained in this Exhibit B shall be covenants running with the land comprising the Public Utility Easement and shall bind every person or entity having any interest in the Public Utility Easement, for the benefit of Grantor, and/or any of its successors-in-interest to the real property subject to the Public Utility Easement.

EF-502-A-R17-0522-39004166-1

BOE-502-A (P1) REV. 17 (05-22)

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must **be filed with each conveyance in the County Recorder's office for the county where the property is located.**

Steve J. Bestolarides
Assessor-Recorder-County Clerk
San Joaquin County
44 N San Joaquin Street Suite 230
Stockton, CA 95202-3273
Telephone: (209) 468-2630
https://www.sjgov.org/department/assessor

NAME AND MAILING ADDRESS OF BUYER/TRANSFEREE
(Make necessary corrections to the printed name and mailing address)

City of Tracy
Attention: April B.A. Quintanilla, City Clerk
333 Civic Center Plaza
Tracy, CA 95376

ASSESSOR'S PARCEL NUMBER: Portion of 25002090; 25002098

SELLER/TRANSFEROR: PAC Corporate Center Tracy LLC

BUYER'S DAYTIME TELEPHONE NUMBER: ( )

BUYER'S EMAIL ADDRESS

STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY: 1605 N. Chrisman Road, Tracy, CA

☐ YES ☑ NO This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy. MO | DAY | YEAR

☐ YES ☑ NO Are you a 100% rated disabled veteran who was compensated at 100% by the Department of Veterans Affairs or an unmarried surviving spouse of a 100% rated disabled veteran?

MAIL PROPERTY TAX INFORMATION TO (NAME)

MAIL PROPERTY TAX INFORMATION TO (ADDRESS) | CITY | STATE | ZIP CODE

PART 1. TRANSFER INFORMATION

Please complete all statements.

YES NO — This section contains possible exclusions from reassessment for certain types of transfers.

- ☐ ☑ A. This transfer is solely between spouses *(addition or removal of a spouse, death of a spouse, divorce settlement, etc.)*.
- ☐ ☑ B. This transfer is solely between domestic partners currently registered with the California Secretary of State *(addition or removal of a partner, death of a partner, termination settlement, etc.)*.
- ☐ ☑ * C. This is a transfer: ☐ between parent(s) and child(ren) ☐ between grandparent(s) and grandchild(ren).
  Was this the transferor/grantor's principal residence? ☐ YES ☐ NO
- ☐ ☑ * D. This transfer is the result of a cotenant's death. Date of death _____
- ☐ ☑ * E. This transaction is to replace a principal residence owned by a person 55 years of age or older.
- ☐ ☑ * F. This transaction is to replace a principal residence by a person who is severely disabled.
- ☐ ☑ * G. This transaction is to replace a principal residence substantially damaged or destroyed by a wildfire or natural disaster for which the Governor proclaimed a state of emergency.
- ☐ ☑ H. This transaction is only a correction of the name(s) of the person(s) holding title to the property *(e.g., a name change upon marriage)*. If YES, please explain: _____
- ☐ ☑ I. The recorded document creates, terminates, or reconveys a lender's interest in the property.
- ☐ ☑ J. This transaction is recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest *(e.g., cosigner)*. If YES, please explain: _____
- ☐ ☑ K. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.
- L. This is a transfer of property:
  - ☐ ☑ 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of ☐ the transferor, and/or ☐ the transferor's spouse ☐ registered domestic partner.
  - ☐ ☑ 2. to/from an irrevocable trust for the benefit of the ☐ creator/grantor/trustor and/or ☐ grantor's/trustor's spouse ☐ grantor's/trustor's registered domestic partner.
- ☐ ☑ M. This property is subject to a lease with a remaining lease term of 35 years or more including written options.
- ☐ ☑ N. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.
- ☐ ☑ O. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions, or restrictions imposed by specified nonprofit corporations.
- ☐ ☑ * P. This transfer is to the first purchaser of a new building containing a ☐ leased ☐ owned active solar energy system.
- ☑ ☐ Q. Other. This transfer is to grant a public utility easement

* Please refer to the instructions for Part 1. **Please provide any other information that will help the Assessor understand the nature of the transfer.**

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

EF-502-A-R17-0522-39004166

EF-502-A-R17-0522-39004166-2

BOE-502-A (P2) REV. 17 (05-22)

Check and complete as applicable.

PART 2. OTHER TRANSFER INFORMATION

A. Date of transfer, if other than recording date: _____

B. Type of transfer:

☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or exchange ☐ Merger, stock, or partnership acquisition (Form BOE-100-B)

☐ Contract of sale. Date of contract: _____ ☐ Inheritance. Date of death: _____

☐ Sale/leaseback ☐ Creation of a lease ☐ Assignment of a lease ☐ Termination of a lease. Date lease began: _____

Original term in years *(including written options)*: _____ Remaining term in years *(including written options)*: _____

☑ Other. Please explain: grant of public utility easement

C. Only a partial interest in the property was transferred. ☐ YES ☑ NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

A. Total purchase price $ 0.00

B. Cash down payment or value of trade or exchange excluding closing costs Amount $ 0.00

C. First deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ FHA (___Discount Points) ☐ Cal-Vet ☐ VA (___Discount Points) ☐ Fixed rate ☐ Variable rate

☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

D. Second deed of trust @ _____% interest for _____ years. Monthly payment $_____ Amount $_____

☐ Fixed rate ☐ Variable rate ☐ Bank/Savings & Loan/Credit Union ☐ Loan carried by seller

☐ Balloon payment $_____ Due date: _____

E. Was an Improvement Bond or other public financing assumed by the buyer? ☐ YES ☑ NO Outstanding balance $_____

F. Amount, if any, of real estate commission fees paid by the buyer which are not included in the purchase price $_____

G. The property was purchased: ☐ Through real estate broker. Broker name: _____ Phone number:

☑ Direct from seller ☐ From a family member-Relationship _____

☐ Other. Please explain: _____

H. Please explain any special terms, seller concessions, broker/agent fees waived, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

A. Type of property transferred

☐ Single-family residence ☐ Co-op/Own-your-own ☐ Manufactured home

☐ Multiple-family residence. Number of units: _____ ☐ Condominium ☐ Unimproved lot

☑ Other. Description: (i.e., timber, mineral, water rights, etc.) easement ☐ Timeshare ☐ Commercial/Industrial

B. ☐ YES ☑ NO Personal/business property, or incentives, provided by seller to buyer are included in the purchase price. Examples of personal property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships, etc. Attach list if available.

If YES, enter the value of the personal/business property: $_____ Incentives $ _____

C. ☐ YES ☑ NO A manufactured home is included in the purchase price.

If YES, enter the value attributed to the manufactured home: $_____

☐ YES ☑ NO The manufactured home is subject to local property tax. If NO, enter decal number: _____

D. ☐ YES ☑ NO The property produces rental or other income.

If YES, the income is from: ☐ Lease/rent ☐ Contract ☐ Mineral rights ☐ Other: _____

E. The condition of the property at the time of sale was: ☑ Good ☐ Average ☐ Fair ☐ Poor

Please describe: _____

CERTIFICATION

I certify (or declare) that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF BUYER/TRANSFEREE OR CORPORATE OFFICER ▶	DATE	TELEPHONE ( )
NAME OF BUYER/TRANSFEREE/PERSONAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE	EMAIL ADDRESS

The Assessor's office may contact you for additional information regarding this transaction.

EF-502-A-R17-0522-39004166

ADDITIONAL INFORMATION

Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars ($20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

NAME AND MAILING ADDRESS OF BUYER: Please make necessary corrections to the printed name and mailing address. Enter Assessor's Parcel Number, name of seller, buyer's daytime telephone number, buyer's email address, and street address or physical location of the real property.

NOTE: Your telephone number and/or email address is very important. If there is a question or a problem, the Assessor needs to be able to contact you.

MAIL PROPERTY TAX INFORMATION TO: Enter the name, address, city, state, and zip code where property tax information should be mailed. This must be a valid mailing address.

PRINCIPAL RESIDENCE: To help you determine your principal residence, consider (1) where you are registered to vote, (2) the home address on your automobile registration, and (3) where you normally return after work. If after considering these criteria you are still uncertain, choose the place at which you have spent the major portion of your time this year. Check YES if the property is intended as your principal residence, and indicate the date of occupancy or intended occupancy.

DISABLED VETERAN: If you checked YES, you may qualify for a property tax exemption. **A claim form must be filed a nd all requirements met in order to obtain the exemption. Please contact the Assessor for a claim form.**

PART 1: TRANSFER INFORMATION

If you check YES to any of these statements, the Assessor may ask for supporting documentation.

C, D, E, F, G: If you checked YES to any of these statements, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your property's previous tax base. **A claim form must be filed and all requirements met in order to obtain any of these exclusions.** Contact the Assessor for claim forms. NOTE: If you give someone money or property during your life, you may be subject to federal gift tax. You make a gift if you give property (including money), the use of property, or the right to receive income from property without expecting to receive something of at least equal value in return. The transferor (donor) may be required to file Form 709, Federal Gift Tax Return, with the Internal Revenue Service if they make gifts in excess of the annual exclusion amount.

H: Check YES if the reason for recording is to correct a name already on title [e.g., Mary Jones, who acquired title as Mary J. Smith, is granting to Mary Jones]. This is not for use when a name is being removed from title.

I: Check YES if the change involves a lender, who holds title for security purposes on a loan, and who has no other beneficial interest in the property.

> "**Beneficial interest**" is the right to enjoy all the benefits of property ownership. Those benefits include the right to use, sell, mortgage, or lease the property to another. A beneficial interest can be held by the beneficiary of a trust, while legal control of the trust is held by the trustee.

J: A "**cosigner**" is a third party to a mortgage/loan who provides a guarantee that a loan will be repaid. The cosigner signs an agreement with the lender stating that if the borrower fails to repay the loan, the cosigner will assume legal liability for it.

N: This is primarily for use when the transfer is into, out of, or between legal entities such as partnerships, corporations, or limited liability companies. Check YES only if the individuals and the interest held by each remains exactly the same in each and every parcel being transferred.

O: Check YES only if this property is subject to a government or nonprofit affordable housing program that imposes restrictions. Property may qualify for a restricted valuation method (i.e., may result in lower taxes).

P: If you checked YES, you may qualify for a new construction property tax exclusion. **A claim form must be filed and all requirements met in order to obtain the exclusion. Contact the Assessor for a claim form.**

PART 2: OTHER TRANSFER INFORMATION

A: The date of recording is rebuttably presumed to be the date of transfer. If you believe the date of transfer was a different date (e.g., the transfer was by an unrecorded contract, or a lease identifies a specific start date), put the date you believe is the correct transfer date. If it is not the date of recording, the Assessor may ask you for supporting documentation.

B: Check the box that corresponds to the type of transfer. If OTHER is checked, please provide a detailed description. Attach a separate sheet if necessary.

C. If this transfer was the result of an inheritance following the death of the property owner, please complete a *Change in Ownership Statement, Death of Real Property Owner,* form BOE-502-D, if not already filed with the Assessor's office.

PART 3: PURCHASE PRICE AND TERMS OF SALE

It is important to complete this section completely and accurately. The reported purchase price and terms of sale are important factors in determining the assessed value of the property, which is used to calculate your property tax bill. Your failure to provide any required or requested information may result in an inaccurate assessment of the property and in an overpayment or underpayment of taxes.

A. Enter the total purchase price, not including closing costs or mortgage insurance.

> **"Mortgage insurance"** is insurance protecting a lender against loss from a mortgagor's default, issued by the FHA or a private mortgage insurer.

B. Enter the amount of the down payment, whether paid in cash or by an exchange. If through an exchange, exclude the closing costs.

> **"Closing costs"** are fees and expenses, over and above the price of the property, incurred by the buyer and/or seller, which include title searches, lawyer's fees, survey charges, and document recording fees.

C. Enter the amount of the First Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

> A **"balloon payment"** is the final installment of a loan to be paid in an amount that is disproportionately larger than the regular installment.

D. Enter the amount of the Second Deed of Trust, if any. Check all the applicable boxes, and complete the information requested.

E. If there was an assumption of an improvement bond or other public financing with a remaining balance, enter the outstanding balance, and mark the applicable box.

> An **"improvement bond or other public financing"** is a lien against real property due to property-specific improvement financing, such as green or solar construction financing, assessment district bonds, Mello-Roos (a form of financing that can be used by cities, counties and special districts to finance major improvements and services within the particular district) or general improvement bonds, etc. Amounts for repayment of contractual assessments are included with the annual property tax bill.

F. Enter the amount of any real estate commission fees paid by the buyer which are not included in the purchase price.

G. If the property was purchased through a real estate broker, check that box and enter the broker's name and phone number. If the property was purchased directly from the seller (who is not a family member of one of the parties purchasing the property), check the "Direct from seller" box. If the property was purchased directly from a member of your family, or a family member of one of the parties who is purchasing the property, check the "From a family member" box and indicate the relationship of the family member (e.g., father, aunt, cousin, etc.). If the property was purchased by some other means (e.g., over the Internet, at auction, etc.), check the "OTHER" box and provide a detailed description (attach a separate sheet if necessary).

H. Describe any special terms (e.g., seller retains an unrecorded life estate in a portion of the property, etc.), seller concessions (e.g., seller agrees to replace roof, seller agrees to certain interior finish work, etc.), broker/agent fees waived (e.g., fees waived by the broker/agent for either the buyer or seller), financing, buyer paid commissions, and any other information that will assist the Assessor in determining the value of the property.

PART 4: PROPERTY INFORMATION

A. Indicate the property type or property right transferred. Property rights may include water, timber, mineral rights, etc.

B. Check YES if personal, business property or incentives are included in the purchase price in Part 3. Examples of personal or business property are furniture, farm equipment, machinery, etc. Examples of incentives are club memberships (golf, health, etc.), ski lift tickets, homeowners' dues, etc. Attach a list of items and their purchase price allocation. An adjustment will not be made if a detailed list is not provided.

C. Check YES if a manufactured home or homes are included in the purchase price. Indicate the purchase price directly attributable to each of the manufactured homes. If the manufactured home is registered through the Department of Motor Vehicles in lieu of being subject to property taxes, check NO and enter the decal number.

D. Check YES if the property was purchased or acquired with the intent to rent or lease it out to generate income, and indicate the source of that anticipated income. Check NO if the property will not generate income, or was purchased with the intent of being owner-occupied.

E. Provide your opinion of the condition of the property at the time of purchase. If the property is in "fair" or "poor" condition, include a brief description of repair needed.

December 2, 2025

Agenda Item 1.U

RECOMMENDATION

Staff recommends that the City Council adopt an Ordinance amending Chapter 4.12 – Palmistry, sections 4.12.070 through 4.12.190, of the Tracy Municipal Code, to add a permitting program and makes it a requirement that all persons practicing fortunetelling, palmistry or related practices for compensation in the City of Tracy obtain a permit from the Tracy Police Department, requires a criminal background investigation for all palmistry permit applicants, establishes permit and background investigation fees and specifies enforcement remedies for violations of the ordinance.

BACKGROUND AND LEGISLATIVE HISTORY

At its November 18, 2025, regular meeting, the City Council unanimously approved the introduction of the Ordinance (Attachment A) on a first reading. Additional background regarding the proposed Ordinance is set forth in the staff report provided for that item in the agenda packet for the November 18, 2025, regular City Council Meeting. The staff report may be accessed via the City's website at https://www.cityoftracy.org/government/city-council/council-meeting-agendas , or in person at the City Clerk's Office.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt an Ordinance amending Chapter 4.12 – Palmistry, sections 4.12.070 through 4.12.190, of the Tracy Municipal Code, to add a permitting program and makes it a requirement that all persons practicing fortunetelling, palmistry or related practices for compensation in the City of Tracy obtain a permit from the Tracy Police Department, requires a criminal background investigation for all palmistry permit applicants, establishes permit and background investigation fees and specifies enforcement remedies for violations of the ordinance.

Prepared by: Necy Lopez, Deputy City Clerk

Reviewed by: David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

A: Ordinance

ATTACHMENT A

APPROVED AS TO FORM AND LEGALITY

_____

City Attorney's Office

TRACY CITY COUNCIL
ORDINANCE NO.

AN ORDINANCE AMENDING ARTICLE 4 – PALMISTRY, SECTIONS 4.12.070 THROUGH 4.12.190, OF THE TRACY MUNICIPAL CODE, TO ADD A PERMITTING PROGRAM AND MAKES IT A REQUIREMENT THAT ALL PERSONS PRACTICING FORTUNETELLING, PALMISTRY OR RELATED PRACTICES FOR COMPENSATION IN THE CITY OF TRACY OBTAIN A PERMIT FROM THE TRACY POLICE DEPARTMENT, REQUIRES A CRIMINAL BACKGROUND INVESTIGATION FOR ALL PALMISTRY PERMIT APPLICANTS, ESTABLISHES PERMIT AND BACKGROUND INVESTIGATION FEES AND SPECIFIES ENFORCEMENT REMEDIES FOR VIOLATIONS OF THE ORDINANCE

WHEREAS, on December 22, 1954, the City Council approved the City of Tracy's current regulations regarding fortunetelling and adopted Ordinance no. 304; and

WHEREAS, the City Council recognizes that the practice of fortunetelling, palmistry, and related practices constitute protected forms of speech and religion under the United States and California Constitutions; and

WHEREAS, the City Council finds it necessary to amend and update the existing ordinance to ensure that regulations are consistent with current federal and state law; and

WHEREAS, in order to prevent fraudulent and deceptive acts by persons purporting to engage in fortunetelling, a background investigation and fingerprinting is required as part of the permitting process; and

WHEREAS, this ordinance complies with all applicable statutory and constitutional provisions, and is intended to strike a balance between privacy rights and public safety;

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

SECTION 1. Incorporation of Recitals. The City Council finds and determines the foregoing recitals are true and correct and are incorporated herein.

SECTION 2. Amendments to Article 4- Palmistry, sections 4.12.070 through 4.12.190. Article 4- Palmistry, sections 4.12.070 through 4.12.190 of the Tracy Municipal

Code are amended to read as outlined in Exhibit 1 to this Ordinance.

SECTION 3. CEQA Determination. The City Council finds and determines this Ordinance is categorically exempt from the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines section 15061 (B) (3) pertaining to activities that do not have the potential for causing a significant effect on the environment.

SECTION 4. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause, or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses, or phrases may be declared invalid or unconstitutional.

SECTION 5. Typographical Or Clerical (Scrivener's) Errors. Any typographical errors in this ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

SECTION 6. Effective Date**.** This Ordinance shall become effective upon the thirtieth (30^{th}) day after final adoption.

SECTION 7. Publication**.** This Ordinance shall either (1) be published once in a newspaper of general circulation, within 15 days after its final adoption, or (2) be published in summary form and posted in the City Clerk's office at least five days before the ordinance is adopted and within 15 days after adoption, with the names of the Council Members voting for and against the ordinance. (Gov't. Code §36933.)

SECTION 8. This Ordinance shall be codified in the Tracy Municipal Code.

****

The foregoing Ordinance ____was introduced at the November 18, 2025 regular meeting of the Tracy City Council, and shall be adopted on the _____ 2025 by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

Article 4. Palmistry

4.12.070. Purpose.

The purpose of this legislation is to regulate fortunetellers, psychics, palm readers, palmists and other similar businesses so that the City of Tracy can efficiently and thoroughly investigate fraud and deception, protect the public by preventing people who have been charged with deceptive practices from having easy access to persons who may be vulnerable to fraud or confidence games, to ensure that consumers are provided with information regarding services, rates, and complaint procedures, and to foster a positive business environment for legitimate practitioners within this industry.

4.12.080. Definitions.

(a) Fortunetelling shall mean the telling of fortunes, forecasting of futures, or reading the past, by means of any occult, psychic power, faculty, force, clairvoyance, cartomancy, palm reading, psychometry, phrenology, spirits, tea leaves, tarot cards, scrying, coins, sticks, dice, sand, coffee grounds, crystal gazing or other such reading, or through mediumship, seership, prophecy, augury, astrology, palmistry, necromancy, mindreading, telepathy or other craft, art, science, talisman, charm, potion, magnetism, magnetized article or substance, or by any such similar thing or act. It shall also include effecting spells, charms, or incantations, or placing, or removing curses or advising the taking or administering of what are commonly called love powders or potions in order, for example, to get or recover property, stop bad luck, give good luck, put bad luck on a person or animal, stop or injure the business or health of a person or shorten a person's life, obtain success in business, enterprise, speculation and games of chance, win the affection of a person, make one person marry or divorce another, induce a person to make or alter a will, tell where money or other property is hidden, make a person to dispose of property in favor of another, or other such similar activity.

(b) Fortunetelling shall also include pretending to perform these actions.

(c) Persons shall mean individuals. Corporations and other legal entities shall not be entitled to a fortunetelling permit.

(d) Chief shall mean the Chief of Police of the Tracy Police Department, or his/her designee(s), including but not limited to Code Enforcement Officers.

(e) Gain shall mean the benefit or advantage including but not limited to economic remuneration of any kind, including authorization to use credit issued to another, use of another's property or assets, loans, or the provision of tangible items.

4.12.090.Exceptions.

This Chapter shall not apply to:

(a) Persons engaged in the business of entertaining the public by demonstrations of palm reading, mindreading, mental telepathy, thought conveyance, magic, giving of horoscopic readings, fortunetelling or other similar practices at public places and in the presence of other persons, and where any questions answered as part of such entertainment may be heard by all persons present at such public place.

(b) Persons conducting or participating in any religious ceremony as a minister, missionary, medium, healer, or clairvoyant, hereinafter collectively referred to as minister, from any bona fide church or religious association that conducts regular services and has a creed or set of religious principles that is recognized by all groups of like faith, provided that the benefit, gain or advantage shall be regularly accounted for and paid solely to or for the benefit of the bona fide church or religious association except that the bona fide church or religious association may pay to its ministers a salary or compensation based upon a percentage only, pursuant to an agreement between the church and the ministers that is embodied in a resolution and transcribed in the minutes of such church or religious association.

4.12.100. Permit and Business License required.

It shall be unlawful for any person to offer or engage in the activity, enterprise, profession, trade, or undertaking of fortunetelling with the object of gain, benefit or advantage, whether direct or indirect, without a valid business license and a permit issued by the City.

4.12.110. Palmistry permit.

(a) Every person applying for a Palmistry permit shall pay the application fee pursuant to the Citywide Master Fee Schedule and submit an application on a form provided by the Tracy Police Department, which shall include:

(1) The name under which the business will be conducted;

(2) The applicant's full true name, and other names used, date of birth, address and telephone numbers;

(3) A copy of the fictitious business name statement under which the applicant intends to operate;

(4) The name or name under which the permittee will be identifying himself or herself to the public;

(5) The address where the business will be conducted;

(6) All addresses at which the applicant has resided for the five years prior to the application;

(7) The applicant's business, occupation, and employment history for the five years preceding the date of the application;

(8) The occupational permit history of the applicant, including whether such person has ever had a permit or license issued for a fortunetelling or related business. The name of the issuing agency, the date of issuance, and whether the permit was suspended or revoked and the reasons therefor;

(9) All convictions relating to fraud, theft, burglary, use of violence, deceit or false impersonation for the seven years preceding the date of the application;

(10) Any other Information requested by the Chief necessary to ascertain the accuracy of the information provided in the application.

(b) The Chief is hereby authorized to have access to and utilize summary criminal history information when it is needed to assist those persons in fulfilling their licensing duties set forth in this chapter. All permit applicants shall undergo a background investigation and pay a background investigation fee in accordance with the Citywide Master Fee Schedule.

4.12.120. Permit Decision.

The Chief shall issue a written decision to the applicant within 30 days, or within a reasonable amount of time, of receipt of a complete permit application.

(a) The permit shall be granted if none of the conditions listed in subsection (b) are present and the applicant has complied with all requirements under this chapter and applicable laws.

(b) The Palmistry permit shall be denied after a determination that any of the following exist:

(1) The applicant has been convicted of a felony or two or more misdemeanors relating to fraud, theft, burglary, use of violence, deceit, or false impersonation within seven years prior to the date of application.
(2) The applicant has previously had an occupational permit revoked or suspended for violation of permitting conditions related to fraud, theft, burglary, use of violence, deceit or false impersonation, within the seven years prior to the date of application.
(3) The applicant has failed to provide information required by this chapter or has

provided false or misleading information required by this chapter to the Police Department or other City agency.

(4) The applicant has failed to obtain a zoning clearance letter, business license, and any other requirement to obtain the permit.
(5) The applicant fails to pass the background investigation.

(c) The applicant shall be prohibited from applying for a fortunetelling permit for one year following denial or revocation of a fortunetelling permit.

(d) A permit may be revoked, suspended or a renewal denied based on the same criteria in subsection (b) of this section.
(e) The permit shall expire on June 30th of each year. A renewal application must be submitted each year.

4.12.130 Compliance with other applicable laws.

Nothing contained in this chapter shall be construed to exempt any person from complying with the provisions of any other applicable law, ordinance, rule, or regulation or to exempt a Fortunetelling business from the requirements under any zoning, licensing or building ordinances, rules or regulations including but not limited to the obligation to apply for and maintain a current business license with the City.

4.12.140. Deceptive Acts.

Fortunetellers shall not engage in unfair or deceptive practices, within the meaning of Business and Professions Code § 17200, during the conduct of any fortunetelling activities and in the course of their business.

4.12.150. Receipts.

(a) The fortuneteller shall issue a written receipt that shall include the name of the permittee who provide the services, the permittee's permit number, the services rendered, the amount charged for each service provided, and the amount paid or expected. If payment is made in a method other than cash, check, or credit card, the receipt shall so indicate.

(b) The permittee must keep copies of receipts for five years from date of issuance.

4.12.160. Rate schedule and complaint procedure.

(a) When a fortuneteller operates at a roving or unfixed location, the fortuneteller shall provide a written copy of rate information to the customer that shall be printed in plain, legible letters. The rate document shall include a statement that if the customer has complaints, the customer may phone the Tracy Police Department

at (209) 831-6550.

(b) The rates published shall be the only rates charged.

4.12.170. Transitional period.

A person operating as a fortuneteller within the City of Tracy, who does not possess both a business license and a Palmistry permit to conduct such business shall be required to comply with all provisions of this chapter within sixty days from the effective date of this chapter.

4.12.180. Violations and Penalties

(a) Violations. It shall be unlawful for any person who owns, manages, operates or otherwise controls the use of any premises subject to regulation under this chapter to fail to comply with any of this chapter's provisions.

(b) Penalties. A violation of this chapter is a misdemeanor punishable by a fine of up to $1,000 or by imprisonment in the County Jail for a period of not more than six months, or by both fine and imprisonment.

(c) A violation of any of the provisions or failing to comply with any of the mandatory requirements of this chapter may result in the issuance of an administrative citation and the city may, at its discretion, seek an administrative fine of up to one thousand dollars.

(d) Each violation of any provision of this chapter shall constitute a separate and distinct violation for each day during which any violation of any provision of this chapter is committed, continued or permitted by such person.

4.12.190. Appeals

(a) A decision to deny revoke, suspend or deny the application for a permit under this chapter may be appealed in accordance with Chapter 1.12 of the Tracy Municipal Code.

(b) Time limits for judicial review. Judicial review of any decision of the City, or of any commission, board, officer or agent of the City, may be had under California Code of Civil Procedure section 1094.5 only if the petition for writ of mandate is filed within ninety (90) days following the date on which the decision becomes final. However, if the person challenging the decision files a request for a copy of the record of proceedings with the City Clerk within ten (10) days after the date on which the decision becomes final, then the time within which the writ of mandate may be filed is extended to the 30th day after the record is

either delivered or mailed to the person or to their legal counsel of record. The procedures set forth in Code of Civil Procedure sections 1094.5 and 1094.6 apply.

A "decision," as used here, means a decision subject to review under section 1094.5, which includes revoking or denying an application for a permit, license or other entitlement; imposing a civil or administrative penalty, fine, charge or cost; or other entitlement as provided in section 1094.5.

In making any final decision subject to review under Code of Civil Procedure section 1094.5, the City shall provide notice to the party that the time within which judicial review must be sought is governed by this section. The City may do so by including a copy of this section with the written notice of the final decision. Twenty-one (21) days: First Amendment issues. A final decision by the City to issue, revoke, suspend or deny a permit or other entitlement for expressive conduct protected by the First Amendment to the United States Constitution is governed by California Code of Civil Procedure section 1094.8. Such a decision is entitled to priority and subject to expedited hearing and review procedures. An action to challenge the city's decision must be filed and served within twenty-one (21) calendar days from the date of the decision.

Thirty (30) days: most other decisions. Except as otherwise provided below, any legally permitted court action or proceeding to attack, review, set aside, void, annul or seek damages or compensation for any City decision or action must be commenced, and service of summons effected, within thirty (30) days from the date of the decision. Thereafter, all persons are barred from commencing or prosecuting any such action or proceeding or asserting any defense of invalidity or unreasonableness of such decision or action. In this subsection, "decision" includes administrative, adjudicatory, legislative, discretionary, and executive decision, or other action taken or authorized by this Code.

4.12.200- Hours Permitted

It shall be unlawful to keep open to the public or to conduct the business herein defined on any day between the hours of 10:00 p.m. to 8:00 a.m.

December 2, 2025

Agenda Item 1.V

RECOMMENDATION

Staff recommends that the City Council adopt an Ordinance amending Chapter 4.20 - Massage Establishments and Therapists of the Tracy Municipal Code to add a permitting program to regulate massage establishments, require a background investigation for all massage establishment owners who are not certified by the California Massage Therapy Council, establish permit and background investigation fees and operational requirements consistent with current law.

BACKGROUND AND LEGISLATIVE HISTORY

At its November 18, 2025, regular meeting, the City Council unanimously approved the introduction of the Ordinance (Attachment A) on a first reading. Additional background regarding the proposed Ordinance is set forth in the staff report provided for that item in the agenda packet for the November 18, 2025, regular City Council Meeting. The staff report may be accessed via the City's website at https://www.cityoftracy.org/government/city-council/council-meeting-agendas , or in person at the City Clerk's Office.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt an Ordinance amending Chapter 4.20 - Massage Establishments and Therapists of the Tracy Municipal Code to add a permitting program to regulate massage establishments, require a background investigation for all massage establishment owners who are not certified by the California Massage Therapy Council, establish permit and background investigation fees and operational requirements consistent with current law.

Prepared by: Necy Lopez, Deputy City Clerk

Reviewed by: David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City

Manager Attachments:

A: Ordinance

Attachment A

APPROVED AS TO FORM AND LEGALITY

-

City Attorney's Office

TRACY CITY COUNCIL
ORDINANCE NO.

AN ORDINANCE AMENDING CHAPTER 4.20 - MASSAGE ESTABLISHMENTS AND THERAPISTS, OF TITLE 4 OF THE TRACY MUNICIPAL CODE, IN ITS ENTIRETY TO ADD A PERMITTING PROGRAM TO REGULATE MASSAGE ESTABLISHMENTS, REQUIRE A BACKGROUND INVESTIGATION FOR ALL MASSAGE ESTABLISHMENT OWNERS WHO ARE NOT CERTIFIED BY THE CALIFORNIA MASSAGE THERAPY COUNCIL, ESTABLISH PERMIT AND BACKGROUND INVESTIGATION FEES AND OPERATIONAL REQUIREMENTS CONSISTENT WITH CURRENT LAW

WHEREAS, the City of Tracy first adopted Chapter 4.20 of the Tracy Municipal Code in 2005, and subsequently amended it in 2009, 2011, and 2015 to refine local regulation of massage establishments and practitioners; and

WHEREAS, the California Legislature enacted the Massage Therapy Act, codified as Business and Professions Code §§ 4600 et seq., establishing statewide certification for massage professionals through the California Massage Therapy Council (CAMTC), while preserving local authority to regulate the business operations, land use, and health and safety of massage establishments; and

WHEREAS, the City Council finds that a comprehensive modernization of Chapter 4.20 is necessary to align local law with state requirements, to strengthen enforcement authority, and to deter illicit or unlawful activities associated with unregulated massage establishments; and

WHEREAS, the City Council further finds that the amendment of the existing Chapter 4.20 and the enactment of a new Chapter 4.20 will protect the public health, safety, and welfare, promote legitimate and professional massage therapy businesses, and provide the City with effective tools to abate unlawful operations;

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

Section 1. **Incorporation of Recitals/Findings.** The Tracy City Council finds and determines the foregoing recitals are true and correct and are incorporated herein.

SECTION 2. Amendment to Chapter 4.20-Massage Establishments and Therapists of Title 4 of the Tracy Municipal Code. Chapter 4.20- Massage Establishments and Therapists of Title 4 of the Tracy Municipal Code is amended in its entirety as set forth in Exhibit 1.

SECTION 3. CEQA Determination. The City Council finds and determines that this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 4. Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause, or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses, or phrases may be declared invalid or unconstitutional.

SECTION 5. Typographical or clerical (scrivener's) errors. Any typographical errors in this ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

SECTION 6. Effective Date. This ordinance shall become effective upon the thirtieth (30th) day after final adoption.

SECTION 7. Publication. This Ordinance shall either (1) be published once in a newspaper of general circulation, within 15 days after its final adoption, or (2) be published in summary form and posted in the City Clerk's office at least five days before the ordinance is adopted and within 15 days after adoption, with the names of the Council Members voting for and against the ordinance. (Gov't. Code §36933.)

SECTION 8. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance was introduced at a regular meeting of the Tracy City Council on the 18th day of November 2025, and finally adopted on the _____ day of 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT :	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy, California

Date of Attestation:_____

REGULATION OF MASSAGE THERAPY ESTABLISHMENTS

Article I
General Provisions

4.20.010- Purpose and intent.

It is the purpose and intent of this chapter to provide for the orderly regulation of offices and establishments providing massage therapy services, and to prevent and discourage the misuse of massage therapy as a front for human trafficking, prostitution, and related activities in violation of state law, all in the interests of the public health, safety, and welfare, by providing certain minimum building, sanitation, and operation standards for such businesses, and by requiring certain minimum qualifications for the operators and practitioners of such businesses. It is the further intent of this chapter to streamline local massage therapy permitting procedures, while still facilitating and advancing the ethical practice of massage therapy, by relying upon the uniform statewide regulations enacted by the Legislature in 2008 as Business and Professions Code Sections 4600 et seq., known as the Massage Therapy Act, as subsequently amended, and by restricting the commercial practice of massage in the City to those persons duly certified to practice by the California Massage Therapy Council formed pursuant to those statutes.

4.20.020- Sunset provision. If any provisions of this chapter become invalid as of January 1, 2030, they shall be repealed.

4.20.030- Definitions.

The definitions contained in this section shall govern the construction, meaning, and application of words and phrases used in this chapter.

"*California Massage Therapy Council"* or "*CAMTC"* refers *to* the private nonprofit public benefit corporation created to regulate the massage industry pursuant to California Business and Professions Code §§ 4600 et. seq.

"***CAMTC certificate"*** refers *to* an original current and valid certificate issued by the California Massage Therapy Council to a massage therapist pursuant to Business and Professions Code sections 4600 et. seq. or any later enacted amendment.

"***Certified massage therapist*" or "*massage therapist"*** refers to a health care professional certified by the CAMTC, possesses a valid CAMTC certificate and is licensed to practice or administer massage in exchange for any form of compensation within the City of Tracy. All people certified by CAMTC shall have the right to perform or engage in the practice of massage consistent with the Massage Therapy Act, the qualifications established by his or her certification, the provisions of this chapter, and applicable law.

"***Chief***" refers to the Chief of the Tracy Police Department or his/her designee. The Chief's designees may include but are not limited to the City's Code Enforcement Officers.

"***City***" refers to the City of Tracy.

"***Compensation***" refers to the payment, loan, advance, donation, contribution, deposit, exchange, or gift of money or anything of value.

"*Massage"* or "*bodywork"* refers to the application of various techniques to the muscular structure and soft tissues of the human body. Application of massage and bodywork techniques may include, but are not limited to, stroking, kneading, tapping, compression, vibration, rocking, friction, pressure, and similar techniques. Examples of massage include Swedish massage, sports massage, shiatsu, polarity therapy, and reflexology. Massage and bodywork have the same meaning.

"*Massage establishment" or "massage business establishment"* refers to a fixed location where only state-certified massage therapists practice massage for compensation. The following are not considered massage establishments under this chapter: a hospital, nursing home, sanitarium, physiotherapy establishment, office of a licensed medical professional, or other state-licensed physical or mental health facility, a personal fitness training center, gymnasium, athletic facility or health club.

"***Owner***" refers to the legal owner of the massage establishment business.

"***Operator***" refers to the manager or person who operates the massage establishment business.

"***Sole proprietorship***" refers to a massage establishment business owner where the owner owns one hundred percent of the business and is the massage therapist or has one employed massage therapist.

"***Visitor***" refers to any individual not retained or employed by the massage establishment and not receiving or waiting to receive massage therapy services, excluding law enforcement personnel or governmental officials performing governmental business.

4.20.040- CAMTC certification required for Massage Therapy Professionals.

It is unlawful for any person to perform or engage in the practice of massage therapy for compensation within the city unless that person is certified by the CAMTC as a massage therapist pursuant to Business and Professions Code sections 4600 et. seq.

4.20.050- Exemptions.

This chapter shall not apply to the following people while engaged in the performance of the duties of their respective professions:

(a) Trainers of an amateur, semi-professional, or professional athlete or athletic team, as long as such person does not practice massage therapy as their primary occupation where they provide such services.

(b) Barbers, estheticians, and cosmetologists who are duly licensed under the laws of the State of California, while engaging in practices within the scope of their licenses.

(c) Individuals administering massages or health treatments involving massage to persons participating in single occurrence athletic, recreational, or educational events such as road races, track meets, triathlons, educational events, or conferences, provided that the event is open to the public or to a significant segment of the public such as employees of sponsoring or participating corporations, and the massage services are provided at the site of the event during, immediately preceding, or immediately following the event.

(d) Somatic practitioners who use no physical touch of any kind at any time in their practice.

(e) Physicians, surgeons, chiropractors, osteopaths, podiatrists, physical therapists, nurses, acupuncturists or any other person licensed to practice any medicinal or healing art under the provisions of Division 2 (commencing with Section 500) of the Business and Professions Code when engaging in such practice within the scope of his or her license.

4.20.060-Department coordination with CAMTC and reporting violations to CAMTC.

(a) The Chief or designee shall designate a staff member within the Tracy Police Department to serve as the primary liaison with the CAMTC. The liaison shall:

1) Maintain an up-to-date list of all CAMTC-certified massage therapists practicing within the city;
2) Maintain a current registry of all massage establishments operating within the City;
3) Receive and review notices, correspondence, and other information transmitted by CAMTC; and
4) Promptly notify CAMTC of any citations, arrests, convictions, or administrative actions involving certified massage therapists or massage establishments within the City.

4.20.070 – Massage Establishment Inspections.

(a) Authorized City officials, including but not limited to the Chief of Police or designees, the Chief Building Official or designees, and the Chief of the Fire Department or designees, are empowered to enter and inspect the premises of any massage establishment during regular business hours, and as otherwise reasonably necessary, to verify compliance with the provisions of this chapter, applicable state laws, and other municipal regulations.

(b) Such inspections may be conducted without a search warrant when carried out in accordance with this chapter and all other applicable laws. The purpose of such inspections is to ensure public health, safety, and welfare through enforcement of building, zoning, fire, and sanitation standards.

(c) Fees for safety inspections conducted under this section shall be in accordance with the Citywide Master Fee Schedule.

(d) The massage establishment owner and/or operator shall take immediate action to correct each violation noted by the Inspector. A reinspection will be performed to ensure that each violation noted by the Inspector has been corrected. A reinspection fee may apply.

4.20.080 – Applicability of Other Laws.

Nothing in this chapter shall be construed to exempt any individual or business from compliance with any other applicable federal, state, or local law, ordinance, rule, or regulation.

4.20.090-Violations-public nuisance

Any massage establishment operated, conducted, or maintained contrary to the provisions of this chapter shall be, and the same is hereby declared to be, unlawful and a public nuisance, and the city attorney may, in addition to or in lieu of prosecuting a criminal action hereunder, commence an action or actions, proceeding or proceedings, for the abatement, removal and enjoinment thereof, in the manner provided by law. Such remedies shall be in addition to any other judicial and administrative penalties and remedies available to the city under this code or under state law.

4.20.100– Enforcement Remedies.

Any person or entity found to be in violation of this chapter shall be subject to one or more of the following remedies, which may be imposed cumulatively:

(a) Violations may be enforced through the City's administrative citation process as provided in Chapter 1.12 of the Tracy Municipal Code.
(b) A violation of any provision of this chapter shall constitute a misdemeanor punishable by up to six months imprisonment in county jail or a fine not to exceed $1,000, or both.

(c) The City Attorney may, in the exercise of discretion, commence a civil action for injunctive relief, abatement, or any other appropriate legal or equitable remedy to enforce compliance with this chapter. Any massage establishment operated in violation of this chapter is hereby declared a public nuisance subject to abatement pursuant to law.
(d) The Chief may suspend or revoke any massage establishment permit issued under this chapter upon finding that the permittee, or any employee thereof, has violated this chapter, the California Massage Therapy Act, or any other applicable law or regulation. Revocation or suspension shall be conducted in accordance with the procedures set forth in Section 4.20.210.
(e) The owner, operator, manager, and any person responsible for the control or operation of a massage establishment shall be jointly and severally liable for any violations of this chapter, regardless of whether such person directly committed the violation.
(f) Each day that a violation continues, or each instance of conduct in violation of this chapter, shall constitute a separate and distinct offense and may be punished accordingly.
(g) The remedies provided in this chapter are cumulative and in addition to any other remedies available under federal, state, or local law. Enforcement under this Chapter shall not preclude the City from pursuing any other administrative, civil, or criminal action provided by law.

4.20.110-Immediate Cessation.

The Chief, or his/her designee(s) may order that a massage establishment cease operations if the Chief, or his/her designee determines that the massage establishment is operating without a valid permit, business license, a massage therapist is performing massage services without the proper certification or any other violation of this chapter or law. The massage establishment must cease operations within 24 hours of receiving a Notice to Cease Operations.

4.20.120- Transitional Compliance Period.

Existing massage establishments operating within the City prior to the effective date of this chapter shall be permitted to continue operations, provided that a complete application for a massage establishment permit and a background investigation application, if required, is submitted to the City within one hundred twenty (120) days of the effective date of this Chapter.

4.20.130 – Appeals

(a) Filing of Appeal.

(1) An appeal shall be filed in writing with the City Manager or designee within ten (10) working days of the action appealed from. The appeal shall be filed on a

form provided by the City Manager's office. The ten (10) working days for filing the appeal is measured from the date written notice of the decision is sent (or personally delivered) to the person. If there is no written notice of decision, the time for appeal is twenty (20) working days from the date of the decision.

(2) The appeal shall clearly identify the decision being appealed and state in detail the grounds for the appeal, including all supporting facts, evidence, and arguments.

(3) The appeal must be accompanied by the appeal fee listed in the Citywide Master Fee Schedule adopted by City Council Resolution.

(4) Failure to file a timely appeal shall constitute a waiver of all rights to an administrative hearing and the decision shall become final and conclusive.

(b) Hearing Officer or Appeals Body.

(1) Appeals shall be heard by a neutral Hearing Officer, designated by the City Manager, who shall be an attorney licensed to practice law in the State of California and who possesses expertise on the subject matter.

(2) The Hearing Officer shall not have participated in the investigation or decision being appealed.

(3) The Hearing Officer shall have authority to receive evidence, hear testimony, and make written findings and recommendations.

(c) Notice and Conduct of Hearing.

(1) Upon receiving the notice of appeal, the City Manager shall set the matter for hearing and shall give the person appealing written notice of the time and place of hearing at least ten (10) working days before the hearing. The hearing shall be held within thirty (30) working days of the date the notice of appeal is filed. The parties may extend this time by agreement. The hearing is not limited by technical rules of evidence. The City Manager may affirm, modify or reverse the decision appealed. The City Manager shall render a written decision within ten (10) working days after the closing of the hearing.

(d) Decision of Hearing Officer

(1) Within fifteen (15) calendar days after the conclusion of the hearing, the Hearing Officer shall issue a written decision, including findings of fact and conclusions of law, which shall be served upon the appellant and the City.

(2) The decision shall either:

i. Affirm the original decision;

ii. Reverse the original decision; or

iii. Modify the decision and impose alternative conditions or penalties deemed appropriate under the circumstances.

(e) Effect of Appeal on enforcement

(1) The filing of an appeal shall stay enforcement of the decision being appealed pending final resolution, except in cases where the Chief of Police or designee or City Attorney determines that continued operation poses an immediate threat to the public health, safety, or welfare.
(2) In such cases, the City may take immediate action to suspend operations pending the outcome of the appeal.

(f) Judicial Review. Any final administrative decision rendered pursuant to this chapter shall be subject to judicial review under California Code of Civil Procedure section 1094.5 and in accordance with section 4.20.130 of this chapter.

4.20.130- Time limits for judicial review.

(a) **Ninety (90) days: Code of Civil Procedure section 1094.5.** Judicial review of any decision of the City, or of any commission, board, officer or agent of the City, may be had under California Code of Civil Procedure section 1094.5 only if the petition for writ of mandate is filed within ninety (90) days following the date on which the decision becomes final. However, if the person challenging the decision files a request for a copy of the record of proceedings with the City Clerk or designee within ten (10) days after the date on which the decision becomes final, then the time within which the writ of mandate may be filed is extended to the 30th day after the record is either delivered or mailed to the person or his attorney, if he has one. The procedures set forth in Code of Civil Procedure sections 1094.5 and 1094.6 apply.

(b) A "decision," as used here, means a decision subject to review under section 1094.5, suspending, demoting or dismissing an officer or employee; revoking or denying an application for a permit, license or other entitlement; imposing a civil or administrative penalty, fine, charge or cost; or denying an application for any retirement benefit or allowance.

(c) In making any final decision subject to review under Code of Civil Procedure section 1094.5, the City shall provide notice to the party that the time within which judicial review must be sought is governed by this section. The City may do so by including a copy of this section with the written notice of the final decision.
(d) Twenty-one (21) days: First Amendment issues. A final decision by the City to issue, revoke, suspend or deny a permit or other entitlement for expressive conduct protected by the First Amendment to the United States Constitution is governed by California Code of Civil Procedure section 1094.8. Such a decision is entitled to priority and subject to expedited hearing and review procedures. An action to challenge the City's decision must be filed and served within twenty-one (21) calendar days from the date of the decision.

(e) Thirty (30) days: most other decisions. Except as otherwise provided below, any legally permitted court action or proceeding to attack, review, set aside, void, annul or seek damages or compensation for any City decision or action must be commenced, and service of summons effected, within thirty (30) days from the date of the decision. Thereafter, all persons are barred from commencing or prosecuting any such action or proceeding or asserting any defense of invalidity or unreasonableness of such decision or action. In this subsection, "decision" includes administrative, adjudicatory, legislative, discretionary, and executive decision, or other action taken or authorized by this Code.

ARTICLE II

MASSAGE ESTABLISHMENT PERMITS AND REQUIREMENTS

4.20.140- Non- CAMTC Certified Massage Therapy Establishment Permit Applicants

All owners who apply for a massage establishment permit that do not possess a certificate issued by the CAMTC, in addition to all other requirements under this chapter or requirements by applicable law, shall be fingerprinted and shall submit an application for a background investigation when applying for a permit. The applicant shall be responsible for all associated fees including the permit application fee, background investigation fee and other required fees as provided in the Citywide Master Fee Schedule.

4.20.150- Massage establishments—Prohibited conduct.

(a) It is unlawful for any person to operate a massage establishment within the City without first obtaining a massage establishment permit from the Tracy Police Department.

(b) It is unlawful for a massage establishment owner or designee to employ or retain any person to practice massage therapy for compensation, or to allow any person to perform massage therapy for compensation on the premises of a massage establishment, unless that person is a CAMTC-certified massage therapist and unless that person is identified as an authorized massage therapist on the permit issued pursuant to this chapter.

(c) It is unlawful for a massage establishment to operate under any name or conduct business under any designation not specified in the massage establishment permit and/ or business license issued pursuant to this chapter, and/or any filing with the Secretary of State.

(d) It is unlawful for a massage establishment to continue to operate following the sale or transfer of any interest in the massage establishment to a person who was not identified as an owner in the massage establishment permit application.

(e) It is unlawful for any person or massage business to conduct massage for compensation within the City without first obtaining a valid City business license.

(f) If any massage business owner(s) or operator(s) are denied a massage business permit then a City business license cannot be issued to the massage business until such time as the denied business owner(s) or operator(s) are removed from the application for the City business license.

4.20.160 Permit Application

Each owner of a massage establishment shall file an application for a permit on a form provided by the Tracy Police Department. The application shall be accompanied by the fee established by the City's fee schedule. The application shall include the following:

(a) The name, residence address and telephone number, and business address and telephone number of each owner of the massage establishment.

(b) The form of business under which the applicant will be conducting the massage establishment, i.e., corporation, general or limited partnership, limited liability company, or other form. If the applicant is a corporation, the name of the corporation shall be set forth exactly as shown in its articles of incorporation, together with the names and residence addresses of each of its officers, directors, and each shareholder holding more than ten percent of the stock of the corporation. If the applicant is a general or limited partnership, the application shall set forth the name and residence address of each of the partners, including limited partners. If one or more of the partners is a corporation, the provisions of this section pertaining to a corporate applicant shall apply. If the applicant is a limited liability company, the application shall set forth the name and residence address of each of the members. If one or more of the members is a partnership, limited liability company, or corporation, the provisions of this section pertaining to a partnership, limited liability company, or corporate applicant shall apply, as applicable.

(c) The name, address, and telephone number of the owner of the real property where the massage establishment is to be operated. In the event the applicant is not the legal owner of the property, the application shall be accompanied with a copy of a lease between the applicant and the property owner authorizing the use of the premises for a massage establishment, or, alternatively, if there is no written lease, then a written, notarized acknowledgment from the property owner that the property owner has been advised that a massage establishment will be operated by the applicant on the property.

(d) A description of the proposed massage establishment, including the type of treatments to be administered.

(e) The name of each individual who the massage establishment employs or retains to perform massage therapy for compensation, whether on or off the massage establishment premises.

(f) The name of each individual who is regularly employed or retained by the massage establishment to perform services on the premises other than massage therapy, and the nature of their services.

(g) For each individual who the massage establishment does or will employ or retain to perform massage therapy for compensation, whether on or off the massage establishment premises, a copy of that individual's current certification from the CAMTC as a certified massage practitioner or certified massage therapist, and a copy of his or her current CAMTC issued identification card.

(h) For each owner of the massage establishment who is a CAMTC-certified massage professional, a copy of his or her current certification from the CAMTC as a certified massage practitioner or as a certified massage therapist and a copy of his or her current CAMTC-issued identification card.

(i) Whether any license or permit has ever been issued to the applicant by any jurisdiction under the provisions of any ordinance or statute governing massage or somatic practice, and as to any such license or permit, the name and address of the issuing authority, the effective dates of such license or permit, whether such license or permit was ever suspended, revoked, withdrawn, or denied; and copies of any documentary materials relating to such suspension, revocation, withdrawal, or denial.

(j) Whether any owner of the massage establishment, within five years immediately preceding the date of filing of the application, has been convicted in a court of competent jurisdiction of any offense that relates directly to the operation of a massage establishment whether as a massage establishment owner or operator or as a person practicing massage for compensation, or as an employee of either; or has at any time been convicted in a court of competent jurisdiction of any felony the commission of which occurred on the premises of a massage establishment

(k) Whether any owner or operator of the massage establishment is currently required to register under the provisions of Section 290 of the California Penal Code.

(l) Whether any owner or operator of the massage establishment, within five years preceding the date of application, has been convicted in a court of competenturisdictionections 266, 266a, 266e, 266f, 266g, 266h, 266i, 315, 316, 318, 647(b), or 653.22.

(m)Whether any owner or operator of the massage establishment has been subjected to a permanent injunction against the conducting or maintaining of a nuisance pursuant to Sections 11225 through 11235 of the California Penal Code, or any similar provision of law in a jurisdiction outside the State of California.

(n) Any owner of the massage establishment, within five years of the date of application, and as established by clear and convincing evidence, has engaged in acts prohibited under California Penal Code sections 266, 266a, 266e, 266f, 266g, 266h, 266i, 266j, 315, 316, 318, 647(b), or 653.22.

(o) Such other information as may be required by the permit authority to determine compliance with any other eligibility requirements for issuance of the permit as specified by federal, state, or local law.

(p) A statement that within the last five years the applicant has not failed to comply with a final court order or administrative action of an investigatory agency finding a violation of applicable federal, state and local wage and hour laws, including, but not limited to, the Federal Fair Labor Standards Act, the California Labor Code, and any local minimum wage ordinance or prevailing wage requirements. For purposes of this subsection, a final court order or administrative action is one as to which there is no pending appeal and the time for filing an appeal has passed.

4.20.170 Permit issuance.

(a) The Chief of Police or designee shall issue a massage establishment permit if the applicant meets the requirements of this chapter and no grounds for denial exist under Section 4.20.180, or otherwise herein. The Chief may impose conditions on the permit consistent with this chapter and applicable law.

(b) Prior to the issuance of a massage establishment permit, the Chief shall make a reasonable investigation into the information provided in the application to confirm the facts stated therein

(c) Prior to the issuance of a massage establishment permit, the applicant must obtain a zoning clearance letter from the Planning Department, a safety clearance letter from the Fire Chief or designee and/or the designated building official.

(d) Notice to Property Owner. If the applicant is not the record owner of the property where the massage establishment is located, the Chief may send a written notice to the property owner advising of the issuance of the permit and of the regulations applicable to the massage establishment. The Chief may also provide the property owner with copies of any other notices or communications with the applicant sent at any time before or after issuance of the permit.

(e) Term. A massage establishment permit issued pursuant to the terms of this chapter shall be valid until June 30th of each year, regardless of when the permit was issued.

4.20.180 Permit Denial.

The Chief may deny an application for a massage establishment permit on any of the following grounds:

(a) The massage establishment, as proposed by the applicant, would not comply with the requirements of this chapter.

(b) The massage establishment, as proposed by the applicant, would not comply with any applicable law, including, but not limited to the City's building, fire, zoning, and health regulations.

(c) The applicant has knowingly made any false, misleading or fraudulent statement of material fact in the application for a massage establishment permit

(d) Any owner of the massage establishment, within five years immediately preceding the date of filing of the application, has been convicted in a court of competent jurisdiction of any offense that relates directly to the operation of a massage establishment whether as a massage establishment owner or operator or as a person practicing massage for compensation, or as an employee of either; or has at any time been convicted in a court of competent jurisdiction of any felony the commission of which occurred on the premises of a massage establishment

(e) Any owner of the massage establishment is currently required to register under the provisions of Section 290 of the California Penal Code.

(f) Any owner of the massage establishment, within five years of the date of application, has been convicted in a court of competent jurisdiction of any violation of sections 266, 266a, 266e, 266f, 266g, 266h, 266i, 266j, 315, 316, 318, 647(b), or 653.22 of the California Penal Code, or conspiracy or attempt to commit any such offense, or any offense in a jurisdiction outside of the State of California that is the equivalent of any of the aforesaid offenses.

(g) Any owner of the massage establishment has been subjected to a permanent injunction against the conducting or maintaining of a nuisance pursuant to Sections 11225 through 11235 of the California Penal Code, or any similar provision of law in a jurisdiction outside the State of California.

(h) Any owner or operator of the massage establishment, within five years of the date of application, and as established by clear and convincing evidence, has engaged in acts prohibited under California Penal Code 266, 266a, 266e, 266f, 266g, 266h, 266i, 266j,315, 316, 318, 647(b), or 653.22.

(i) Any owner of the massage establishment is an individual who has not attained the age of eighteen years.

(j) Any owner or operator of the massage establishment, within five years immediately preceding the date of filing of the application, has had a permit or license to practice massage for compensation or to own and/or operate a massage establishment revoked or denied in any jurisdiction.

(k) Within the last five years, the applicant has failed to comply with a final court order or administrative action of an investigatory agency finding a violation of applicable federal, state and local wage and hour laws, including, but not limited to, the

Federal Fair Labor Standards Act, the California Labor Code, and any local minimum wage ordinance or prevailing wage requirements. For purposes of this subsection, a final court order or administrative action is one as to which there is no pending appeal and the time for filing an appeal has passed.

4.20.190 Notice of denial of Permit

If an application or renewal for a massage establishment permit is denied, the Chief shall give written notice to the applicant specifying the grounds for denial.

4.20.200-Amendments to Permits

(a) Whenever the information provided in the application for a certified massage establishment on file with the City changes, the operator shall file an application, provided by the director, to amend the permit to reflect such change. An application to amend a massage establishment permit shall be made by submitting an application on a form provided by the director. The application shall be accompanied by the fee established by the City's fee schedule.

(b) The application shall not be approved unless the director determines that the terms of the amended permit comply with all requirements of this chapter and all other local, state, and federal laws, and the massage establishment has no outstanding violations or unpaid citations or fees. Inspection of the massage establishment may be required prior to approval of the amendment.

(c) An amendment shall not be used to change the location or owners of a massage establishment. Instead, a new permit application is required.

(d) A denial of an application to amend a massage establishment permit may be appealed in the same manner as a denial of an application for a permit under Section 4.20.130.

4.20.210- Revocation and Suspension

All massage establishment operators shall be deemed to know and understand the requirements and prohibitions of this chapter. Any massage establishment permit issued pursuant to this chapter may be suspended or revoked by the Chief or designee, where the Chief or designee finds that any of the following have occurred on even a single occasion:

(a) The permittee or any person employed or retained by the massage establishment has violated any provision of this chapter.

(b) The permittee or any person employed or retained by the massage establishment has been convicted in a court of competent jurisdiction of having violated, or has

engaged in conduct constituting a violation of, any of the following: California Penal Code sections 266, 266a, 266e, 266f, 266g, 266h, 266i, 266j, 315, 316, 318, 647(b), or 653.22, or conspiracy or attempt to commit any such offense, or any offense in a jurisdiction outside of the State of California that is the equivalent of any of the aforesaid offenses.

(c) Conspiracy or attempt to commit any such offense, or any offense in a jurisdiction outside of the State of California that is equivalent to any of the aforesaid offenses.

(d) The permittee or any person employed or retained by the massage establishment is required to register under Section 290 of the California Penal Code.

(e) The permittee has been subject to a permanent injunction against the conducting or maintaining of a nuisance pursuant to this code, or Sections 11225 through 11235 of the California Penal Code, or any similar provision of law in any jurisdiction outside the State of California.

(f) The permittee or any person employed or retained by the massage establishment has engaged in fraud or misrepresentation or has knowingly made a misstatement of material fact while working in or for the massage establishment.

(g) The permittee has continued to operate the massage establishment after the massage establishment permit has been suspended.

(h) Massage has been performed on the premises of the massage establishment, with or without the permittee's actual knowledge, by any person who is not a duly authorized CAMTC-certified massage professional.

(i) A person who is not a duly authorized CAMTC-certified massage professional has provided outcall massage services through or on behalf of the massage establishment.

(j) There have been one or more acts prohibited under California Penal Code Sections 266, 266a, 266e, 266f, 266g, 266h, 266i, 266j, 315, 316, 318, 647(b), or 653.22 taking place on the premises of the massage establishment, whether or not any criminal prosecution has been pursued or conviction obtained for such acts, and whether or not they occurred with or without the actual knowledge of the permittee.

(k) The permittee or any person employed or retained by the massage establishment or any other person on the premises of the massage establishment has engaged in conduct or committed acts that a reasonable person in the patron's position would understand as an offer to perform on or engage in with the patron acts that are sexual in nature or that involve touching of the patron's genitals, or anal region.

(l) The permittee or any person employed or retained by the massage establishment has engaged in sexually suggestive advertising related to massage services on the premises of the massage establishment, including, but not limited to displaying photographs of individuals clothed in swim attire, or attire that is transparent, see-through or substantially exposes the individual's undergarments, breasts, buttocks, or genitals, describing massage services as "erotic," "sensual" or similarly sexual in nature, listing advertisements in adult media, or describing the appearance or age of massage providers.

(m) If the applicant has failed to comply with a final court order or administrative action of an investigatory agency finding a violation of applicable federal, state and local wage and hour laws, including, but not limited to, the Federal Fair Labor Standards Act, the California Labor Code, and any local minimum wage ordinance or prevailing wage requirements. For purposes of this subsection, a final court order or administrative action is one as to which there is no pending appeal and the time for filing an appeal has passed.

4.20.220 Massage establishment permit- Process for Suspension and Revocation

(a) The Chief of Police, or designee, shall send written notice of the suspension or revocation to the permittee and the notice shall be served on the permittee either personally or by certified mail addressed to the business or residence address of the permittee. The notice shall contain a description of the grounds for the suspension or revocation of the permit along with supporting facts, and the notice shall contain an advisement of the permittee's right to request an appeal. The Chief of Police, or designee, shall also send an informational copy of the notice of suspension or revocation to the person or entity who owns the property associated with the permittee's massage business.

(b) Suspension or revocation issued pursuant to subsection A shall be effective five calendar days from the date appearing on the notice, unless a timely appeal is filed in accordance with subsection C.

(c) The decision of the Chief of Police, or designee, may be appealed pursuant to and consistent with sections 4.20.180, 4.20.190 and 4.20.200 of this chapter.

4.20.230 Operational Requirements.

The following operational requirements shall be applicable to all massage establishments located within the City:

(a) No massage establishment shall be kept open for business between the hours of ten p.m. of one day and eight a.m. of the following day. A massage begun any time before ten p.m. must nevertheless terminate at ten p.m.

(b) The hours of operation of the massage establishment shall be displayed in a conspicuous public place in the reception and waiting area and in any front window clearly visible from outside of the massage establishment.

(c) Patrons shall be permitted in the massage establishment only during the hours of operation.

(d) During the hours of operation, patrons shall be permitted in massage therapy rooms only if at least one duly authorized certified massage professional is present on the premises of the massage establishment. Patrons shall not be permitted in any employee break room on the premises.

(e) During the hours of operation, except as otherwise provided herein, no visitors shall be permitted in massage therapy rooms, break rooms, dressing rooms, showers, or any other room or part of the massage establishment premises other than the reception and waiting area or toilet rooms.

(f) Except for a patron who is inside a massage therapy room for the purpose of receiving a massage, no patrons or visitors shall be permitted in or on the massage establishment premises at any time who are less than fully clothed in outer garments of nontransparent material, or who display or expose themselves in underclothing or similar intimate apparel.

(g) Massage therapists shall be fully clothed at all times. Clothing shall be of a fully opaque, non-transparent material and said garments shall not expose their genitals, pubic areas, buttocks, or breasts. Swim attire may not be worn unless the massage therapist is providing a water-based massage modality approved by the CAMTC. A massage therapist should not wear any clothing that is deemed by the CAMTC to constitute unprofessional attire. All employees of the massage business, including owners and managers, shall also adhere to these clothing requirements.

(h) No massage establishment shall allow any person to reside within the massage establishment or in any attached structures owned, leased, or controlled by the massage establishment owners.

(i) A certificate holder shall provide his or her full name and certificate number upon the request from a member of the public, a member of the Tracy Police Department or its designee at the location where he or she is providing massage services for compensation.

(j) Massage operators shall include the name under which he or she is certified and his or her certificate number in all advertising for massage for compensation.

(k) The massage establishment shall keep on the premises a complete and current roster of all owners, operators, and managing employees of the massage establishment and all massage professionals and other persons employed or retained by the massage establishment. The roster shall include the name, residence address, and phone number of each individual. The roster shall be available for inspection by city officials charged with the enforcement of this chapter.

4.20.240 Facility Requirements.

Except as otherwise specifically provided in this chapter, the following physical facility and building code requirements shall be applicable to all massage establishments located within the City:

(a) Main entry door and reception and waiting area required. One main entry door shall be provided for patron entry to the massage establishment, which shall open to an interior patron reception and waiting area immediately. All patrons and people other than individuals employed or retained by the massage establishment shall be required to enter and exit through the main entry door. Unless the massage establishment is a sole proprietorship or a home occupation with one or no other employees, the main entry door shall be unlocked at all times during business hours.

(b) No massage establishment located in a building or structure with exterior windows fronting a public street, highway, walkway, or parking area shall block visibility into the interior reception and waiting area with curtains, closed blinds, tints, or any other material that obstructs, blurs, or unreasonably darkens the view into the premises.

(c) All interior doors, including massage therapy rooms or cubicles, but excluding individual dressing rooms, showers, and toilet rooms, shall be incapable of being locked and shall not be blocked to prevent opening. This section does not apply to business entities who are owned by one individual with one or no employee, who shall be allowed to lock the door of the massage establishment when massage services are provided.

(d) Minimum lighting equivalent to at least one forty-watt light shall be provided in each massage therapy room or cubicle.

(e) A massage table or professional massage chair specifically designed for seated massage shall be used for all massage therapy, with the exception of "Thai," "Shiatsu," and similar forms of massage therapy, which may be provided on a padded mat on the floor, provided the patron is fully attired in loose clothing, pajamas, scrubs, or similar style of garment. Massage tables shall have a minimum height of eighteen inches.

(f) Beds, floor mattresses, and waterbeds are not permitted on the premises of the massage establishment, and no massage establishment shall be used for residential or sleeping purposes, which may be shown by circumstantial evidence such as the presence of bedding, pillows, sleeping bags, suitcases, clothing, toiletries or other personal belongings, cooking appliances, utensils or food in excess of a business establishment's normal requirements.

(g) All locker facilities that are provided for the use of patrons shall be fully secured for the protection of the patrons' valuables, and each patron shall be given control of the key or other means of access.

4.20.250 Posting, Display and Recordkeeping Requirements

(a) The massage establishment permit shall be displayed in an open and conspicuous place on the premises visible from the main entry door and/or reception and waiting area of the massage establishment.

(b)

The original CAMTC certificate of every massage therapist performing massage shall be displayed in the reception area or in the area where massage is to be performed. CAMTC certificates of former employees, independent contractors, or volunteers shall be removed as soon as those massage therapists are no longer performing massage at the location. All records of employees, independent contractors, or volunteers who have performed massage for a massage business shall be retained by the owner of the massage business for a period of two years.

(c) Display of Human Trafficking Notices. The massage establishment shall comply with the requirements in California Civil Code Section 52.6 related to the posting of information for victims of human trafficking.

December 2, 2025

Agenda Item 1.W

RECOMMENDATION

Staff recommends that the City Council adopt an Ordinance 1)Amending Title 9 of the Tracy Municipal Code, Building Regulations, to adopt, with local amendments, the 2025 California Building Standards Code and the California Fire Code, 2) Adopting Appendices C,F,H,I,J,K,P, and Q under the Building Code; Appendices B, BB, C, CC, D, F, H, L, N, O, and P under the Fire Code; Appendices BF, CH, BH, BI, BF, BM, CI, CK, and CJ under the Residential Code, Appendices, A,B,C,D,E,G,H,I,J, and K under the Plumbing Code, Appendices D and F under the Mechanical Code, and codifying the same as Tracy Municipal Code Title 9, and 3) Creating Tracy Municipal Code Chapter 9.18, Wildland-Urban Interface Code.

BACKGROUND AND LEGISLATIVE HISTORY

At its November 18, 2025, regular meeting, the City Council unanimously approved the introduction of the Ordinance (Attachment A) on a first reading. Additional background regarding the proposed Ordinance is set forth in the staff report provided for that item in the agenda packet for the November 18, 2025, regular City Council Meeting. The staff report may be accessed via the City's website at https://www.cityoftracy.org/government/city-council/council-meeting-agendas , or in person at the City Clerk's Office.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt an Ordinance 1) Amending Title 9 of the Tracy Municipal Code, Building Regulations, to adopt, with local amendments, the 2025 California Building Standards Code and the California Fire Code, 2) Adopting Appendices C,F,H,I,J,K,P, and Q under the Building Code; Appendices B, BB, C, CC, D, F, H, L, N, O, and P under the Fire Code; Appendices BF, CH, BH, BI, BF, BM, CI, CK, and CJ under the Residential Code, Appendices, A,B,C,D,E,G,H,I,J, and K under the Plumbing Code, Appendices D and F under the Mechanical Code, and codifying the same as Tracy Municipal Code Title 9, and 3) Creating Tracy Municipal Code Chapter 9.18, Wildland-Urban Interface Code.

Prepared by: Necy Lopez, Deputy City Clerk

Reviewed by: David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:
A: Ordinance

Attachment A

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE:

1) AMENDING TITLE 9, BUILDING REGULATIONS, OF THE TRACY MUNICIPAL CODE TO ADOPT, WITH LOCAL AMENDMENTS, THE 2025 CALIFORNIA BUILDING STANDARDS CODE AND THE CALIFORNIA FIRE CODE, AND CODIFYING THE SAME AS TRACY MUNICIPAL CODE TITLE 9;

2) ADOPTING APPENDICES C, F, H, I, J, K, P, AND Q UNDER THE CALIFORNIA BUILDING CODE, APPENDICES B, BB, C, CC, D, F, H, L, N, O, AND P UNDER THE CALIFORNIA FIRE CODE, APPENDICES BF, CH, BH, BI, BF, BM, CI, CK, AND CJ UNDER THE RESIDENTIAL CODE, APPENDICES A, B, C, D, E, G, H, I, J AND K UNDER THE PLUMBING CODE, APPENDICES D AND F UNDER THE MECHANICAL CODE, AND CODIFYING THE SAME AS TRACY MUNICIPAL CODE TITLE 9;

3) CREATING TRACY MUNICIPAL CODE CHAPTER 9.18, WILDLAND-URBAN INTERFACE CODE.

WHEREAS, pursuant to Sections 17922, 17958, 17958.5 and 17958.7 of the California Health and Safety Code, the City may adopt the provisions of the California Building, Residential, Plumbing, Mechanical, Electrical, Existing Building, Historical Building Codes, Green Building Standards Code, Wildland-Urban Interface Code and Building Efficiency Energy Standards with certain amendments to those provisions which are reasonably necessary to protect the health, welfare and safety of the citizens Tracy because of local climatic, geological and topographical conditions; and

WHEREAS, the City Council hereby makes the following findings with respect to local geological, topographical and climatic conditions relating to the amendments to the California Codes for which such findings are required:

1. Tracy is a growing community of nearly 100,000 people located in a region of the State that lies near several areas of seismic activity, with main faults near Tracy associated with the San Andreas Fault System of the greater San Francisco Bay Area, Calaveras, Hayward, and the Marsh Creek-Greenville active fault located immediately west of the southern portion of San Joaquin County, in which Tracy

is located. Tracy is proximate to these faults capable of producing earthquakes.

2. Concern for fire-life safety associated with a structural failure due to a seismic event considering the large number of buildings, the use of new structural systems, the poor performance of certain construction materials, and the quality of construction.

3. Severe seismic events could disrupt communications, mobility, damage gas mains, cause extensive electrical hazards, and place extreme demands on the limited and widely dispersed resources of the Fire Department resulting in challenges to meet the fire and life safety needs of the community.

4. The local climatic and topographical conditions of Tracy are characterized as containing areas of highly flammable vegetation and typically warm, dry summers that can contribute to wildfire conducive conditions. Tracy is located in an area of significant high winds that create a wind tunnel effect increasing the speed at which fires spread and increasing exposure hazards to structures. The inclusion of these requirements will enable a quicker response time by the local fire department in the event of an emergency.

5. Local geographical strata of expansive soils can result in differential volume changes of soil and lead to horizontal and vertical displacement of the slab causing major structural damage.

6. Local geological conditions are characterized by corrosive soils which notably present within and around the city limits. Increased protections are put into place to prevent and slow down the corrosive action which will ensure that electrical and structural components maintain their integrity and minimize or prevent structural damage.

WHEREAS, the adoption of this ordinance qualifies for an exemption pursuant to section 15061 (b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), because it can be foreseen with certainty that the action will have no potential to adversely impact the environment. Further, ministerial building permits are exempt from CEQA under Section 15268

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

SECTION 1: **Incorporation of Recitals/Findings.** The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2: **Building Code**. Tracy Municipal Code Section 9.04.030 is hereby amended as follows:

9.04.030 - Adoption by reference of the California Building Code.
The City hereby adopts by reference the code entitled "~~2022~~2025 California Building Code," Volumes 1 and 2, including appendices C, F, H, I, J, K, ~~and~~ P, and Q, copyrighted by the International Code Council and the California Building Standards Commission (hereinafter "California Building Code"), as amended by this chapter. The California Building Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

SECTION 3: **Fire Code**. Tracy Municipal Code Sections 9.06.010, 9.06.020, 9.06.040, 9.06.050, 9.06.060, and 9.006.080 are readopted in their entirety without change.

Section 9.04.030 is hereby amended as follows:
9.06.030 - Adoption by reference of the California Fire Code.
The City hereby adopts by reference the code entitled "~~2022~~2025 California Fire Code" including appendices B, BB, C, CC, D, F, H, L, N, ~~and~~ O, and P, copyrighted by the International Code Council and the California Building Standards Commission (hereinafter "California Fire Code"), as amended by this chapter. The California Fire Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

Section 9.06.070 is hereby amended as follows:
9.06.070 Amendments to the California Fire Code.
The City of Tracy hereby makes the following local amendments to the California Fire Code:

CHAPTER 1

Section 103.1 is amended to read as follows:

Section 103.1 Creation of agency. The South San Joaquin County Fire Authority is hereby created and the official in charge thereof shall be known as the fire code official. The function of the agency shall be the implementation, administration and enforcement of the provisions of this code.

Section 103.2, Appointment, is hereby repealed in its entirety as it purports to give vested employment rights different than currently exists for the fire code official.

Section 105.2.3 is amended to read as follows:

Section 105.2.3 Time limitation of application. An application for a permit for any proposed work shall be deemed to have been abandoned 180 days after the date of filing, unless such application has been pursued in good faith or a permit has been issued; except that the fire code official is authorized to grant one or more extensions of time for additional periods not exceeding 180 days each. The extension shall be requested in writing

and justifiable cause demonstrated. However, at the discretion of the fire code official, an application shall not be extended more than two times if this code or any other pertinent code, law or ordinance has been adopted subsequent to the date of application.
A new application shall be submitted, and corresponding fees shall be paid when an application for a permit has expired.

Section 105.3.2 is amended to read as follows:

Section 105.3.2 Extensions. Every permit issued shall become invalid unless the work on the site authorized by such permit is commenced within 12 months after its issuance, or if the work authorized on the site by such permit is suspended or abandoned for a period of 180 days after the time the work is commenced. The building official is authorized to grant, in writing, one or more extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause demonstrated. However, at the discretion of the building official, a permit shall not be extended more than two times if this code or any other pertinent code, law or ordinance has been adopted subsequent to the date of application. A new permit shall be obtained, and corresponding fees shall be paid when a permit has expired."

Section 105.5.5 is amended to read as follows:

105.5.5 Carnivals, Fairs, Festivals, and Exhibitions. A permit is required to operate a carnival, fair, festival, or exhibition.

Section 105 is amended by adding subsections ~~105.6.55 through 1056.57~~ 105.5.60 through 105.5.63 to read as follows:

Section ~~105.6.55~~ 105.5.60 Christmas tree lots, haunted house or corn maze. An operational permit is required to operate a temporary or permanent operation.

~~105.5.56~~ 105.5.61 Emergency Responder Radio Coverage. An operational permit is required for facilities with Emergency Responder Radio Coverage Systems.

~~105.5.57~~ 105.5.62 Indoor Growing Operation. An operational permit is required to operate an indoor growing operation.

Exception: Agricultural Greenhouses in an agricultural zone.

~~105.5.58~~ 105.5.63 Retail Cannabis Operation. An operational permit is required to operate a retail cannabis operation.

Section 106 is amended by adding subsection 106.2.1.1 to read as follows:

106.2.1.1 Detail Page. An 8 ½" x 11" document and an electronically submitted "detail" page for emergency responder data files shall be submitted to and approved by the fire authority before final inspection. Detail page shall include a site plan showing:

a. Property, site layout
b. Roads, fire access lanes, and building access points

c. Premises identification (Address, building identification, suites, room numbers, etc.)
d. Fire Hydrant and Fire Department Connection (FDC) locations
e. Knox product locations
f. Fire alarm control locations
g. Fire riser locations
h. Hose valve locations
i. "Main Electrical" and "Main Gas Disconnect" locations
j. Hazardous materials storage

Section ~~107~~ 108 is amended by adding subsection ~~107.7~~ 108.7 to read as follows:

~~107.7~~ 108.7 Reinspection Fee. A reinspection fee may be assessed for each inspection, test, or reinspection when such portion of work for which an inspection is requested is not complete or when corrections requested to be inspected are not made. This section is not to be interpreted as requiring reinspection fees the first time an inspection or test is rejected for failure to comply with the requirements of the code, but as controlling the practice of requesting inspections/tests before the job is ready for such inspection or test. Reinspection fees may be assessed when the approved plans are not readily available to the inspector, for failure to provide access on the date for which the inspection/test is requested, failure for those individuals conducting the test to show up at the scheduled time or deviating from the approved plans. The fee shall be equal to all incurred costs for inspection and administrative staff at the fully burdened rate.

CHAPTER 2

Section 202 subsection FALSE ALARM is amended to read as follows:
FALSE ALARM shall mean the giving, signaling or transmission to any public fire station or company or to any officer or employee thereof, whether by telephone, spoken word or otherwise, information to the effect that there is a fire, medical emergency, rescue request, or other need for emergency service at or near the place indicated by the person giving, signaling, or transmitting such information, and there is found to be no need for emergency services.

CHAPTER 3

Chapter 3 of the 2022 California Fire Code is adopted in its entirety as amended below:

Section 315.7.2 is amended to read as follows:

315.7.2 Distance to lot line. Where pallets, palletized packing boxes, bin boxes or other combustibles are piled or stored adjacent to a property line, the distance from such storage or pile shall not be less than 20 feet to the property line.

Section 315.7.3 is amended to read as follows:

315.7.3 Storage height. Pallets, palletized packing boxes, bin boxes and other combustible materials shall be stored or piled with due regard to stability but in no case greater than ~~15~~ 12 feet in height.
Exception: Bin boxes may be stacked to a maximum height of 20 feet.

Section 315 is amended by adding section 315.7.8 to read as follows:

Section 315.7.8 Outside storage of pallets, palletized packing boxes, bin boxes and other combustibles.
Section 315.7.8.1 Operational permit required. An operational permit shall be obtained to store pallets, palletized packing boxes, bin boxes and other combustible materials more than 2500 cubic feet.
Section 315.7.8.2 Proximity to other combustible yard storage
Pallets, palletized packing boxes and bin boxes shall be stored within the limitations to other combustible yard storage as per Table 315.7.8.3 (a). The distance of stacked pallets, palletized packing boxes or bin boxes adjacent to buildings on the same lot shall comply with Table 315.7.8.3 (b).

Table 315.7.8.3 (a)
Minimum distance of piled storage to other combustible yard storage

# of Pallets Bins or boxes	Min. Ft.
<50	20 Feet
50-200	30 Feet
>200	50 Feet

Table 315.7.8.3 (b)
Minimum distance of piled or combustible storage to buildings

Building Wall Construction	# of Pallets, Bins or Boxes		
	<50	50-200	>200
Masonry without openings	0 ft.	0 ft.	15 ft.
Wood or metal with outside sprinklers	10 ft.	20 ft	30 ft.
Wood, Metal or Masonry W/O outside sprinklers	20 ft.	30 ft.	50 ft.

Section 315.7.8.3 Fire access

Fire access driveways between and around pallets, palletized packing boxes, bin boxes or other combustibles shall be a minimum of 20 feet in width and maintained free from accumulation of rubbish, weeds, machinery, equipment, or other obstructions that may block access or add to the fire hazard. Driveways shall be spaced to establish a maximum grid of storage not to exceed 50 feet by 50 feet and no pile shall exceed 2500 square feet in dimension or more than 50 feet in any one dimension. An approved turning radius around such piles shall be maintained at all times.
Section 315.7.8.4 Fencing

Outside storage of pallets, palletized packing boxes, bin boxes or other combustibles operating under a permit shall be enclosed by a suitable fence not less than 6 feet in height.

Section 315.7.8.5 Water Supply

An approved water supply and hydrants capable of supplying the required fire flow shall be provided within 400 feet or all portions of the storage area in accordance with section 507 of the ~~2019~~ 2025 California Fire Code or NFPA 1142 (where municipal water supplies are not available).

Section 320.1 is amended to read as follows:

320.1 General

The storage of batteries shall comply with Section 320.

~~Exceptions:~~

~~1. New or refurbished batteries installed in the equipment, devices or vehicles they are designed to power.~~
~~2. New or refurbished batteries packed for use with the equipment, devices or vehicles they are designed to power.~~
~~3. Batteries in original retail packaging that are rated at not more than 300 watt-hours for lithium-ion batteries or contain not more than 25 grams of lithium metal for lithium metal batteries.~~
~~4. Temporary storage of batteries or battery components during the battery manufacturing process prior to completion of final quality control checks.~~
~~5. Temporary storage of batteries during the vehicle manufacturing or repair process.~~
~~6. Batteries in use, staged for use after charging, or charging for use with equipment that are rated at 300 watt-hours or less for lithium-ion batteries or contain 25 grams or less of lithium metal for lithium metal batteries.~~

CHAPTER 4

Section 401.5 is amended by adding subsection 401.5.1 Cost to read as follows:

Section 401.5.1 Cost recovery. All costs incurred by the City to any response to a false alarm will be charged to that person, property owner, firm or corporation causing the transmission of the false alarm.

Section 403.10.6 is amended as follows:

403.10.6 Lithium-Ion and Lithium Metal Batteries. An approved fire safety and evacuation plan in accordance with Section 404 shall be prepared and maintained for occupancies that involve activities for the research and development, testing, manufacturing, handling or storage of lithium-ion batteries or lithium metal batteries, or the repair or servicing of vehicles powered by lithium-ion batteries or lithium metal batteries.

~~Exceptions: A fire safety and evacuation plan is not required for the storage or merchandizing of any of the following:~~
~~1.New or refurbished batteries installed for use in the equipment or vehicles they are designed to power.~~
~~2.New or refurbished batteries packed for use with the equipment or vehicles they are designed to power for merchandizing purposes.~~
~~3.New or refurbished lithium-ion batteries rated at not more than 300 watt-hours and lithium metal batteries containing not more than 25 grams of lithium metal in their original retail packaging.~~

CHAPTER 5

Section 503.6 is amended to read as follows:

Section 503.6 Security gates. The installation of security gates across a fire apparatus access road shall require, prior to installation, approval by the fire code official. Where security gates are installed, they shall have an approved means of emergency operation. The security gates and the emergency operation shall be maintained operational at all times. All electrically operated automatic gates across fire apparatus access roads shall be equipped with traffic preempting optical signal receivers compatible with the emitters utilized by the Fire Department, which will activate the gate and override all command functions of the gate controller. Knox Switches shall be provided at automatic gates. The traffic preemptive optical signal receiver and key switch shall be provided on both sides of an automatic access gate where an exit loop is not provided. The automatic gate shall have a battery backup or manual mechanical disconnect readily accessible to emergency personnel in case of power failure. All gates must meet Fire Department standards deemed necessary by the fire code official for rapid, reliable access. Electric gate operators, where provided, shall be listed in accordance with UL 325.
Gates intended for automatic operation shall be designed, constructed, and installed to comply with the requirements of ASTM F 2200. All manual gates shall be equipped with a Knox-Box containing a key to the gate, or an approved Knox-Padlock.

Section 505.1 is amended to read as follows:

Section 505.1 Address Identification. New and existing buildings shall be provided and maintained with approved address identification. The identification shall comply with all of the following:

1. Not less than 4" high with a 1/2" stroke width. For Commercial Buildings, the size shall be a minimum of 24” high with a 6” stroke width.
2. Located minimum of 6' above grade.
3. Illuminated at night. Illumination shall be either internally or externally at an intensity of 5.0 foot-candles.
4. Numbers shall contrast with the background.

5. Numbers shall be placed on a portion of the building that is both legible and visible from the street that fronts the property.
6. Numbers shall not be placed on a moveable door and shall not be obstructed from view from the street.
7. Addresses shall be Arabic numbers or alphabetical letters and conventional in form.

Additionally, where access is by means of a private road and/or the building address cannot be viewed from the public way, a monument, pole, or other approved sign or means shall be used to identify the structure. Where required by the fire code official, address numbers/figures shall be provided in additional approved locations to facilitate emergency response.

Multiple tenant spaces serviced by vehicular access to the rear of the building through any driveway, alleyway, or parking lot shall have numbers or addresses placed prior to occupancy on all new and existing buildings as to be plainly visible and legible from the rear access way.

Multiple tenant spaces serviced by rear access through a corridor, exit court, or exit yard shall have approved numbers or addresses displayed on the rear of the tenant space.

Multiple tenant spaces that front on interior walkways or pedestrian malls shall have approved numbers or addresses placed over the entrance door in all new and existing buildings. An illuminated annunciator or directory board shall be required at every entrance where deemed necessary by the fire code official.

Section 506.1 is amended to read as follows:

Section 506.1 Where required. Where access to or within a structure or an area is restricted because of secured openings or where immediate access is necessary for life safety or firefighting purposes, the fire code official is authorized to require a key box in which all keys necessary for entering any portion of the property, building or area shall be contained. The key box shall be manufactured by Knox (listed in accordance with UL 1037) and as a minimum size, shall be a Knox-Box 3200 series box with exterior dimensions of 5"x4"x3 ¾". Larger boxes will be required dependent upon the number of keys to be set within the box. The Knox-Box shall be installed at a height of 72" above finished grade in an accessible location approved by the fire code official. Keys within the box shall be permanently and readily identified.

Section 506 is amended by adding subsection 506.3 to read as follows:

Section 506.3 Hazardous materials management plan box. When a facility stores or uses hazardous materials, the fire code official may require the installation of a secured box manufactured by KNOX and located at the facilities primary entrance or fire control room. The plan box shall contain up-to-date hazardous materials inventory sheets (HMIS) of all the hazardous materials stored or used within the facility, hazardous materials

management plan (HMMP) and contact information of the company liaison to the fire department. The plan box shall be waterproof and of sufficient size to contain HMMP and HMIS information without the need to fold the documentation.

Section 509 is amended by adding subsection 509.3 to read as follows:

509.3 Fire Control Room. All new buildings protected with an automatic fire extinguishing system shall be provided with a Fire Control Room in which shall contain system control valves and where practical, fire alarm panel, smoke exhaust controls and all other equipment (excluding fire pump) as designated by the fire code official. If the electrical power equipment is not located within the Fire Control Room, then, it shall be in a room immediately adjacent thereto or as approved by the fire code official. The fire control room shall be located to be directly accessible from the exterior of the building and provided with a durable and permanent sign on the exterior of the access door to identify the space as the fire control room.

CHAPTER 6

Section 603 is amended by adding subsection 603.1.3 to read as follows:

603.1.3 Main Disconnects. The main electrical service to any commercial building shall be accessible for emergency shut off from the outside of the building. This may be accomplished by providing one (1) main disconnect, a Knox disconnect or shunt trip device. If, out of necessity, there is more than one main service disconnect, these disconnects shall be in close proximity to each other as approved by the fire code official. If a generator system activates automatically when a shunt trip or main disconnect shuts down, a control to stop the generator must be located with the main disconnect or shunt trip. Shunt trips, main disconnects and generator controls shall be identified by signs approved by the fire code official.

EXCEPTION:

1. Fire Control Room with a marked door that is directly accessible from the outside of the building.

CHAPTER 9

Section 901 is amended by adding subsection 901.6.3.2 to read as follows:

901.6.3.2 Records Reporting. Fire detection, alarm, and extinguishing systems shall be maintained in an operative condition at all times and shall be replaced or repaired when they become defective. Non-required fire protection systems and equipment shall be inspected, tested, and maintained or removed. All inspection, testing and maintenance reports shall be forwarded to the Fire Authority using electronic media to the

designated third party as selected by the Fire Authority. Paper (hard copy) reports are not permitted.

Section 903 is amended by adding subsection 903.2.20 to read as follows:

Section 903.2.22 Automatic fire sprinklers. In addition to the requirements specified in Section 903 of this code, an automatic fire sprinkler system shall be installed throughout and maintained in operable condition in the following buildings:

1. Every building hereafter constructed in which the total area of the building is greater than 6,000 square feet including overhangs.
2. Every building hereafter constructed of three or more stories in height as defined in the building code.
3. Every building hereafter remodeled or improved within a three-year period when the cost of improvements (alterations and/or structural repairs to the building) requiring permits exceeds a valuation threshold as specified below and the total area of the building exceeds 6,000 square feet.

The calculation is determined using a valuation threshold of $100,000 based on the 1985 "ENR US20 Cities" Average Construction Cost Index of 4195 adjusted by area cost factors. The city will annually update the valuation threshold to a current amount based on the increase in the index since the last figure used.

4. Every building hereafter changed in occupancy classification and the total area is greater than 6,000 square feet, and the proposed use is deemed to be more hazardous based on risk analysis by the fire code official.
5. Every building hereafter in which square footage is increased by 50% or more within a three-year period and the total square footage of the building exceeds 6000 square feet. If the additional square footage added to a building creates a total that exceeds the minimum code requirement for sprinklers for that occupancy type, then automatic sprinklers shall be required.
6. (Exception) Minor additions; not greater than 500 square feet in area to existing non-sprinklered buildings and the purpose of the addition is for accessory storage or disabled access upgrades.

Section 903.3.6 is amended to read as follows:

903.3.6 Hose threads. Fire hose threads and fittings used in connection with automatic sprinkler systems shall be “National Hose” (NH).

Section 912.2.1 is amended to read as follows:

912.2.1 Location. With respect to hydrants, driveways, buildings and landscaping, fire department connections shall be so located that fire apparatus and hose connected to supply the system will not obstruct access to the buildings for other fire apparatus. The location of fire department connections shall be approved by the fire code official. Fire

department connections shall be within one hundred (100) feet of a fire hydrant.

Section 912.5 is amended to read as follows:

Section 912.5 Signs. A metal sign with raised letters at least 1 inch (25 mm) in size shall be mounted on all fire department connections serving automatic sprinklers, standpipes, or fire pump connections. Such signs shall read: AUTOMATIC SPRINKLERS or STANDPIPES or TEST CONNECTION or a combination thereof as applicable. Where the fire department connection serves a portion of a building or a specific building among multiple buildings a sign shall be provided to reflect the appropriate building or portion of a building served.

Section 913 is amended by adding the following text to the end of the section:

Section 913.7 Meters and testing devices. Where fire pumps are provided, they shall have a test loop installed in accordance with the applicable portions of NFPA 20 Section 4.21.2.

Section 913.2 is amended to read as follows:

The fire pump, driver and controller shall be protected in accordance with NFPA 20 against possible interruption of service through damage caused by explosion, fire, flood, earthquake, rodents, insects, windstorm, freezing, vandalism and other adverse conditions. The fire pump, driver and controller shall be diesel driven or it shall be electric with a diesel emergency generator backup as a secondary power source.

CHAPTER 11

Chapter 11 of the ~~2022~~ 2025 California Fire Code is partially adopted with adopted sections listed below (sections adopted by the State Fire Marshal remain unchanged unless modified below):

Section 1103.2 amended to read as follows:

Section 1103.2 Emergency responder radio coverage in existing buildings. Existing buildings that do not have approved radio coverage for emergency responders within the building based upon the existing coverage levels of the public safety communication systems of the jurisdiction shall be equipped with such coverage when any of the following conditions apply:

1. Where the use or occupancy group of the building has been changed and the use or occupancy is more hazardous.
2. Where the addition of metal racking systems, equipment, or interior walls utilizing metal, masonry or concrete materials that interfere with emergency responder radio coverage within the building as noted below:

a. Where multiple tenant spaces exist within a single structure, only the tenant space where improvements are made that trigger radio coverage shall have radio coverage. The improvements made to provide adequate radio coverage shall be designed, however, to have the capability to expand indoor radio coverage to all other areas of the building by adding cable and antennas if needed for subsequent improvements in these other areas of the building. Survivability of the cable pathway and "junction" locations between tenant spaces shall be addressed.
b. New metal racks (including required aisle and flue space) or equipment installed that increase existing metal racks (including required aisle and flue space) or equipment by 40% or greater of tenant spaces up to 100,000 square feet, 35% or greater of tenant spaces up to 400,000 square feet and 25% or greater of tenant spaces greater than 400,000 square feet shall require radio coverage.
c. New metal racks (including required aisles and flue spaces) or equipment that cover 30% or greater area of the tenant space where no such improvements previously existed shall require radio coverage in tenant spaces up to 100,000 square feet; 25% or greater of tenant spaces up to 400,000 square feet and 20% or greater of tenant spaces greater than 400,000 square feet.
d. New masonry or concrete walls and elevated floor/ceilings and metal-framed walls or floor/ceilings installed that increase existing masonry or concrete walls and elevated floor/ceilings and metal-framed walls and floor/ceilings (area calculation) by 40% or greater of tenant spaces up to 100,000 square feet, 35% or greater of tenant spaces up to 400,000 square feet and 25% or greater of tenant spaces more than 400,000 square feet shall require radio coverage.
e. New masonry or concrete walls and elevated floor/ceilings and metal-framed walls or floor/ceilings installed that cover 30% or greater area of the tenant space (area calculation) where no such improvements previously existed shall require radio coverage in tenant spaces up to 100,000 square feet, 25% or greater of tenant spaces up to 400,000 square feet and 20% or greater of tenant spaces more than 400,000 square feet.

3. Every building hereafter in which square footage of the building is increased by 50% or more within a three-year period and the total square footage of the building exceeds 10,000 square feet. Exception: 1). Group R Division 3 Occupancies and buildings constructed entirely of structural members made of wood.

CHAPTER 25

Chapter 25 of the ~~2022~~ 2025 California Fire Code is adopted in its entirety without amendment.

CHAPTER 26

Chapter 26 of the ~~2022~~ 2025 California Fire Code is adopted in its entirety without amendment.

CHAPTER 32

Chapter 32 of the 2025 California Fire Code is adopted in its entirety as amended below:

Table 3203.8 – Examples of Commodity Classification, Product Category: Batteries. Product: Lithium-ion ~~(excludes lithium-ion installed in the equipment or appliance it powers)~~ Classification: High-hazard.

CHAPTER 57

Chapter 57 of the ~~2022~~ 2025 California Fire Code is adopted in its entirety as amended below:
That the geographic limits referred to in Chapter 57 of the ~~2022~~ 2025 California Fire Code are hereby established as follows:

Section 5704.2.9.6.1 is amended to include the geographical areas such storage is prohibited:

Section 5704.2.9.6.1 Locations where above-ground tanks are prohibited. Storage of class I and 2 liquids in above-ground tanks is prohibited in all zoning districts except districts zoned for commercial, industrial, or agricultural use.
Exception: Above ground tanks located at public safety facilities.

Section 5706.2.4.4 is amended to include the geographical areas such storage is prohibited:

Section 5706.2.4.4. Locations where above-ground tanks are prohibited. Locations where above-ground tanks are prohibited. Storage of class I and 2 liquids in above-ground tanks is prohibited in all zoning districts except districts zoned for commercial, industrial, or agricultural use.

CHAPTER 58

Chapter 58 of the ~~2022~~ 2025 California Fire Code is adopted in its entirety as amended below:

That the geographic limits referred to in Chapter 58 of the ~~2022~~ 2025 California Fire Code are hereby established as follows:

5806.2 Limitations. The storage of flammable cryogenic fluids in stationary containers outside of buildings is prohibited in any area which is zoned for other than industrial use.

CHAPTER 61

Section 6104.2 of the ~~2022~~ 2025 California Fire Code is amended to include the geographical areas restricting the storage of liquefied petroleum gas:

6104.2 Maximum capacity within established limits. The storage of liquefied petroleum gases prohibited in any central business district and in all zoning districts except districts zoned for commercial, industrial, rural, or agricultural uses.

APPENDIX B

Section B105.2 is amended by adding the following text to the end of the section:
Exception:

5. A maximum reduction in required fire-flow of up to 50 percent, as approved by the fire code official, is allowed when the building is provided with an automatic sprinkler system installed in accordance with Section 903.3.1.1 or 903.3.1.2 as opposed to the 75% reduction values given for minimum fire flows in Table B1105.2. A reduction in required fire-flow of up to 75 percent, as approved by the fire code official, is allowed for warehouse buildings of Type I, Type II, and Type III construction provided with ESFR automatic fire sprinkler systems. The resulting fire-flow for any of these reductions shall not be less than 1500 gallons per minute for the prescribed duration according to Table B105.1(2). Reduction of fire-flow applies to the fire hydrants requirements as specified in Appendix C.

APPENDIX BB

Section BB105.1 and Exception is amended to read as follows:

Section BB105.1 The minimum fire-flow and flow duration for school buildings shall be as specified in Table B8105.1.
Exception: A reduction in required fire flow of up to 50 percent is allowed when the building is provided with an approved automatic sprinkler system. When a reduction in fire flow is used, fire flow shall not be less than 1500 gallons per minute for the prescribed duration as specified in Table B8105.1. Reduction of fire-flow applies to the fire hydrants requirements as specified in Appendix CC.

APPENDIX C

Appendix C is amended by adding section C106 to read as follows:

Section C106 Hydrant type. The fire code official shall approve the type of fire hydrants to be installed in the public right of way or on private property prior to any such installation.

Table C102.1 Number and Distribution of Fire Hydrants, footnote "b" is repealed and amended to read as follows:

Table C102.1 footnote "b"

b. Where streets are provided with median dividers that make access to hydrants difficult, cause time delay, or create undue hazard or both, or where arterial streets are provided with four or more traffic lanes, hydrant spacing shall average 500 feet on each side of the street and be arranged on an alternating basis.

APPENDIX CC

Appendix CC is amended by adding section CC106 to read as follows:

Section CC106 Hydrant type. The fire code official shall approve the type of fire hydrants to be installed in the public right of way or on private property prior to any such installation.

Table CC105.1 Number and Distribution of Fire Hydrants, footnote "b" is repealed and amended to read as follows:

Table CC105.1 footnote "b"

b. Where streets are provided with median dividers that make access to hydrants difficult, cause time delay, or create undue hazard or both, or where arterial streets are provided with four or more traffic lanes, hydrant spacing shall average 500 feet on each side of the street and be arranged on an alternating basis.

SECTION 4: Electrical Code. Tracy Municipal Code Section 9.08.030 is hereby amended to read as follows:

9.08.030 Adoption by reference of the California Electrical Code.

The City hereby adopts by reference the code entitled 2025 California Electrical Code," copyrighted by the National Fire Protection Association and approved by the California Building Standards Commission (hereinafter "California Electrical Code"), as amended by this chapter. The California Electrical Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

SECTION 5: **Residential Code**. Tracy Municipal Code Section 9.10.030 is hereby amended to read as follows:

9.10.030 Adoption by reference of the California Residential Code. The City hereby adopts by reference the code entitled "2025 California Residential Code" and appendices BF, CH, BH, BI BJ, BM, CI, CK and CJ copyrighted by the International Code Council and the California Building Standards Commission (hereinafter "California Residential Code"), as amended by this chapter. The California Residential Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

SECTION 6: **Plumbing Code**. Tracy Municipal Code Section 9.12.030 is amended to read as follows:

9.12.030 Adoption by reference of the California Plumbing Code.
The City hereby adopts by reference the code entitled "~~2022~~2025 California Plumbing Code," including appendices A, B, C, D, E, G, H, I, J and K, copyrighted by the International Association of Plumbing and Mechanical Officials and the California Building Standards Commission (hereinafter "California Plumbing Code"), as amended by this chapter. The California Plumbing Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

SECTION 7: **Green Building Code**. Tracy Municipal Code Section 9.14.030 is hereby amended to read as follows:

9.14.030 Adoption by reference of the California Green Building Standards Code. The City hereby adopts by reference the code entitled ~~2022~~2025 California Green Building Standards Code" without appendices and copyrighted by the California Building Standards Commission (hereinafter "California Green Building Standards Code"), as amended by this chapter. The California Green Building Standards Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

SECTION 8: **Mechanical Code**. Tracy Municipal Code Section 9.16.030 is hereby amended to read as follows:

9.16.030 Adoption by reference of the California Mechanical Code.
The City hereby adopts by reference the code entitled ~~2022~~2025California Mechanical Code," and appendices D and F attached thereto, copyrighted by the International Association of Plumbing and Mechanical Officials and the California Building Standards Commission (hereinafter "California Mechanical Code"), as amended by this chapter. The California Mechanical Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

SECTION 9: **Historical Building Code**. Tracy Municipal Code Section

9.48.030 is hereby amended to read as follows:

9.48.030 Adoption by reference of the California Historical Building Code.
The City hereby adopts by reference the code entitled "~~2022~~2025 California Historical Building Code" including all appendices attached thereto and copyrighted by the California Building Standards Commission (hereinafter "California Historical Building Code"), as amended by this chapter. The California Historical Building Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

SECTION 10: **Existing Building Code**. Tracy Municipal Code Section 9.50.030 is amended to read as follows:

9.50.030 Adoption by reference of the California Existing Building Code.
The City hereby adopts by reference the code entitled "~~2022~~2025 California Existing Building Code", without appendices, copyrighted by the International Code Council and the California Building Standards Commission (hereinafter "California Existing Building Code"), as amended by this chapter. The California Existing Building Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.

SECTION 11: **Energy Code**. Tracy Municipal Code Section 9.64.030 is hereby amended to read as follows:

9.64.030 Adoption by reference of the California Energy Code.
The City hereby adopts by reference the code entitled "~~2022~~2025 California Energy Code," without appendices, published by the International Code Council and copyrighted by the California Building Standards Commission (hereinafter "California Energy Code"), as amended by this chapter. The California Energy Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

SECTION 12: **Wildland-Urban Interface Code**. Tracy Municipal Code Chapter 9.18 – WILDAND-URBAN INTERFACE CODE is hereby adopted as follows:

9.18.030 Adoption by reference of the California Wildland-Urban Interface Code.
The City hereby adopts by reference the code entitled "2025 California Wildland-Urban Interface Code", without appendices, copyrighted by the International Code Council and the California Building Standards Commission (hereinafter "California Wildland-Urban Interface Code"), as amended by this chapter. The California Wildland-Urban Interface Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022."

Chapter 9.18 – WILDLAND-URBAN INTERFACE CODE

9.18.010 - Reference to chapter.
This chapter 9.18 of the Tracy Municipal Code may be referred to as the "City Wildland-Urban Interface Code," and is adopted pursuant to Government Code Section 50022.2. For purpose of clarity, the term "Code," when used alone, shall refer to the Tracy Municipal Code.

9.18.020 - Purpose of chapter.
The purpose of this code is to establish minimum regulations for the safeguarding of life and for property protection. Regulations in this code are intended to mitigate the risk to life and structures from intrusion of fire from wildland fire exposures and fire exposures from adjacent structures and to mitigate structure fires from spreading to wildland fuels. The extent of this regulation is intended to be tiered commensurate with the relative level of hazard present.

The unrestricted use of property in wildland-urban interface areas is a potential threat to life and property from fire and resulting erosion. Safeguards to prevent the occurrence of fires and to provide adequate fire protection facilities to control the spread of fire in wildland-urban interface areas shall be in accordance with this code.

This code shall supplement the jurisdiction’s building and fire codes, to provide for special regulations to mitigate the fire- and life-safety hazards of the wildland-urban interface areas.

9.18.030 - Adoption by reference of the Wildland-Urban Interface Code.
The City hereby adopts by reference the code entitled "2025 California Wildland-Urban Interface Code, copyrighted by the International Code Council and the California Building Standards Commission (hereinafter "California Wildland-Urban Interface Code"), as amended by this chapter. The California Wildland-Urban Interface Code is on file with the City Clerk and is available for inspection and copying in accordance with Government Code Section 50022.6.

9.18.040 - Penalty provisions.
California Wildland-Urban Interface Code Subsection 109.3.7, Violation penalties, is amended by deleting the existing text and replacing it to read as follows:
Violations of this chapter shall be enforced by the City in accordance with Tracy Municipal Code Section 9.02.040.

9.18.050 - Amendments to the California Wildland-Urban Interface Code.
The City of Tracy hereby makes the following local amendments to the California Wildland-Urban Interface Code:

CHAPTER 1

Section 105.4.2 is amended to read as follows:

105.4.2 Time limitation of application. An application for a permit for any proposed work shall be deemed to have been abandoned 180 days after the date of filing, unless such application has been pursued in good faith or a permit has been issued; except that the ~~code~~building official is authorized to grant one or more extensions of time for additional periods not exceeding 180 days each. The extension shall be requested in writing and justifiable cause demonstrated. However, at the discretion of the building official, an application shall not be extended more than two times if this code or any other pertinent code, law or ordinance has been adopted subsequent to the date of application. A new application shall be submitted and corresponding fees shall be paid when an application has expired.

Section 105.8 is amended to read as follows:

Section 105.8 Expiration. Every permit issued shall become invalid unless the work on the site authorized by such permit is commenced within 12 months after its issuance, or if the work authorized on the site by such permit is suspended or abandoned for a period of 180 days after the time the work is commenced. The building official is authorized to grant, in writing, one or more extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause demonstrated. However, at the discretion of the building official, a permit shall not be extended more than two times if this code or any other pertinent code, law or ordinance has been adopted subsequent to the date of application. A new permit shall be obtained and corresponding fees shall be paid when a permit has expired.

SECTION 13: Board of Appeals. Tracy Municipal Code Section 9.44.010 is hereby amended to read as follows:

9.44.010 – Name and Purpose
The Board of Appeals is created in order to hear appeals by persons aggrieved by any administrative decisions in the City's application of the Uniform Housing, Building, Mechanical, Electrical, Plumbing, Abatement of Dangerous Buildings, Residential, Green Building Standards, Historical Building Code, Energy Code, Existing Building Code, ~~and~~ Fire Codes, and California Wildland-Urban Interface Code, or regulations adopted under them. (See TMC Chapter 9; and TMC sections 9.02.050 and 9.06.050.) It will also serve as the appeal board when determinations are made regarding special conditions for persons with disabilities, under California Building Code section 1.9.1.5 or California Health and Safety Code section 19957.5.

SECTION 14: **Title, chapter, and section headings**. Title, chapter, and section headings contained herein shall not be deemed to govern, limit, modify, or in any

manner affect the scope, meaning or intent of the provisions of any title, chapter, or section hereof.

SECTION 15: CEQA Determination: The adoption of this ordinance qualifies for an exemption pursuant to section 15061 (b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), because it can be foreseen with certainty that the action will have no potential to adversely impact the environment. Further, ministerial building permits are exempt from CEQA under Section 15268.

SECTION 16: Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause, or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional

SECTION 17: Effective Date. This ordinance shall become effective upon the thirtieth (30^{th}) day after final adoption.

SECTION 18: Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 19: Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the 18th day of November 2025, and finally adopted on the _____ day of _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

December 2, 2025

Agenda Item 3.A

RECOMMENDATION

Staff recommends that the City Council conduct a public hearing to receive public comment and accept the petition from the Redbridge Owners' Association requesting Vehicle Code enforcement within its private roadways. Following the hearing, adopt a resolution authorizing the Tracy Police Department to enforce traffic violations in the subdivision under California Vehicle Code Section 21107.7.

EXECUTIVE SUMMARY

The Redbridge Owners' Association (ROA) has formally requested enforcement authority under California Vehicle Code Section 21107.7 for traffic violations within its private roadways. This item is being presented for a public hearing, after which adoption of a resolution would authorize the Tracy Police Department to address traffic-related concerns more effectively, including those reported by residents or observed by officers, without requiring additional staffing or resources.

BACKGROUND AND LEGISLATIVE HISTORY

Redbridge is a private, gated community located within the City of Tracy. Because the roadways are privately owned and not generally open to the public, most provisions of the California Vehicle Code do not apply unless the City Council authorizes enforcement under Section 21107.7. In response to ongoing concerns, the Redbridge Owners' Association formally adopted a resolution requesting traffic enforcement and submitted it to the city. Over the past several years, the Tracy Police Department has received numerous complaints from residents about speeding, failure to stop at posted signs, and other traffic issues. Since March 2021, officers have responded to 161 calls for service within the community, many of which were traffic-related.

ANALYSIS

The Public Hearing has been duly noticed for December 2, 2025, at 7:00 p.m., or as soon thereafter as the matter may be heard, in the Council Chambers of City Hall located at 333 Civic Center Plaza, Tracy, California.

At present, Tracy Police Department officers may only enforce misdemeanor Vehicle Code violations within the Redbridge subdivision, such as reckless driving or driving under the influence. Officers are not authorized to issue citations for traffic infractions—such as speeding or failing to stop at posted stop signs—without City Council approval.

Authorization under California Vehicle Code Section 21107.7 would grant officers the ability to enforce these infractions, addressing common resident concerns and improving overall traffic safety in the neighborhood. This expanded authority would not require adjustments to current patrol deployment, as officers already operate in the area and would continue to exercise discretion in issuing warnings or citations as appropriate.

The Redbridge Owners' Association will remain responsible for the management of its private roadways, including the posting and maintenance of all required traffic control signage.

FISCAL IMPACT

The fiscal impact to the Police Department is minimal. No new funding or additional staffing is being requested, as officers already patrol the area of Redbridge subdivision, and any enforcement would occur as part of normal operations. There may be occasional court-related overtime if officers are required to testify. No new taxes or fees are required, and the Redbridge Owners' Association will be responsible for the cost of any additional required traffic signage.

PUBLIC OUTREACH/ INTEREST

The Tracy Police Department has met with representatives from the Redbridge Owners' Association to discuss enforcement options and the requirements of CVC Section 21107.7. In accordance with California Vehicle Code Section 21107.7(b), a 10-day public notice of the hearing was published in the Tracy Press on November 21, 2025, as required. In addition, mailers were sent to the Redbridge Community.

COORDINATION

This item was coordinated with the Tracy Police Department and the City Attorney's Office. The DES Engineering Division was also consulted and had no additional input.

STRATEGIC PLAN

This item supports the City Council's Strategic Plan Goal #2: Strengthen community safety through crime prevention and reduction activities.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council conduct a public hearing to receive public comment and accept the petition from the Redbridge Owners' Association requesting Vehicle Code enforcement within its private roadways. Following the hearing, adopt a resolution authorizing the Tracy Police Department to enforce traffic violations in the subdivision under California Vehicle Code Section 21107.7.

Prepared by: Mike Roehlk, Police Lieutenant

Reviewed by: Miguel Contreras, Police Captain
Sekou Millington, Chief of Police
Sara Castro, Director of Finance
Arturo M. Sanchez, Assistant City
Manager David Nefouse, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments:

Redbridge Owners' Association Petition pursuit to California Vehicle Code 21107.7

ADAMS | STIRLING
COMMUNITY ASSOCIATION LAW

Los Angeles | Orange County | Palm Desert
Sacramento | San Diego | San Francisco
San Jose | San Luis Obispo | Stockton | Temecula

Reply to: 3415 Brookside Road, Suite 200
Stockton, CA 95219
(800) 464-2817

March 27, 2025

VIA EMAIL & U.S. MAIL
City Attorney for the City of Tracy
333 Civic Center Plaza,
Tracy, CA 95376
kamalpreet.gill@cityoftracy.org
Attn: Kamal Gill, Deputy City Attorney

Re: REDBRIDGE OWNERS' ASSOCIATION
Petition pursuant to California Vehicle Code 21107.7

Dear Deputy City Attorney Gill:

Our firm is general counsel to Redbridge Owners' Association ("Association"), a common interest development ("CID") located in Tracy, California. This development ("Development") is a gated community with 428 residential lots and common areas, including parks and the private road system throughout. As you may be aware, we were asked by the Association's Board of Directors ("Board") to prepare a petition ("Petition") requesting that the City of Tracy ("City") adopt an ordinance or resolution, which would subject the Association's private roads to the California Vehicle Code, pursuant to Section 21107.7.

Section 21107.7(a) of the Vehicle Code permits a city or county, by ordinance or resolution, to find and declare that privately owned and maintained roads be subject to the application and governance of the California Vehicle Code, where the interests of any residents residing along such roads and the motoring public will best be served by such decision.

As indicated above, the Association's roads are private and are maintained by the Association. There are signs limiting speed, stop signs, and other signage regulating traffic posted throughout the Development. There are also crosswalks and appropriate street markings/signage posted throughout. In recent years, as the defiance of posted signage has become increasingly problematic, the Association has increased efforts to mitigate speeding and dangerous driving, including issuing violations when observed, and having private security patrol and document any observed issues. In spite of these efforts, there continues to be a disregard for safety on the private roads in the community, creating a hazardous situation. Recently, a vehicle struck a pedestrian while in a crosswalk.

As a result of these difficulties, the Association's Board has been in communication with Lieutenant Mike Roehlk of the Tracy Police Department. Lt. Roehlk has indicated Tracy Police Department's willingness to enter into an agreement with the Association to patrol its private roads, but the first step is the approval of this Petition.

It is clear by the continued disregard of traffic signage in the Development, particularly considering the pedestrian struck while in the crosswalk, that the interests of the Association's residents, as well as the motoring "public" operating their vehicles within the community, including guests, vendors and invitees of residents of the community, would be best served by an approval of this Petition and by a finding and declaration by the City that the Association's roads will be subject to the provisions the California Vehicle Code.

This letter shall serve as the Petition and is signed by the Board, as required by Section 21107.7(a), below. Accordingly, the Board formally requests that the City of Tracy grant this Petition pursuant to California Vehicle Code 21107.7.

Very truly yours,

Allyson Calvird, Esq.
ADAMS | STIRLING
Professional Law Corporation

Directors of Redbridge Owners' Association

Dave Lieberman
Signature: _____ Title: President Date: 3/27/2025

Jay Kang
Signature: _____ Title: Vice President Date: 3/27/25

Michael Coleman
Signature: _____ Title: Treasurer Date: 3/27/2025

Bryan Del Rizzo
Signature: _____ Title: Secretary Date: 03/27/25

Lisa Tarabini
Signature: _____ Title: Director Date: 03/27/2025

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2025-_____

RESOLUTION PURSUANT TO CALIFORNIA VEHICLE CODE SECTION 21107.7 DECLARING THAT THE PRIVATELY OWNED AND MAINTAINED ROADS WITHIN THE REDBRIDGE SUBDIVISION SHALL BE SUBJECT TO FURTHER TRAFFIC ENFORCEMENT BY THE CITY OF TRACY POLICE DEPARTMENT, INCLUDING TRAFFIC INFRACTIONS

WHEREAS, the Redbridge Owners' Association ("ROA"), the homeowners' association for the Redbridge Subdivision (a subdivision within the city limits of the City of Tracy), has requested that the City of Tracy, by and through the Tracy Police Department, apply additional provisions of the California Vehicle Code to the subdivision; and

WHEREAS, consistent with California Vehicle Code Section 21107.7, the ROA has submitted a petition (attached as an exhibit to this item), representing that they are responsible for maintaining the roads within the subdivision and requesting (by a majority of the ROA board of directors) that the application of additional sections of the California Vehicle Code to the roads within the subdivision be enforced by the Tracy Police Department; and

WHEREAS, this request under California Vehicle Code Section 21107.7 would enable officers to address these common concerns more effectively and support residents' ongoing requests for improved traffic safety (but would not require any changes to patrol deployment); and

WHEREAS, the Tracy Police Department shall not be required to provide patrol or enforce any provisions of this code on any privately owned and maintained road subjected to the provisions of this code under this section, except those provisions applicable to private property other than by action under this section; and

WHEREAS, consistent with California Vehicle Code Section 21107.7 and state and local law, the ROA (with notice to the Tracy Police Department) shall be responsible for installing, maintaining, updating, and replacing all appropriate signs within the subdivision; and

RESOLVED: The City Council of the City of Tracy hereby finds and determines that the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City; and be it further

FURTHER RESOLVED: Pursuant to California Vehicle Code Section 21107.7, the City Council finds and declares that there are privately owned and maintained roads as described in the resolution within the City of Tracy that are not generally held open for use of the public for purposes of vehicular travel but, by reason of their proximity to or connection within the City, the interests of any residents residing along the roads and the motoring public will best be served by application of the provisions of this code to those roads.

FURTHER RESOLVED: The Chief of Police and the City Attorney (or their designees) shall ensure that all applicable provisions of State and local law are complied with vis-à-vis this resolution.

* * * * * * * * * * * *

The foregoing Resolution was passed and adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

December 2, 2025

Agenda Item 3.B

RECOMMENDATION

The City of Tracy Planning Commission recommends the City Council hold a public hearing, and upon its conclusion, take the following actions:

1. **Determine that this project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378 (not a "project" within the meaning of CEQA) and 15061(b)(3) ("common sense" exemption); and**
2. **Waive the first reading by substitution of title and introduce an ordinance amending Article 2, Definitions, and Article 30, Development Review, of Chapter 10.08, Zoning Regulations, adopt a new Chapter, Chapter 10.10, Housing Regulations, consisting of new articles, Article 1, Qualifying Housing Streamlined Review, Article 2, Multiple-Unit and Mixed-Use Objective Design Standards, Article 3, Community Care Facilities, Article 4, Transitional and Supportive Housing, and Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, and repeal and relocate Section 10.08.3195, Day care home, and Section 10.08.3197, Standards for emergency homeless shelters, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code.**

EXECUTIVE SUMMARY

The proposed zoning code amendments revise existing standards and propose new standards to achieve compliance with State housing laws. The amendments include: updating several definitions and updating the findings required for the streamlined approval process for new housing projects. The proposed amendments also establish a new chapter, Chapter 10.10, Housing Regulations, to contain the new housing standards.

BACKGROUND AND LEGISLATIVE HISTORY

Throughout the last several years, the California State Legislature has adopted legislation to increase and expedite the production of housing statewide, particularly focusing on methods to increase affordable housing development. The City of Tracy's adopted 2023-2031 Housing Element contains a Housing Plan with established policies and programs intended to fulfill the community's housing needs and comply with state housing laws.

To become consistent with State law and implement the Housing Element, specifically Program 14, Zoning Ordinance, and Program 15, Objective Design/Development Standards, the City is proposing ordinance amendments to establish a streamlined review for qualifying housing projects, establish objective design standards for multiple-unit and mixed-use housing, and establish a streamlined review process specific to residential care facilities, transitional and supportive housing, and low barrier navigation centers.

Each of the proposed ordinances are provided in their entirety in Attachments A-E. The following information provides key points regarding each ordinance.

Qualifying Housing Streamlined Review

This proposed article establishes a streamlined application review process for qualifying multiple-unit and mixed-use housing projects with affordable units. Qualifying projects:

- Meet a list of criteria to qualify
- Are exempt from CEQA
- Are subject to only Director review
- Follow objective standards

Multiple-Unit and Mixed-Use Housing Objective Design Standards

This proposed article establishes objective design standards applicable to qualifying affordable housing projects where State law has restricted the City's discretionary review. The objective standards apply to qualifying projects in all zone districts, which may include:

- Multifamily housing
- Mixed-use projects
- Transitional or supportive housing
- Farmworker housing

Community Care Facilities

This proposed article allows residential care facilities serving six or fewer persons to be permitted by right as a single-family residential use in all residential zones.

Transitional and Supportive Housing

This proposed article allows supportive housing that meets specific criteria to be permitted by right in zones where multifamily and mixed-use developments are permitted. This housing is aimed at assisting those with low incomes and one or more disabilities find stable housing, improve their health, and find work in the community as feasible. Qualifying supportive housing projects:

- Meet a list of criteria
- Are subject to only Director review
- Follow objective standards
- Have decision deadlines

Low Barrier Navigation Center

This proposed article establishes qualifying Low Barrier Navigation Centers (LBNCs) as a use by right in areas zoned for mixed use and in non-residential zones that permit multifamily uses. LBNC developments help reduce barriers for the City's homeless

population by providing residents with shelter and access to services to assist them in obtaining permanent housing.

PUBLIC OUTREACH / INTEREST

Public Hearing notices were provided to the local paper and posted on the City website. These noticing requirements were completed for both the Planning Commission and City Council.

PLANNING COMMISSION ACTION

The Planning Commission held a duly noticed public hearing on November 5, 2025. The Commission considered and reviewed the staff report, exhibits, and recommended resolutions and ordinances. Based upon the information presented at the hearing, the Planning Commission voted 3-0, with two commissioners absent, to recommend that City Council approve the Housing Policy Implementation Part I.

The agenda and minutes from the November 5, 2025 Planning Commission meeting are available at: https://www.cityoftracy.org/government/boards-and-commissions/planning-commission.

FISCAL IMPACT

The proposed ordinance is a part of the 2023 – 2031 Housing Element implementation and compliance effort, which is being funded by the City's General Fund.

CEQA DETERMINATION

The proposed ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is exempt from CEQA pursuant to. CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

STRATEGIC PLAN

While required by State law, the Housing Policy Implementation Part I supports the City's Quality of Life Strategy, Goal Number 4: Increase local affordable housing supply.

ACTION REQUESTED OF THE CITY COUNCIL

The City of Tracy Planning Commission recommends that the City Council:

1. Determine that this project is exempt from the California Environmental Quality

Act (CEQA) pursuant to CEQA Guidelines Sections 15378 (not a "project" within the meaning of CEQA) and 15061(b)(3) ("common sense" exemption); and

2. Waive the initial reading and introduce an ordinance amending Article 2, Definitions, and Article 30, Development Review, of Chapter 10.08, Zoning Regulations, adopt a new Chapter, Chapter 10.10, Housing Regulations, consisting of new articles, Article 1, Qualifying Housing Streamlined Review, Article 2, Multiple-Unit and Mixed-Use Objective Design Standards, Article 3, Community Care Facilities, Article 4, Transitional and Supportive Housing, and Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, and repeal and relocate Section 10.08.3195, Day care home, and Section 10.08.3197, Standards for emergency homeless shelters, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code.

Prepared by: Breanna Alamilla, Associate Planner

Reviewed by: Scott Claar, Planning Manager
Forrest Ebbs, Director of Community and Economic Development
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A – Proposed City Council Ordinance for Chapter 10.10, Article 1, Qualifying Housing Streamlined Review; and Amendments to Section 10.08.3950, Approval Authority and Section 10.08.3960, Decision and Findings, of Chapter 10.08, Zoning Regulations
Attachment B – Proposed City Council Ordinance for Chapter 10.10, Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards
Attachment C – Proposed City Council Ordinance for Chapter 10.10, Article 3, Community Care Facilities; and the Repeal and Relocation of Section 10.08.3195, Day care home
Attachment D – Proposed City Council Ordinance for Chapter 10.10, Article 4, Transitional and Supportive Housing
Attachment E – Proposed City Council Ordinance for Chapter 10.10, Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers
Attachment F – Planning Commission Resolution No. 2025-023

Attachment A

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS EXEMPT FROM CEQA PURSUANT TO CEQA GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENTAND 2) APPROVING AN AMENDMENT TO SECTION 10.08.3950 AND SECTION 10.08.3960, AND ADDING A NEW ARTICLE, ARTICLE 1, QUALIFYING HOUSING STREAMLINED REVIEW, TO A NEW CHAPTER, CHAPTER 10.10, HOUSING REGULATIONS TO THE TRACY MUNICIPAL CODE.

WHEREAS, on September 29, 2017, the State Legislature adopted Senate Bill (SB) 35, codified as Government Code (Gov't. Code) Sections 65582.1 and 65913.4, requiring a streamlined application review process for qualifying multiple-unit and mixed-use housing projects; and

WHEREAS, on October 11, 2023, the State Legislature adopted SB 423, codified as Gov't. Code Section 65913.4, to, among other updates, establish requirements for a public meeting in the review process for qualifying streamlined housing projects, and extend the provisions of SB 35 to expire on January 1, 2036, in place of the original expiration date of January 1, 2026; and

WHEREAS, on September 27, 2024, the State Legislature adopted AB 3122, codified as Gov't. Code Section 65913.4, to, among other updates, establish new qualifications to process a subdivision map ministerially with an SB 35 application, further clarify modification processing, and establish timelines for a response to a resubmittal for qualifying housing projects subject to streamlined review; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would bring the City of Tracy into compliance with the state laws mentioned above and implement Program 14, Zoning Ordinance, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the California Environmental Quality Act (CEQA) Guidelines (14 Cal. Code Regs. § 15378) because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendments to Section 10.08.3950 and Section 10.08.3960 and the proposed Article 1, Qualifying Housing Streamlined Review, of proposed Chapter 10.10, Housing Regulations, of the Tracy Municipal Code; and

WHEREAS, the proposed revisions to Tracy Municipal Code Sections 10.08.3950 and 10.08.3960, and the proposed Chapter 10.10 are <u>underlined</u> below.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to Section 10.08.3950. The City Council hereby amends Tracy Municipal Code Section 10.08.3950, Approval Authority, to read as follows:

10.08.3950 – Approval Authority.

Each development review application will be considered in one of three tiers, depending on the nature of the application, as follows:

…

(c) Tier 3. A Tier 3 application is reviewed by the Director and occurs when not covered by Tier 1 or Tier 2, above. The Director may refer review and approval of

an application to the Planning Commission, unless the application qualifies for a streamlined ministerial approval without discretionary review, as permitted in Chapter 10.10, Housing Regulations.

The Director will consider a development review permit application after notice and a public hearing, unless the application qualifies for a streamlined ministerial approval without discretionary review, as permitted in Chapter 10.10, Housing Regulations.

SECTION 3. Amendment to Section 10.08.3960. The City Council hereby amends Tracy Municipal Code Section 10.08.3960, Decision and findings, to read as follows:

10.08.3960 – Decision and findings.

The reviewing body will consider the following factors: general site considerations including height, bulk, and size of buildings; physical and architectural relationship with the existing and proposed structures; site layout, orientation, and location of the buildings and relationships with open areas and topography; location and type of landscaping; off-street parking areas; height, materials, colors and variations in boundary walls, fences, and screen plantings; appropriateness of the sign design and exterior lighting; and appropriate City utilities, public infrastructure, circulation, and roadway access.

Before approving a development review permit, the reviewing body (under section 10.08.3950) must make written findings that:

(1) the proposal increases the quality of the project site, and enhances the property in a manner that therefore improves the property in relation to the surrounding area and the citizens of Tracy.
(2) the proposal conforms to this chapter, the general plan, any applicable specific plan, the Design Goals and Standards, any applicable Infrastructure Master Plans, and other City regulations.

Qualifying projects subject to streamlined review shall only be subject to objective design standards, in which case the proposal shall conform to applicable objective standards and policies per Tracy's Title 10 Planning and Zoning Code and the City's General Plan, any applicable Infrastructure Master Plans, and other City regulations.

SECTION 4. Amendment to add Chapter 10.10, Housing Regulations. The City Council hereby amends Tracy Municipal Code to add Chapter 10.10, Housing Regulations, to Title 10, Planning and Zoning, of the Tracy Municipal Code.

SECTION 5. Amendment to add Article 1, Qualifying Housing Streamlined Review. The City Council hereby amends Tracy Municipal Code to add Article 1, Qualifying Housing Streamlined Review, to Chapter 10.10, Housing Regulations, to read as follows:

Article 1- Qualifying Housing Streamlined Review

Sections:

10.10.010 – Purpose and Intent

10.10.020 – Objective Zoning and Design Standards

10.10.030 – Exceptions Prohibited

10.10.040 – Review Process

10.10.010 – Purpose and Intent

(a) *Purpose and Intent.* The purpose of this Article is to implement a streamlined application review process for "qualifying streamlined housing projects", consistent with the requirements of state law. It is intended that the provisions of this Article be interpreted, as needed, to comply with the requirements of Government Code Section 65913.4.

(b) *Applicability.* The provisions of this Article apply to applications deemed complete before January 1, 2036, that meet the criteria for "qualifying streamlined housing projects". The City will not accept any application under this Article after January 1, 2036, unless the State extends Government Code Section 65913.4. This Article shall not apply if the state has determined that the City is not subject to the streamlined ministerial approval process based on its housing element annual progress report or shall apply only to projects with specific affordability restrictions under specific circumstances as described in Government Code Section 65913.4(a)(4). The provisions of this Article 1 will become null and void, and are repealed, once the last application deemed completed before January 1, 2036 is fully processed.

(c) *Qualifying Streamlined Housing Projects.* For purposes of this Chapter, "qualifying streamlined housing projects" means housing development projects that satisfy all of the standards set forth in Government Code Section 65913.4(a).

10.10.020 – Objective Zoning and Design Standards

Qualifying streamlined housing projects must comply with all objective land use regulations, development standards, and design review standards including but not

limited to objective design standards provided in Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards, of Chapter 10.10, Housing Regulations. The objective standards applied to the project shall be those in effect at the time a notice of intent in the form of a complete preliminary application is submitted pursuant to Subsection 10.10.040(a). Qualifying streamlined housing projects are eligible for parking exemptions under certain circumstances as described in Government Code Section 65913.4(e)(1). Qualifying streamlined housing projects do not require a conditional use permit or other discretionary review or approval.

10.10.030 – Exceptions Prohibited

Qualifying streamlined housing projects may not include a request for an exception to objective standards by applying for a variance, modification, exception, waiver, or other discretionary approval for height, density, setbacks, open yard, land use, development plan approval, or similar development standard, other than modifications granted as part of a density bonus concession or incentive pursuant to Article 36.5 – Density Bonus or State Density Bonus Law.

10.10.040 – Review Process

(a) *Preliminary Application/Notice of Intent.* Before submitting an application for a development subject to this Section, the applicant must submit a notice of intent in the form of a preliminary application that includes all of the information described in Government Code Section 65941.1.

(b) *Public Meeting.* Public meetings are required following submittal of a notice of intent for certain projects. See Government Code Section 65913.4(q) for definitions and implementation requirements.

(c) *Scoping Consultation.* Upon receipt of a notice of intent, the City will engage in a scoping consultation with any California Native American tribe that is traditionally and culturally affiliated with the geographic area, as described in Public Resources Code Section 21080.3.1, according to the timelines and procedures established by state law and described in Government Code Section 65913.4(b). After concluding the scoping consultation as described in Government Code Section 65913.4(b)(2)(D), the applicant and any California Native American tribe that is a party to that scoping consultation will be notified as follows:

(1) The applicant may submit an application for review if it is either determined that no potential tribal cultural resource could be affected by the proposed development, or if all parties enter into an enforceable agreement establishing the methods, measures, and conditions for treatment of the tribal cultural resource. The agreement shall be included in the requirements and conditions for the proposed development.

(2) The development is not eligible for approval under this Section if it is determined that a potential tribal cultural resource could be affected by the proposed development, and all parties do not reach an enforceable agreement on methods, measures, and conditions to avoid or address impacts to tribal cultural resources. Additionally, the development is not eligible if any of the reasons included in Government Code Section 65913.4(b)(5)(A) apply.

If the development or environmental setting substantially changes after the completion of the scoping consultation, the Department shall notify the California Native American tribes that were party to the original scoping consultation of the changes and engage in a subsequent scoping consultation if requested by the California Native American tribes.

(d) *Consistency Determination.* After receiving notification pursuant to Subsection (c)(1) above, the applicant may submit a complete application. After an application is determined to be complete, the Director will review the application for consistency with the applicable criteria required for streamlined housing projects and for compliance with applicable objective zoning, subdivision, and design review standards. If it is determined that the project is in conflict with any of the applicable objective standards, the applicant will be provided with written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards. This notification will be issued within 60 days of a complete application submittal if the development contains 150 or fewer housing units or within 90 days of a complete application submittal if the development contains more than 150 housing units. Notification will be issued within 30 days of a submittal that was resubmitted to address written feedback provided by the Director.

(e) *Design Review.* Design review will be completed within the scope of the Director's review and shall not be subject to separate design review approval.

(f) *Project Approval.* The Director must approve a project that meets all the requirements of state law and this Section, and complies with all applicable objective standards within 90 days of a complete application submittal if the development contains 150 or fewer housing units, or within 180 days of a complete application submittal if the project contains more than 150 housing units.

(g) *Subdivision Application.* An application for a subdivision pursuant to the Subdivision Map Act shall be exempt from the requirements of the California Environmental Quality Act and shall be subject to the timelines set forth in

Section 10.10.040(f) above, so long as the development is consistent with the requirements of this section and all objective subdivision standards.

(h) *Expiration.* Projects approved pursuant to this Section shall not have that approval expire as long as the project includes public investment in housing affordability beyond tax credits and at least 50 percent of the project units are affordable to households making at or below 80 percent of the area median income. For projects that do not meet these requirements, the project approval shall remain valid for three years from the date of final action subject to the limitations and allowances under Government Code Section 65913.4(g).

(i) *Modifications.* An applicant may request a modification to a development that has been approved under the streamlined, ministerial approval process if that request is submitted before the issuance of the final building permit required for the construction of the development. Modifications will be considered in accordance with Government Code Section 65913.4(h).

SECTION 6. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 7. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 8. Typographical or Clerical (Scrivener's) Errors. Any typographical errors in this Ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

SECTION 9. Effective Date. This ordinance shall become effective upon the thirtieth (30th) day after final adoption.

SECTION 10. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 11. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the 2nd day of December 2025, and finally adopted on the_____ day of _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy, California

Date of Attestation: _____

Attachment B

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS EXEMPT FROM CEQA PURSUANT TO GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENTAND 2) APPROVING AN AMENDMENT TO ADD A NEW ARTICLE, ARTICLE 2, MULTIPLE-UNIT AND MIXED-USE HOUSING OBJECTIVE DESIGN STANDARDS, TO CHAPTER 10.10, HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, on September 29, 2017, the State Legislature adopted Senate Bill (SB) 35, codified as Government Code (Gov't. Code) Sections 65582.1 and 65913.4, requiring a streamlined application review process for qualifying multiple-unit and mixed-use housing projects, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on September 26, 2018, the State Legislature adopted Assembly Bill (AB) 2162, codified as Gov't. Code Sections 65650 through 65656 and 65583, requiring ministerial approval of supportive housing that meets specific eligibility criteria, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on July 31, 2019, the State Legislature adopted Assembly Bill 101 codified as Gov't. Code Sections 65660 through 65666, requiring ministerial approval of qualifying low barrier navigation centers, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on October 11, 2023, the State Legislature adopted SB 423, codified as Gov't. Code Section 65913.4, to, among other updates, extend the provisions of SB 35 to expire on January 1, 2036, in place of the original expiration date of January 1, 2026; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would establish objective design standards for multiple-unit and mixed-use housing to bring the City of Tracy into compliance with the state laws mentioned above and implement Program 15, Objective Design/Development Standards, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendment to add Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards, to Chapter 10.10, Housing Regulations, of the Tracy Municipal Code; and

WHEREAS, the proposed addition of Chapter 10.10 to Tracy Municipal Code are underlined below.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to add Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards. The City council hereby amends Tracy Municipal Code to add Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, to read as follows:

Article 2 - Multiple-Unit and Mixed-Use Housing Objective Design Standards.

Sections:

10.10.050 – Purpose and Intent

10.10.060 – Building Design

10.10.070 – Site Design

10.10.080 – Mixed-Use Standards

10.10.090 – Utilitarian Elements

10.10.050 - Purpose and Intent.

(a) **Purpose and Intent**. The purpose of this Article is to provide the public, building and design professionals, and decision-makers with objective criteria for multiple-unit and mixed-use housing development projects in the City of Tracy. The intent is to provide clear design direction that enhances an area's sense of place, respects existing neighborhood compatibility and privacy, and ensures a high-quality living environment. It is also intended that this Article establish "objective" design standards, as that term is defined under state housing law, that apply to multiple-unit residential and mixed-use development projects where state housing law restricts City review of such projects to objective standards, to the fullest extent permitted under state housing law.

(b) **Applicability**. The provisions of this Article apply to multiple-unit residential and mixed-use development in all Zone Districts, including such development that constitutes a "housing development project" under Government Code Section 65589.5 (Housing Accountability Act), qualifying "multifamily housing development" under Government Code Section 65913.4 (SB 423), "transitional or supportive housing" under Government Code Section 65651 (AB 2162), and "farmworker housing" under Health and Safety Code Section 50199.7, as well as any other multiple-unit residential or mixed-use development project for which the Department may require compliance with "objective" standards under applicable state housing law.

(c) **Consistency with All Objective Standards**. In addition to the objective design standards established in this Article, multiple-unit residential and mixed-use development projects shall also comply with all other applicable objective standards and policies, including all adopted design guidelines, per Tracy's Title 10 Planning and Zoning Code and the City's General Plan.

(1) **Exception**. Applicants may request concessions, incentives, or waivers of development standards pursuant to Article 36.5 (Density Bonus).

(2) **Conflicting Standards**. If there is any conflict between the objective standards set forth in this Article and any existing City or State objective standards, the more restrictive objective standard shall apply.

Nothing in this Article is intended to limit the City's discretion, to the fullest extent permitted under law, to condition the approval of multiple-unit residential and mixed-use development projects, as authorized under state housing law and this code.

(d) **Design Standards Compliance.** Department staff may consult with a design professional to assist in determining a project's compliance with the objective design standards contained in this Article.

10.10.060 - Building Design.

(a) Building Form, Massing, and Articulation.

(1) **Building Form and Vertical Hierarchy.** Buildings that are three stories or more in height shall be designed to differentiate between a defined base; a middle or body; and a top, cornice, or parapet cap. Buildings two stories or less shall include a defined base and a top, cornice, or parapet cap. All buildings shall achieve this effect through at least two of the following:

i. Color, texture, or material changes.
ii. Variations, projections, or reveals in the wall plane.
iii. Variations in fenestration size or pattern.
iv. Decorative architectural details, such as cornices and columns.

(2) **Wall Plane Variation.** Building façades visible from the primary street shall not extend more than 50 feet in length without either an architectural element or a two-foot variation in depth in the wall plane. Architectural elements include: building entrances, front porches, balconies, upper-story setbacks, projections, and recessions, such as stoops, bay windows, overhangs, and trellises.

(3) **All-Sided Architecture.** Buildings shall be designed and articulated with common details, articulation, materials, and elements on all sides.

(4) **Corner Lots.** Buildings located on corner lots shall include one or more of the following features on both street-facing facades, located within 25 feet of the corner of the building closest to the intersection:

i. An entrance to a ground-floor use or a primary building entrance.
ii. A different material application, color, or fenestration pattern of windows and doors from the rest of the façade.
iii. A change in height of at least 18 inches from the height of the abutting façade.

(5) **Roof Line Variation.** Roof lines shall not extend more than a length of 50 feet without at least one prominent change as described below:

i. Variation in roof form, such as hip, mansard, gable, shed, and flat with parapet.

ii. Variation in architectural elements, such as parapets or varying cornices.

iii. Variation of roof height of at least 24 inches for buildings of two stories or less and 30 inches for buildings of three stories or more (as measured from the highest point of each roof line).

(6) **Roof Slopes.** For buildings of three or more stories or roof spans of 30 feet or greater, sloped roofs shall have a minimum pitch of 4:12.

(7) **Flat Roofs and Parapets.**

i. A parapet shall be provided that is a minimum of twelve inches taller than all roof-top equipment.

ii. Interior side of parapet walls shall not be visible from a common open space or public right-of-way.

iii. Parapets shall be capped with precast treatment, continuous banding, projecting cornices, dentils, or similar edge treatment.

(b) Building and Dwelling Unit Entrances. See Subsection 10.10.070(a) for orientation of building and dwelling unit entrances within a site.

(1) Primary Building Entrance.

i. **Street-Facing Entrance.** Buildings located within 20 feet of the primary street right-of-way shall have a ground-level primary building entrance facing the primary street.

(2) Exterior Individual Dwelling Unit Entrance

i. **General Requirement.** All individual unit entrances shall have either a projected sheltering element or be recessed from the main facade; the projection or recess shall have a minimum depth of 24 inches.

ii. **Visibility.** All individual unit entrances shall be illuminated or shall face towards a common area or public street.

iii. **Street-Facing Unit Entrance.** Each dwelling unit located within 20 feet of a primary street right-of-way shall include at least one street-facing porch, balcony, or patio unless a setback of five feet or less is provided.

iv. **Upper-Floor Unit Entrance.** Exterior entrances to individual dwelling units on upper floors are permitted.

(3) **Architectural Treatments**. Entrances for buildings and individual dwelling units shall incorporate at least two of the following:

i. Feature window details
ii. Towers
iii. Columns
iv. Decorative veneer or siding
v. Porches or stoops

vi. Changes in roof line or wall plane

(c) Windows.

(1) Privacy. Where windows are proposed within 10 feet of a window on another building, the design and placement shall avoid unfiltered/direct views into the adjacent site and shall be designed with one or more of the following:

i. Use non-transparent or obscured glazing, such as frosted/patterned glass. Reflective glazing is not permitted.

ii. Provide permanent architectural screens or affixed louvers at windows.

iii. Offset windows horizontally at least 12 inches from any windows in adjacent buildings (edge to edge), so as not to have a direct line-of-sight into adjacent units.

iv. Permanent landscaping screening.

(2) Window Treatment.

i. **Design Treatment.** Windows shall either be recessed at least three inches from the plane of the surrounding exterior wall or shall have a trim or windowsill at least one-half inch in depth.

ii. **Windows Facing a Public Street.** Windows facing a public street shall feature enhanced window treatments, such as decorative architectural brackets, trim, shutters, awnings, and/or trellises.

(d) Materials and Colors.

(1) Wall Material. The primary exterior siding material for buildings shall be wood, composite wood, stone, stone veneer, granite, slate, brick, brick veneer, stucco, plaster, fiber cement, vinyl, or metal including aluminum or steel. The use of exposed plywood or glass curtain walls is prohibited. Buildings shall not be comprised wholly of metal.

(2) Window Consistency. Window frame materials and color shall be used on all elevations.

(3) Material and Color Transition. Changes in material or color shall occur at inside corners of intersecting walls or at architectural features that break up the wall plane, such as columns.

(4) Accent Material. Use of two or more accent materials, such as glass, tile, brick, stone, concrete, wood, metal, or plaster, shall be incorporated to highlight building features.

(5) Architectural Consistency. Affordable units and market rate units in the same development shall be constructed of the same exterior materials and details such that the units are not distinguishable from one another in quality and detail.

(e) Parking Structures.

(1) Wall Plane Variation. Building façades visible from the primary street shall not extend more than 50 feet in length without at least one of the following: a two-foot variation in depth in the wall plane, architectural element, or other prominent feature that provides visual interest.

(2) Materials and Colors. The parking structure shall utilize the same colors and materials as the primary buildings.

(3) Articulation. The exterior of the parking structure shall apply at least one of the following as articulation:

i. Applied materials, such as brick, stone, and/or siding, which extend at least two inches from the face of the structure to the face of the applied materials. Painted concrete, smooth concrete, or stucco walls shall not be considered sufficient articulation.

ii. Decorative architectural features, such as cut metal screens, awnings, trellises, louvers, and/or decorative security grills.

(4) Vertical Plantings. Vertical plantings shall be located between openings, entrances, and architectural accent features. Plantings shall be evergreen vegetation that will grow to a minimum height equivalent to 75 percent of the height of the parking structure; container size shall be selected to achieve a height of at least 50 percent of the height of the parking structure within at least two years from the time of installation.

(f) Garages and Carports.

(1) Garages.

i. Garage doors shall be recessed a minimum of five feet from the surrounding wall plane when facing a public right of way.

ii. Garages shall feature at least one of the following treatments:

a. Garage door windows.

b. Paneled garage door surface.

c. Two different colors.

d. Alternative architectural materials, finishes, or treatments.

(2) Carports. Carports shall incorporate the same colors and materials as the primary residential or mixed-use building design.

10.10.070 - Site Design.

(a) Building Placement and Orientation.

(1) Street Façade. If buildings on adjacent properties establish a contiguous street facade along the primary street frontage, new buildings shall be located to maintain the contiguous street wall, with allowances for variation in facade and entrances which are projected or recessed.

(2) Visibility of Entrances. On all lots 60 feet or less in width, at least one primary building entrance or individual unit entrance shall be visible from the front or street side lot line. See Subsection 10.10.070(c).

(3) Buffer for Adjacent Single-Family Homes. When developing multi-family buildings of three or more stories adjacent to single-family residential zones, site design shall utilize parking areas, common open space, landscaping, and/or other site features to provide a buffer for adjacent development.

(b) Vehicular Parking and Access. Vehicular parking and access shall comply with the provisions of the California Building Code, California Fire Code, and Article 26 (Off-Street Parking Requirements), of this Code. In addition, projects shall provide the following:

(1) Primary Access. Side street or alley access shall serve as the primary vehicular access to parking areas, if available. If not available, the primary street shall serve vehicular access.

(2) Number of Access Points.

i. **Interior Lots.** A maximum of one vehicle access point from the street is permitted per 100 feet of street frontage.

ii. **Corner Lots.**

a. One vehicular access point is permitted per lot where all street frontages are less than 100 linear feet.

b. Two vehicular access points are permitted on lots where at least one street has a frontage of 100 linear feet or more.

(3) Parking Location. Parking areas shall not be located within any front or street side setback.

(4) Mixed-Use Loading and Service Areas. In addition to the provisions below, loading and service areas shall comply with the standards of Article 26 (Off-Street Parking Requirements), as applicable.

i. All required loading and service areas shall be located adjacent to a façade other than the primary street frontage.

ii. Loading and service areas shall be located so as to not disrupt or block the flow of on-site and off-site vehicular traffic.

iii. Loading and service areas shall not be located adjacent to residential dwelling units or common open space areas.

iv. Loading and service areas shall be screened from view with walls, solid fencing, and/or landscape privacy screening as described in Subsection 10.10.070(e) Landscaping.

v. On-Site Loading Spaces. Every nonresidential use shall provide and maintain on-site loading, unloading, and service spaces for vehicles as required by this Section:

Table 10.10-1 Number of Spaces Required

Gross Floor Area (Square Feet)	Number of Spaces
Office	
5,000-36,000	**1**
36,000 and greater	**2**
Commercial	
5,000-24,000	**1**
24,000-60,000	**2**

Table 10.10-2 Minimum Dimensions for Loading Spaces

Gross Floor Area (Square Feet) of Commercial Space	Minimum Length (feet)	Minimum Width (feet)	Required Vertical Clearance (feet)
5,000 or less	**20**	**10**	**14**
5,000 or more	**25**	**12**	**14**

(5) Enhanced Paving for Entrance Driveways. Paving treatment using patterned and/or colored pavers, brick, or decorative colored and/or scored concrete shall be used for entrance driveways, a minimum of 14 feet in length, and spanning the width of the entrance driveway.

(6) Vehicle Light Intrusion. Vehicle headlights shall be obstructed from direct alignment with habitable interior spaces with a minimum 3-foot high evergreen shrub or vine and/or features such as fencing or walls.

(c) Pedestrian Circulation and Access.

(1) General. The following pedestrian walkways shall be provided and interconnected within the site:

i. Pedestrian walkways shall connect residential dwelling units to areas throughout the site, such as vehicle parking areas, bicycle parking areas, common open space, waste and recycling enclosures, and other amenities.

ii. Pedestrian walkways shall connect public sidewalks, building entrances, and vehicle parking areas.

iii. Pedestrian walkways shall connect building entrances and vehicle parking areas through the site interior to all transit stops directly adjacent to the site.

(2) Pedestrian Walkways. Pedestrian walkways shall be provided with a minimum width of four feet along their entire length and shall be designed as follows:

i. **Through Lot Connection.** Through lots located more than 300 feet from a street intersection, measured from the closest point of the lot, shall provide a publicly accessible sidewalk or walkway connecting the two streets.

ii. **Materials.** Walkways shall be constructed of firm, stable, and slip-resistant materials, such as poured-in-place concrete (including stamped concrete), permeable paving, decomposed granite, or concrete pavers.

iii. **Paving for Pedestrian Crossings.** Where an intersection of pedestrian and vehicle access exists, enhanced paving treatment using patterned and/or colored pavers, brick, or decorative colored and scored concrete shall be used. Pedestrian crossings shall feature enhanced paving a minimum width of five feet and span the length of the intersecting drive area.

iv. **Maintenance.** Pedestrian walkways shall be maintained in good condition for the life of the project and shall not be allowed to fall into disrepair so as to constitute a nuisance or hazard to the public.

(3) Enhanced Paving for Building Entrances. Primary building entrances shall provide decorative and accent paving that contrast in color and texture with the adjacent walkway paving. Grasscrete is prohibited.

(d) Common Open Space. Common open spaces for multiple-unit developments shall provide a minimum usable open space of 100 square feet for each of the first ten (10) dwelling units, fifty (50) square feet for each of the second ten units, and twenty-five square feet for each unit in excess of twenty (20). Rooftops may be used to satisfy up to 75% of the common open space requirements. The open space shall not include the required front yard or street side yard, off-street parking, driveways, or service areas.

(e) Landscaping. Landscaping shall be used for all outdoor areas that are not specifically used for parking, driveways, walkways, or open space.

(1) Additional Landscaping Requirements. Landscaping must comply with all requirements of the City of Tracy Municipal Water Management Plan and the

State and City's Water Efficient Landscape Ordinance (WELO), including the submittal of irrigation plans and landscape plans. Landscape plans shall include paving materials, finishes, plant palettes, notes, call-outs, details, the type of irrigation technology, the total square footage of the area to be landscaped and irrigated, all existing utilities, and a WELO checklist.

(2) Plant Materials. Plant materials shall be limited to native, climate adapted and large stature species.

(3) Parking and Loading Area Landscaping. Parking and loading area landscaping must comply with Subsection 10.08.3560 (Landscaping Requirements for Parking Areas)

(4) Landscape Buffer. A landscape buffer of a minimum width of seven feet shall include plants for screening and noise buffering between adjacent non-residential and residential uses. A landscape strip shall be planted along lot lines to separate different land uses, unless adjacent sites have the same land use type.

(5) Pedestrian Walkways. Pedestrian walkways shall be flanked on at least one side with landscaping, and may include a mix of trees, shrubs, and groundcover. Trees shall be provided along walkways in order to shade at least 40 percent of the overall walkway length at maturity.

(6) Number of Plants. A minimum of two 24-inch box trees or three 15-gallon trees shall be planted per every 1,000 square feet of landscaped area.

(7) Groundcover and Shrubs. Groundcover and shrubs shall be sized and located to cover a minimum of 35 percent of all landscape areas that are not planted with trees prior to final inspection of certificate of occupancy. Organic wood mulch shall only be used within shrub and groundcover areas and shall be installed at a minimum of three-inch depth.

(8) Plant Selection. Artificial or synthetic plants, except for turf, are prohibited. Artificial turf or a natural lawn substitute shall be limited to a maximum of 30 percent of the front landscape area.

(9) Solar Access. Landscaping shall not obstruct solar access to adjacent solar collectors for water heating, space heating or cooling, or electricity generation.

(10) Privacy. Landscape screening shall obscure direct sight lines into dwelling units and open space areas from communal areas such as parking areas, common mailboxes, and pedestrian walkways. Landscape screening may be used in combination with walls, fencing, and/or trellises to screen views.

i. **Location.** Landscape screening shall fit within associated planting areas and canopy sizes must not overlap with building foundations or eaves.

ii. **Plant Selection.** Landscape screening shall use trees, shrubs, and/or vines located and sized to buffer views. Deciduous species, perennials, and grasses or grass-like plants are not permitted for privacy screening.

iii. **Minimum Sizes.** Landscape screening and vegetation shall use the following minimum container sizes at the time of planting:

a. Trees: 24-inch box

b. Shrubs: 5-gallon size

c. Vines: 1-gallon at 10 feet

10.10.080 - Mixed-Use Standards

(a) Ground Floor Height. The ground floor of a mixed-use building shall have a minimum floor height of 12 feet, measured from the finished ground floor to the bottom of the finished second floor.

(b) Ground Floor Transparency. Exterior walls facing a public street shall include transparent windows and doors for at least 50 percent of the building wall area located between three and seven feet above the elevation of the sidewalk. Parking garages are not required to meet the ground floor transparency requirement.

(c) Street-Facing Setbacks. Street-facing setbacks shall be landscaped and/or prepared for use by pedestrians. The setback area on each lot shall contain at least two amenities per 50 linear feet, such as benches, drinking fountains, shade structures, or other design element (e.g., public art, planters, kiosks, etc.).

(d) Street-Facing Entrance. Mixed-use buildings located within 20 feet of a primary street right-of-way shall incorporate at least one primary building entrance directly from the public sidewalk or right-of-way. The primary building entrance shall include weather protection that is a minimum of six feet wide and four feet deep by recessing the entrance or providing an awning or similar weather protection element.

10.10.090 - Utilitarian Elements

(a) Bicycle Parking. Bicycle parking shall comply with the California Building Code in effect at the time a project is submitted, specifically with regards to the number of spaces required both per dwelling unit and overall, and shall be provided as follows:

(1) Parking Location. Bicycle parking must be located on the same lot as the use it serves.

i. Located at surface levels near main pedestrian entrances to nearby facilities or structures, or in the parking garages of such facilities or structures;

ii. Located as not to obstruct pedestrian and auto access;
iii. Access to nearby public streets and sidewalks for the bicycle users;
iv. Accessible only to residents and owners, operators, and managers of a residential facility when the involved use is residential.

(2) Size and Accessibility. Each bicycle parking space must be a minimum of five and one-half feet long and two and one-half feet wide and must be accessible without moving another bicycle. Bicycle parking shall be at least five feet from vehicle parking spaces and two feet from adjacent walls, landscaping, and pedestrian ways.

(3) Anchoring and Security.

i. Bicycle parking must be located in one or more of the following:
   a. An enclosed bicycle locker;
   b. An illuminated, fenced, covered, and locked or guarded bicycle storage area;
   c. A secure area within a building or structure.
ii. Bicycle Locker. When using bicycle lockers, they shall be:
   a. Of sufficient size to hold an entire bicycle; and
   b. Securely anchored to a permanent surface.
iii. Bicycle Rack. When using bicycle racks, they shall be:
   a. Located and installed to support an entire bicycle, including the frame and wheels, so that the frame and wheels can be locked without damage when using a customary, heavy-duty cable, or U-shaped bicycle lock, or any other security device.

(b) Trash, Recycling, and Green Waste Container Enclosures. Enclosures for recycling, green waste, and any other waste containers required by law are required for multiple-unit and mixed-use developments. Enclosures shall be located within a building, incorporated into the exterior building design, or located within a detached enclosure designed and placed as follows:

(1) Location. The enclosure shall be located to the rear or side of the building(s) and located outside of or screened from view from a public right-of-way.

(2) Materials. The enclosure shall incorporate the materials and colors of the primary residential or mixed-use building design.

(c) Fences and Walls. Fences and walls shall comply with the provisions of Section 10.08.3250 (Wall, fence and hedge requirements) of this Code.

(d) Lighting. Lighting shall be compatible with building and site design and shall have a 40’ maximum height for a freestanding light pole. Accent lighting shall be used to enhance the appearance of a structure and define open spaces and pathways. Lighting fixtures shall be fully shielded with cut-off fixtures and shall not impact adjacent development or residences.

(e) Screening of Mechanical Equipment. The following development standards shall apply to new development projects subject to this Chapter, as well as to the replacement or provision of new equipment that is added to serve existing building(s) that are subject to this Chapter.

(1) General Requirements. All exterior mechanical equipment, whether on a roof, on the side of a structure, or located on the ground, must be screened from public view. Exterior mechanical equipment to be screened includes, without limitation, heating, ventilation, air conditioning, refrigeration equipment, plumbing lines, ductwork, transformers, smoke exhaust fans, water meters, backflow preventers, service entry sections, and similar utility devices.

(2) Requirements for Specific Types of Mechanical Equipment. The following additional screening standards apply to the specified types of mechanical equipment.

i. **Ground-Mounted Equipment.** Ground-mounted equipment that faces a public viewing area must be screened to a height of 12 inches above the equipment and designed and painted to blend in with the surrounding area, unless such screening conflicts with utility access, in which case screening shall comply to the greatest extent that is technically feasible. Acceptable screening devices consist of decorative walls, berms, and/or plant materials.

ii. **Exterior Wall Equipment.** Screening for wall-mounted equipment, (e.g., electrical meters, cable-connection boxes, electrical distribution cabinets, etc.) must incorporate elements of the building design (e.g., shape, color, texture, material, etc.). For screen walls that are three feet in height or lower, vegetative materials may be substituted for the screening device. This requirement does not apply to equipment that has accessibility and visibility requirements for health and safety.

(f) Vents and Exhaust. All wall-mounted vent and exhaust elements shall be located at interior corners of building walls or behind building elements that conceal them from public view. All flashing, sheet metal vents, exhaust fans or ventilators, and pipe stacks shall be painted a color to match the adjacent roof or wall material.

SECTION 3. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA,

it is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 4. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 5. Typographical or Clerical (Scrivener's) Errors. Any typographical errors in this Ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

SECTION 6. Effective Date. This ordinance shall become effective upon the thirtieth (30^{th}) day after final adoption.

SECTION 7. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 8. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the 2nd day of December 2025, and finally adopted on the_____ day of _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy, California

Date of Attestation: _____

Attachment C

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CEQA GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS SUBJECT TO THE CEQA EXEMPTION CONTAINED IN CEQA GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENTAND 2) APPROVING AN AMENDMENT TO REVISE ARTICLE 2, DEFINITIONS, REPEAL AND RELOCATE SECTION 10.08.3195, DAY CARE HOME, AND ADD A NEW ARTICLE, ARTICLE 3, COMMUNITY CARE FACILITIES, TO CHAPTER 10.10, HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, California Health and Safety Code Section 1566.3 requires residential care facilities serving six or fewer persons to be considered as a residential use of property and that its residents be considered a family for zoning purposes, with the use being treated as a single-family dwelling; and

WHEREAS, on June 19, 2012, Tracy City Council adopted Ordinance No. 1171, to add a new section, Section 10.08.3195, Day care home, to the Tracy Municipal Code; and

WHEREAS, on November 17, 2015, Tracy City Council adopted Ordinance No. 1202, to amend the definition of family as described in Tracy Municipal Code Section 10.08.320; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would revise the definition of family, and establish a new article for community care facilities, consisting of day care homes and residential care facilities, to bring the City of Tracy into compliance with the state laws mentioned above and implement Program 14, Zoning Ordinance, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is exempt from CEQA pursuant CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendment to revise Section 10.08.320, Family, repeal and relocate Section 10.08.3195, Day care home, and add Article 3, Community Care Facilities, to Chapter 10.10, Housing Regulations, of the Tracy Municipal Code; and

WHEREAS, the proposed revisions to Tracy Municipal Code Sections 10.08.320, repeal and relocation of Section 10.08.3195, and the proposed additions to Chapter 10.10 are underlined below.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to revise Section 10.08.320. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code, is hereby amended to revise Section 10.08.320, Family, to read as follows:

10.08.320 - Family.

"Family" shall mean one or more persons occupying a single dwelling unit not operated for profit, as distinguished from two or more persons occupying a boarding or lodging house, hotel, club, or similar structure used for residential purposes. A family shall not include a fraternal, religious, social, or business organization. A family shall be deemed to include the clients and operators of a residential facility licensed by the State that serves six or fewer clients.

SECTION 3. Amendment to add Section 10.08.772. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby amended to add Section 10.08.772, Residential care facility, to add the definition of "Residential care facility" to read as follows:

10.08.772 – Residential care facility.

"Residential care facility" shall mean any family home, group care facility, or similar facility for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual.

SECTION 4. Amendment to add Article 3, Community Care Facilities. The City Council hereby amends Tracy Municipal Code to add Article 3, Community Care Facilities, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning.

SECTION 5. Amendment to repeal Section 10.08.3195. Section 10.08.3195, Day care home, of Article 23, General Provisions, Conditions, and Exceptions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning of the Tracy Municipal code is hereby repealed in its entirety.

~~**10.08.3195 – Day care home.**~~

~~A small family day care home, as defined by Health and Safety Code section 1596.78, or a large family day care home, as defined by Health and Safety Code section 1596.78, is permitted on any residentially zoned property: RE, LDR, MDC, MDR, HDR, or PUD.~~

~~(Ord. No. 1171, § 4, 6-19-2012)~~

SECTION 6. Amendment to add Section 10.10.100. The City Council hereby amends Tracy Municipal Code to add Section 10.10.100, Day care homes, to Article 3, Community Care Facilities, of Chapter 10.10, Housing Regulations, to read as follows:

10.10.100 – Day care home.

A small family day care home, as defined by Health and Safety Code section 1596.78, or a large family day care home, as defined by Health and Safety Code section 1596.78, is permitted on any residentially zoned property: RE, LDR, MDC, MDR, HDR, or PUD.

SECTION 7. Amendment to add Section 10.10.110. The City Council hereby amends Tracy Municipal Code to add Section 10.10.110, Residential Care Facilities, to Article 3, Community Care Facilities, to Chapter 10.10, Housing Regulations, to read as follows:

10.10.110 Residential Care Facilities.

(a) *Purpose.* The purpose of this Section is to establish permit procedures for residential care facilities serving six or fewer persons in compliance with California Health and Safety Code Section 1566.3. This Section establishes a use by right permit process for residential care facilities serving six or fewer persons in all residential zones.

(b) *Definitions*. See Section 10.08.320 for the definition of Family and Section 10.08.772 for the definition of Residential care facility.

(c) *Residential care facilities serving six or fewer persons.*

(1) *Considered a residential use.* A residential care facility licensed by the State that serves six or fewer persons shall be considered a residential use of property, and the residents and operators of the facility shall be considered a family. A family dwelling includes single-family dwellings, units in multifamily dwellings, inclusive of units in duplexes and apartments, mobile homes, inclusive of mobile homes in mobile home parks, units in cooperatives, units in condominiums, units in townhouses, and units in planned unit developments.

(2) *Considered a dwelling.* A residential care facility serving six or fewer persons does not differ in any other way from a family dwelling. Such facilities shall not be included with the definition of a boarding house, rooming house, institution or home for the care of minors, the aged, or persons with mental health disorders, foster care home, guest home, rest home, community residence, or other similar term that implies the residential care facility is a business run for profit.

(3) *Allowable Restrictions.*

i. Restrictions on structure height, setbacks, lot dimensions, or placement of signs of a residential care facility serving six or fewer persons shall be identical to those applied to other family dwellings of the same type in the same zone.

ii. A residential care facility serving six or fewer persons shall comply with City ordinance that deal with health and safety, building standards, environmental impact standards, or any other matter within the jurisdiction of the City, including the imposition of fines and other penalties associated with violations of local ordinances.

(4) *Fees.* Such facilities shall be subject to the fees to which other dwellings of the same type in the same zone are subject to. Such facilities shall not be subject to any business taxes, local registration fees, use permit fees, or other fees to which other dwellings of the same type in the same zone are not subject to.

(5) *Not a change in occupancy.* Use of a family dwelling for purposes of a residential care facility serving six or fewer persons shall not constitute a change of occupancy for purposes of local building codes.

(6) *Application Processing.* No conditional use permit shall be required of a residential care facility serving six or fewer persons that is not required of a family dwelling of the same type in the same zone.

(d) *Reasonable Accommodation.* The requirements of this Section may be modified in compliance with Section 10.08.3199 (Reasonable accommodation) if necessary to comply with the Federal Fair Housing Act and the California Fair Employment and Housing Act relating to accommodations necessary for disabled residents.

SECTION 8. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 9. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 10. Typographical or Clerical (Scrivener's) Errors. Any typographical errors in this Ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

SECTION 11. Effective Date. This ordinance shall become effective upon the thirtieth (30^{th}) day after final adoption.

SECTION 12. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 13. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the ___ day of _____ 2025, and finally adopted on the 2nd day of December 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy, California

Date of Attestation: _____

Attachment D

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CEQA GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS EXEMPT FROM CEQUA PURSUAN TO CEQA GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENTAND 2) APPROVING AN AMENDMENT TO REVISE SECTION 10.08.852 AND SECTION 10.08.861 OF ARTICLE 2, DEFINITIONS, AND ADD A NEW ARTICLE, ARTICLE 4, TRANSITIONAL AND SUPPORTIVE HOUSING, TO CHAPTER 10.10, HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, on November 17, 2015, Tracy City Council adopted Ordinance No. 1202, to add the definitions of supportive housing facility and transitional housing facility to Tracy Municipal Code Section 10.08.852 and Section 10.08.861; and

WHEREAS, on September 26, 2018, the State Legislature adopted Assembly Bill (AB) 2162, codified as Government Code (Gov't. Code) Sections 65650 through 65656 and 65583, requiring ministerial approval of supportive housing meeting specific eligibility criteria in zones where multifamily and mixed-uses are permitted, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on September 26, 2019, the State Legislature adopted Senate Bill 744, codified as Gov't. Code Sections 65650 through 65656, to, among other updates, expand the exemption for the ministerial approval for qualifying supportive housing projects under CEQA; and

WHEREAS, on September 27, 2024, the State Legislature adopted AB 1801, codified as Gov't. Code Sections 65650 through 65656, to revise supportive housing floor area requirements for onsite supportive services and specify that supportive housing includes transitional housing for youth and young adults for purposes of the use by right provisions; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would revise the definitions of supportive housing and transitional housing and establish a new article for transitional and supportive housing to bring the City of Tracy into compliance with the state laws mentioned above and implement Program 14, Zoning Ordinance, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendment to revise definitions in Section 10.08.852, Supportive housing facility, and Section 10.08.861, Transitional housing facility, and add a new article, Article 4, Transitional and Supportive Housing, to Chapter 10.10, Housing Regulations, of the Tracy Municipal Code; and

WHEREAS, the proposed revisions to Tracy Municipal Code Sections 10.08.852 and 10.08.861, and the proposed Chapter 10.10 are <u>underlined</u> below.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to revise Section 10.08.852. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby amended to revise Section 10.08.852, Supportive housing facility, to read as follows:

10.08.852 – Supportive housing.

"Supportive housing" shall mean housing with no limit on length of stay, that is occupied by the target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community. (Government Code Section 65582(n)). This includes nonresidential uses and administrative office space as provided in paragraph (5) of subdivision (a) of Government Code Section 65651. Supportive housing specifically includes transitional housing for youth and young adults (Government Code Section 65650(b)).

SECTION 3. Amendment to revise Section 10.08.861. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby amended to revise Section 10.08.861, Transitional housing facility, to read as follows:

10.08.861 – Transitional housing.

"Transitional housing" shall mean buildings configured as rental housing developments but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. (Government Code Section 65582(q)).

SECTION 4. Amendment to add Article 4, Transitional and Supportive Housing. The City Council hereby amends Tracy Municipal Code to add Article 4, Transitional and Supportive Housing, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, to read as follows:

Article 4 – Transitional and Supportive Housing

10.10.120 - Transitional and Supportive Housing.

(a) *Purpose.* The purpose of this Section is to establish permit procedures and development standards for transitional and supportive housing projects and identify the criteria that must be met for supportive housing to qualify for ministerial review and the requirements associated with qualifying projects. This Section is intended to promote the development of transitional and supportive housing. This Section establishes compliance with Government Code Section 65650 through 65656, and 65583(c)(3).

(b) *Considered a residential use.* Transitional and supportive housing shall be considered a residential use of property. Supportive housing specifically includes transitional housing for youth and young adults for the purposes of the use by right provisions described in Subsection d.

(c) *Application Requirements.* The following application and processing requirements shall apply to applications for transitional and/or supportive housing, except for

projects that qualify for a streamlined, ministerial review as described under Subsection 10.10.120(d), (By Right Supportive Housing Requirements) below:

(1) *Permit Required.* Prior to the development of a new building or use of an existing building for transitional housing, an applicant shall submit an application for a Building Permit.

(2) Transitional and supportive housing shall be allowed in any dwelling allowed in a specific zone, subject to the same permit requirements that apply to the dwelling that will be used for transitional and supportive housing.

(3) No Conditional Use Permit, Variance, or other planning permit shall be required for transitional or supportive housing that is not required for a dwelling of the same type in the same zone.

(4) When transitional or supportive housing is proposed to be located in a zone where the residential use requires a Conditional Use Permit, an additional Conditional Use Permit is not required if the existing residential use has obtained the necessary Conditional Use Permit.

(d) *By Right Supportive Housing Requirements.* An application for supportive housing shall be considered ministerially without discretionary review or hearing if the project meets all the following requirements in accordance with Government Code Section 65651(a):

(1) *Zoning.* The project is located within a zone where multiple-family and mixed uses are permitted, including non-residential zones permitting multiple-family uses, and zones where multiple-family and mixed uses are permitted with a Conditional Use Permit. For the purposes of this Section, multiple-family uses shall include two-family dwellings (i.e., “Dwelling, two-family” as defined in Section 10.08.270(b) of Article 2. Definitions).

Zones permitting two-family dwellings, multiple-family dwellings, and/or mixed uses
Medium Density Cluster (MDC) Zone
Medium Density Residential (MDR) Zone
High Density Residential (HDR) Zone
Professional Office and Medical (POM) Zone
Planned Unit Development (PUD) Zone
Agricultural (A) Zone
Central Business District (CBD) Zone
General Highway Commercial (GHC) Zone

(2) *Lower income housing.* One hundred percent of the units, excluding managers' units, within the project shall be dedicated to lower income households and are, or will be, receiving public funding, and are subject to a recorded affordability restriction for 55 years. For purposes of this paragraph, "lower income households" has the same meaning as defined in Section 50079.5 of the Health and Safety Code.

(3) *Minimum number of supportive housing units.* At least 25 percent of the units in the project or 12 units, whichever is greater, are restricted to residents in supportive housing who meet criteria of the target population. If the project consists of fewer than 12 units, then 100 percent of the units, excluding managers' units, in the project shall be restricted to residents in supportive housing.

(4) *Supportive services.* Projects shall include onsite supportive services limited to tenant use that may include, but are not limited to, community rooms, case management offices, computer rooms, and community kitchens that comply with the following square footage requirements:

i. Projects with 20 or fewer total units shall provide at least 90 square feet for onsite supportive services.

ii. Projects with more than 20 units shall provide at least 3 percent of the total nonresidential floor area for onsite supportive services.

iii. Administrative office space shall not exceed 25 percent of the total floor area.

(5) *Dwelling unit facilities.* All dwelling units, excluding managers' units, shall include at least one bathroom and a kitchen or other cooking facilities, including, at minimum, a stovetop, a sink, and a refrigerator.

(6) *Replacement units.* The applicant shall replace any existing dwelling units on the site of the supportive housing project in the manner provided in Government Code Section 65915(c)(3) or successor statutes.

(7) *Fewer than 50 units.* The project shall consist of 50 units or fewer in accordance with Government Code Section 65651(d).

(e) *Development Standards.* Transitional and supportive housing projects shall be subject to the same development standards, policies, and occupancy restrictions that apply to other dwellings of the same type in the same zone, except as described in subsection 10.10.120(e)(1) (Exceptions for ministerial projects) and subsection 10.10.120(e)(2) (Parking) below and in Government Code Section 65589.5(f).

(1) *Exceptions for ministerial projects.* Projects that qualify for ministerial review in compliance with Subsection d (By right supportive housing requirements) above shall only be subject to objective development standards and policies that apply to other multifamily development within the same zone, and the objective design standards in Article 2 of Chapter 10.10, (Multiple-Unit and Mixed-Use Housing Objective Design Standards).

(2) *Parking.* If the supportive housing project qualifies for ministerial review in compliance with Subsection 10.10.120(d) (By right supportive housing requirements) above and is located within one-half mile of a public transit stop, minimum parking requirements will not be imposed for the units occupied by supportive housing residents.

(f) *Supportive services.* Supportive services provided onsite shall only serve residents of that particular housing project.

(g) *Application Processing Requirements.*

(1) If required based on the permit type, notice of the application and pending decision on a permit for transitional or supportive housing shall be given in compliance with Section 10.08.4170 (Hearings – Notices).

(2) *Supportive services plan.* For all transitional or supportive housing projects, the applicant shall submit a written plan for providing supportive services with documentation demonstrating that supportive services will be provided onsite to residents in the project, as required by Government Code Section 65651 or successor statute, and describing those services, which shall include all of the following:

i. *Services Provider*. The name of the proposed entity or entities that will provide supportive services.

ii. *Funding Source*. The proposed funding source or sources for the provided onsite supportive services.

iii. *Staffing*. Proposed staffing levels.

(3) *Deadlines for by right supportive housing.* Projects that qualify for ministerial review in conformance with Subsection 10.10.120(d) (By right supportive housing requirements) above shall be subject to the following processing deadlines:

i. *Completeness determination deadline.* Within 30 days of receipt of an application to develop supportive housing, the Department shall notify an applicant whether the applicant's application is complete. If the Department does not make a written determination within 30 days, the application shall be deemed complete, pursuant to Government Code Section 65943, or successor statute.

ii. *Decision deadline.* The Director shall complete their review of the application to develop supportive housing within 60 days after the application is complete for a project with 50 or fewer units, or within 120 days after the application is complete for a project with more than 50 units.

(h) *Limits on disapproval.*

(1) Pursuant to Government Code Section 65589.5(d), the Department shall not disapprove a transitional or supportive housing project for very low, low-, or moderate-income households, or condition approval in a manner that renders the project infeasible for development for the use of very low, low-, or moderate-income households, including through the use of design review standards, unless it makes written findings, based upon a preponderance of the evidence in the record, as to one of the findings in Government Code Sections 65589.5(d)(1) through (6) or successor statute.

(2) Pursuant to Government Code Section 65589.5(j) or successor statute, if the Department proposes to disapprove a transitional or supportive housing project or approve it upon the condition that the project be developed at a lower density, the Department shall base its decision regarding the proposed project upon written findings supported by substantial evidence on the record that both of the conditions in Government Code Section 65589.5(j)(1) and (2) or successor statutes exist.

(i) *Fees.* Transitional and supportive housing shall not be subject to any fees to which other dwellings of the same type in the same zone are not likewise subject.
(j) *Not a change in occupancy.* The use of an existing dwelling for purposes of transitional or supportive housing shall not constitute a change of occupancy for purposes of local building codes.
(k) *Future changes in occupancy.* The required number of units in a supportive housing project dedicated to the target population may be reduced if termination of the operating subsidy or project-based rental assistance occurs at no fault of the project owner and if all conditions outlined in Government Code Section 65651(c) or successor statutes are met.
(l) *Reasonable accommodation.* The requirements of this Development Code may be modified in compliance with Section 10.08.3199 (Reasonable Accommodation) if necessary to comply with the Federal Fair Housing Act and the California Fair Employment and Housing Act relating to accommodations for persons with disabilities including allowances for structural installations that are necessary to accommodate disabled residents (e.g., handrails, lifts, and ramps).
(m) *Conflicts with other Sections of this Development Code.* Where there are conflicts between the standards in this Section 10.10.120 and other requirements of this Development Code, the provisions of this Section shall prevail.

SECTION 5. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 6. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 7. Typographical or Clerical (Scrivener's) Errors. Any typographical errors in this Ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

SECTION 8. Effective Date. This ordinance shall become effective upon the thirtieth (30^{th}) day after final adoption.

SECTION 9. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 10 Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the 2nd day of December 2025, and finally adopted on the_____ day of _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy, California

Date of Attestation: _____

Attachment E

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS EXEMPT FROM CEQA PURSUANT TO CEQA GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENTAND 2) APPROVING AN AMENDMENT TO REPEAL AND RELOCATE SECTION 10.08.3197, STANDARDS FOR EMERGENCY HOMELESS SHELTERS, OF ARTICLE 23, GENERAL PROVISIONS, CONDITIONS, AND EXCEPTIONS, AND ADD A NEW ARTICLE, ARTICLE 5, EMERGENCY HOMELESS SHELTERS AND LOW BARRIER NAVIGATION CENTERS, TO CHAPTER 10.10, HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, on November 17, 2015, Tracy City Council adopted Ordinance No. 1202, to add a new section, Section 10.08.3197, Standards for Emergency Homeless Shelters, to Tracy Municipal Code; and

WHEREAS, on July 31, 2019, the State Legislature adopted Assembly Bill 101, codified as Government Code (Gov't. Code) Sections 65660 through 65666, requiring ministerial approval of qualifying low barrier navigation centers in areas zoned for mixed use and nonresidential zones permitting multifamily uses, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on September 19, 2024, the State Legislature adopted SB 1395, codified as Gov't. Code Sections 65660 through 65666, to, among other updates, permanently establish low barrier navigation centers as a use by right and expand CEQA exemptions for local agencies' actions related to low barrier navigation centers; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set

forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would relocate standards for emergency homeless shelters and establish standards for low barrier navigation centers to bring the City of Tracy into compliance with the state laws mentioned above, create consistency, and implement Program 14, Zoning Ordinance, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is exempt from CEQA pursuant to CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendment to repeal and relocate Section 10.08.3197, Standards for emergency homeless shelters, and include new standards for low barrier navigation centers, in a new article, Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, within Chapter 10.10, Housing Regulations, of the Tracy Municipal Code; and

WHEREAS, the proposed revisions to Tracy Municipal Code Sections 10.08.3950 and 10.08.3960, and the proposed Chapter 10.10 are <u>underlined</u> below.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to add Section 10.08.592. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby amended to add Section 10.08.592, Low Barrier Navigation Center, to add the definition of "Low Barrier Navigation Center" to read as follows:

10.08.592 <u>– Low Barrier Navigation Center.</u>

<u>"Low Barrier Navigation Center" shall mean a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing</u>

homelessness to income, public benefits, health services, shelter, and housing. The shelter may be non-congregate and relocatable.

(a) "Low Barrier" means best practices to reduce barriers to entry, and may include, but is not limited to, the following:
   i. The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth.
   ii. Pets
   iii. The storage of possessions
   iv. Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms.

(b) "Coordinated entry system" means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), of Title 24 of the Code of Federal Regulations, as those sections read on January 1, 2020, and any related requirements, designed to coordinate program participant intake, assessment, and referrals.

SECTION 3. Amendment to add Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers. The City Council hereby amends Tracy Municipal Code to add Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning.

SECTION 4. Amendment to repeal Section 10.08.3197 in its entirety. Section 10.08.3197, Standards for emergency homeless shelters, of Article 23, General Provisions, Conditions, and Exceptions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby repealed in its current section to read as follows:

~~**10.08.3197 – Standards for emergency homeless shelters.**~~

~~(a) *General.* Emergency homeless shelters are permitted in the MDR, HDR and MDC Zoning Districts, subject to the requirements of this section.~~

~~(b) *Requirements for emergency homeless shelters*.~~

~~(1) *Concentration*. An emergency homeless shelter may not be located closer than 300 feet from another emergency homeless shelter.~~

~~(2) *On-site resident manager*. An emergency homeless shelter shall have a resident, on-site manager.~~

~~(Ord. No. 1202, Exh. A § 21, 12-1-2015)~~

SECTION 5. Amendment to add Section 10.10.130. Section 10.10.130, Standards for emergency homeless shelters, is proposed to be added to Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, of Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code to read as follows:

10.10.130 – Standards for emergency homeless shelters.

(a) *General.* Emergency homeless shelters are permitted in the MDR, HDR and MDC Zoning Districts, subject to the requirements of this section.

(b) *Requirements for emergency homeless shelters*.

(1) *Concentration*. An emergency homeless shelter may not be located closer than 300 feet from another emergency homeless shelter.

(2) *On-site resident manager*. An emergency homeless shelter shall have a resident, on-site manager.

SECTION 6. Amendment to add Section 10.10.140. The City Council hereby amends Tracy Municipal Code to add Section 10.10.140, Low Barrier Navigation Centers, to read as follows:

10.10.140 - Low Barrier Navigation Centers.

(a) *Purpose.* The purpose of this Section is to establish streamlined permit procedures and development standards for Low Barrier Navigation Centers to help create permanent solutions for the City's homeless population. This Section establishes compliance with Government Code Sections 65660 through 65666.

(b) *Definitions*. See Section 10.08.592 for the definition of a Low Barrier Navigation Center.

(c) *Application Requirements*. The following application and processing requirements shall apply to applications for Low Barrier Navigation Centers:

(1) *Permit Required*. Prior to the development of a new building or use of an existing building as a Low Barrier Navigation Center, an applicant shall submit an application for a Development Review Permit subject to a streamlined ministerial review.

(2) *Completeness Determination.* Within 30 days of receipt of an application for a Low Barrier Navigation Center, the Department shall notify an applicant whether the application is complete. If the Department does not make a written determination within 30 days, the application shall be deemed complete.

(3) *Decision Deadline.* Upon deeming an application complete, the Director shall approve, conditionally approve, or deny the application for a Low Barrier Navigation Center within 30 days.

(4) *Ministerial Review.* The Director shall consider an application for a Low Barrier Navigation Center ministerially without discretionary review or hearing. Ministerial review does not apply to actions to facilitate the lease, conveyance, or encumbrance of land owned by a public agency or to provide financial assistance to a Low Barrier Navigation Center.

(5) *Conflicts with other Sections of Tracy Municipal Code.* Where there are conflicts between the standards in this Section 10.10.140 (Low Barrier Navigation Centers) and other requirements of this Development Code, the provisions of this Section shall prevail.

(d) *Development Standards.* A Low Barrier Navigation Center that complies with all of the following development standards shall be allowed with a Development Review Permit subject to a streamlined ministerial review.

(1) *Zoning.* A Low Barrier Navigation Center shall only be located within mixed-use zones and nonresidential zones permitting two-family and multiple-family uses, which consist of the following zones:

i. Central Business District (CBD)

ii. Professional Office and Medical Zone (POM)

iii. Agricultural Zone (A)

iv. General Highway Commercial Zone (GHC)

(2) *Services Plan.* The applicant shall submit a written services plan that identifies staffing services and demonstrates that the Low Barrier Navigation Center will offer services to connect people to permanent housing.

(3) *Coordinated entry system.* A Low Barrier Navigation Center shall be linked to a coordinated entry system, so that staff in the facility may conduct assessments and provide services to connect people to permanent housing. If the proposed project will receive funding from the City of Tracy, the applicant shall submit a memorandum of understanding consistent with the City's coordinated entry system procedures. If the proposed project will not receive funding from the City, the applicant shall demonstrate compliance with the coordinated entry system requirements set forth in Government Code Section 65662(b), or successor statute.

(4) *Housing First policies.* A Low Barrier Navigation Center shall comply with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

(5) *Information collection.* A Low Barrier Navigation Center shall have a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

(6) *Objective design review.* A Low Barrier Navigation Center shall not require discretionary review but shall be subject to the objective design standards applicable to multiple-unit dwellings and mixed-use development in Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards, of Chapter 10.10, Housing Regulations. For purposes of this Section 10.10.140 (Low Barrier Navigation Centers), new buildings, existing buildings, and as applicable, additions to existing buildings, shall also comply with the following design review standards:

i. *Fences and walls*. A Low Barrier Navigation Center shall comply with the fences and walls regulations in Section 10.08.3250 (Wall, fence and hedge requirements).

ii. *Height*. A Low Barrier Navigation Center shall comply with height limitations of the applicable zone and the height measurement, exceptions, and limitations in Section 10.08.3200 (Height limitations). This standard shall not apply to existing permitted buildings.

iii. *Signs*. A Low Barrier Navigation Center shall comply with the sign standards in Article 35 (Signs).

iv. *Setbacks*. A Low Barrier Navigation Center shall comply with the setback requirements of the applicable zone. This standard shall not apply to existing permitted buildings.

v. *Lot coverage*. A Low Barrier Navigation Center shall comply with any lot coverage standards of the applicable zone. This standard shall not apply to existing permitted buildings.

vi. *Open space*. A Low Barrier Navigation Center shall comply with any open space standards of the applicable zone. This standard shall not apply to existing permitted buildings.

(e) *Exempt from other development standards.* Other than the development standards in this Subsection 10.10.140(d), A Low Barrier Navigation Center shall not be

subject to any other objective or discretionary development standards or other provisions in the General Plan or this Development Code, including parking requirements.

SECTION 7. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 8. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 9. Typographical or Clerical (Scrivener's) Errors. Any typographical errors in this Ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

SECTION 10. Effective Date. This ordinance shall become effective upon the thirtieth (30^{th}) day after final adoption.

SECTION 11. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 12. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the 2nd day of December 2025, and finally adopted on the_____ day of _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy, California

Date of Attestation: _____

APPROVED AS TO FORM

CITY ATTORNEY'S OFFICE

TRACY PLANNING COMMISSION

RESOLUTION 2025-023

RECOMMENDING THAT THE CITY COUNCIL OF THE CITY OF TRACY CONDUCT A PUBLIC HEARING, AND UPON ITS CONCLUSION, TAKE THE FOLLOWING ACTIONS:

1. INTRODUCE AND ADOPT AN ORDINANCE THAT

(A) APPROVES AN AMENDMENT TO ARTICLE 2, DEFINITIONS, AND ARTICLE 30, DEVELOPMENT REVIEW, OF CHAPTER 10.08, ZONING REGULATIONS, AND; AND ADDS A NEW CHAPTER, CHAPTER 10.10, HOUSING REGULATIONS, CONSISTING OF NEW ARTICLES, ARTICLE 1, QUALIFYING HOUSING STREAMLINED REVIEW, ARTICLE 2, MULTIPLE-UNIT AND MIXED-USE HOUSING OBJECTIVE DESIGN STANDARDS, ARTICLE 3, COMMUNITY CARE FACILITIES, ARTICLE 4, TRANSITIONAL AND SUPPORTIVE HOUSING, AND ARTICLE 5, EMERGENCY HOMELESS SHELTERS AND LOW BARRIER NAVIGATION CENTERS, AND REPEALS AND RELOCATES SECTION 10.08.3195, DAY CARE HOME, AND SECTION 10.08.3197, STANDARDS FOR EMERGENCY HOMELESS SHELTERS, TO CHAPTER 10.10 HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

(B) DETERMINES THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CEQA GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS SUBJECT TO THE CEQA EXEMPTION CONTAINED IN CEQA GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENT; AND

WHEREAS, on September 29, 2017, the State Legislature adopted Senate Bill (SB) 35 (Government Code [GC] Sections 65582.1 and 65913.4) requiring a streamlined application review process for qualifying multiple-unit and mixed-use housing projects, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on September 26, 2018, the State Legislature adopted Assembly Bill (AB) 2162 (Government Code [GC] Sections 65650 through 65656 and 65583) requiring ministerial approval of supportive housing meeting specific eligibility criteria in zones where multifamily and mixed-uses are permitted, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on July 31, 2019, the State Legislature adopted Assembly Bill 101 (Government Code [GC] Sections 65660 through 65666) requiring ministerial approval of qualifying low barrier navigation centers in areas zoned for mixed use and nonresidential zones permitting multifamily uses, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on September 26, 2019, the State Legislature adopted SB 744 (GC§ 65650 through 65656) to, among other updates, expand the exemption for the ministerial approval for qualifying supportive housing projects under CEQA; and

WHEREAS, on October 11, 2023, the State Legislature adopted SB 423 (GC §65913.4) to, among other updates, establish requirements for a public meeting in the review process for qualifying streamlined housing projects, and extend the provisions of SB 35 to expire on January 1, 2036 in place of the original expiration date of January 1, 2026; and

WHEREAS, on September 27, 2024, the State Legislature adopted AB 3122 (GC §65913.4) to, among other updates, establish new qualifications to process a subdivision map ministerially with an SB 35 application, further clarify modification processing, and establish timelines for a response to a resubmittal for qualifying housing projects subject to streamlined review; and

WHEREAS, California Health and Safety Code Section 1566.3 requires residential care facilities serving six or fewer persons to be considered as a residential use of property and that its residents be considered a family for zoning purposes, with the use being treated as a single-family dwelling; and

WHEREAS, on September 27, 2024, the State Legislature adopted AB 1801 (GC§ 65650 through 65656) to revise supportive housing floor area requirements for onsite supportive services and specify that supportive housing includes transitional housing for youth and young adults for purposes of the use by right provisions; and

WHEREAS, on September 19, 2024, the State Legislature adopted SB 1395 (GC§ 65660 through 65666), to, among other updates, permanently establish low barrier navigation centers as a use by right and expand CEQA exemptions for local agencies' actions related to low barrier navigation centers; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the ordinance brings the City of Tracy into compliance with the state laws mentioned above and implements Program 14, Zoning Ordinance, and Program 15, Objective Design/Development Standards, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, the Planning Commission considered this matter at a duly noticed public hearing held on November 5, 2025; now, therefore, be it

RESOLVED: That the Planning Commission of the City of Tracy hereby recommends that the City Council of the City of Tracy determine that the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and be it

FURTHER RESOLVED: That the Planning Commission of the City of Tracy hereby recommends that the City Council of the City of Tracy introduce and adopt an ordinance to amend Article 2, Definitions, and Article 30, Development Review, of Chapter 10.08, Zoning Regulations, adopt a new Chapter, Chapter 10.10, Housing Regulations, consisting of new articles, Article 1, Qualifying Housing Streamlined Review, Article 2, Multiple-Unit and Mixed-Use Objective Design Standards, Article 3, Community Care Facilities, Article 4, Transitional and Supportive Housing, and Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, and repeal and relocate Section 10.08.3195, Day care home, and Section 10.08.3197, Standards for emergency homeless shelters, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-023 was adopted by the Planning Commission of the City of Tracy on November 5, 2025, by the following vote:

AYES:	COMMISSION MEMBERS:	BOAKYE-BOATENG, ENGLISH, PENNING
NOES:	COMMISSION MEMBERS:	NONE.
ABSENT:	COMMISSION MEMBERS:	ATWAL, ORCUTT
ABSTENTION:	COMMISSION MEMBERS:	NONE.

CHAIR

ATTEST: Scott Claar
STAFF LIAISON

Date of Attestation: 11/6/2025

Exhibit 1 – Proposed City Council Ordinance for Chapter 10.10, Article 1, Qualifying Housing Streamlined Review; and Amendments to Section 10.08.3950, Approval Authority and Section 10.08.3960, Decision and Findings, of Chapter 10.08, Zoning Regulations

Exhibit 2 – Proposed City Council Ordinance for Chapter 10.10, Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards

Exhibit 3 – Proposed City Council Ordinance for Chapter 10.10, Article 3, Community Care Facilities; and the Repeal and Relocation of Section 10.08.3195, Day care home

Exhibit 4 – Proposed City Council Ordinance for Chapter 10.10, Article 4, Transitional and Supportive Housing

Exhibit 5 – Proposed City Council Ordinance for Chapter 10.10, Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers

EXHIBIT 1

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, PURSUANT TO CEQA GUIDELINES SECTION 15061(b)(3) AND 2) APPROVING AN AMENDMENT TO SECTION 10.08.3950 AND SECTION 10.08.3960, AND ADDING A NEW ARTICLE, ARTICLE 1, QUALIFYING HOUSING STREAMLINED REVIEW, TO A NEW CHAPTER, CHAPTER 10.10, HOUSING REGULATIONS TO THE TRACY MUNICIPAL CODE.

WHEREAS, on September 29, 2017, the State Legislature adopted Senate Bill (SB) 35 (Government Code [GC] Sections 65582.1 and 65913.4) requiring a streamlined application review process for qualifying multiple-unit and mixed-use housing projects; and

WHEREAS, on October 11, 2023 the State Legislature adopted SB 423 (GC §65913.4) to, among other updates, establish requirements for a public meeting in the review process for qualifying streamlined housing projects, and extend the provisions of SB 35 to expire on January 1, 2036 in place of the original expiration date of January 1, 2026; and

WHEREAS, on September 27, 2024, the State Legislature adopted AB 3122 (GC §65913.4) to, among other updates, establish new qualifications to process a subdivision map ministerially with an SB 35 application, further clarify modification processing, and establish timelines for a response to a resubmittal for qualifying housing projects subject to streamlined review; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would bring the City of Tracy into compliance with the state laws mentioned above and implement Program 14, Zoning Ordinance, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendments to Section 10.08.3950 and Section 10.08.3960 and the proposed Article 1, Qualifying Housing Streamlined Review, of proposed Chapter 10.10, Housing Regulations, of the Tracy Municipal Code.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to Section 10.08.3950. The City Council hereby amends Tracy Municipal Code Section 10.08.3950, Approval Authority, to read as follows:

10.08.3950 – Approval Authority.

Each development review application will be considered in one of three tiers, depending on the nature of the application, as follows:

...

(c) Tier 3. A Tier 3 application is reviewed by the Director and occurs when not covered by Tier 1 or Tier 2, above. The Director may refer review and approval of an application to the Planning Commission, unless the application qualifies for a streamlined ministerial approval without discretionary review, as permitted in Chapter 10.10, Housing Regulations.

The Director will consider a development review permit application after notice and a public hearing, unless the application qualifies for a streamlined ministerial approval without discretionary review, as permitted in Chapter 10.10, Housing Regulations.

SECTION 3. Amendment to Section 10.08.3960. The City Council hereby amends Tracy Municipal Code Section 10.08.3960, Decision and findings, to read as follows:

10.08.3960 – Decision and findings.

The reviewing body will consider the following factors: general site considerations including height, bulk, and size of buildings; physical and architectural relationship with the existing and proposed structures; site layout, orientation, and location of the buildings and relationships with open areas and topography; location and type of landscaping; off-street parking areas; height, materials, colors and variations in boundary walls, fences, and screen plantings; appropriateness of the sign design and exterior lighting; and appropriate City utilities, public infrastructure, circulation, and roadway access.

Before approving a development review permit, the reviewing body (under section 10.08.3950) must make written findings that:

(1) the proposal increases the quality of the project site, and enhances the property in a manner that therefore improves the property in relation to the surrounding area and the citizens of Tracy.
(2) the proposal conforms to this chapter, the general plan, any applicable specific plan, the Design Goals and Standards, any applicable Infrastructure Master Plans, and other City regulations.

Qualifying projects subject to streamlined review shall only be subject to objective design standards, in which case the proposal shall conform to applicable objective standards and policies per Tracy's Title 10 Planning and Zoning Code and the City's General Plan, any applicable Infrastructure Master Plans, and other City regulations.

SECTION 4. Amendment to add Chapter 10.10, Housing Regulations. The City Council hereby amends Tracy Municipal Code to add Chapter 10.10, Housing Regulations, to Title 10, Planning and Zoning, of the Tracy Municipal Code.

SECTION 5. Amendment to add Article 1, Qualifying Housing Streamlined Review. The City Council hereby amends Tracy Municipal Code to add Article 1, Qualifying Housing Streamlined Review, to Chapter 10.10, Housing Regulations, to read as follows:

Article 1- Qualifying Housing Streamlined Review

Sections:

10.10.010 – Purpose and Intent

10.10.020 – Objective Zoning and Design Standards

10.10.030 – Exceptions Prohibited

10.10.040 – Review Process

10.10.010 – Purpose and Intent

(a) *Purpose and Intent.* The purpose of this Article is to implement a streamlined application review process for "qualifying streamlined housing projects", consistent with the requirements of state law. It is intended that the provisions of this Article be interpreted, as needed, to comply with the requirements of Government Code Section 65913.4.
(b) *Applicability.* The provisions of this Article apply to applications deemed complete before January 1, 2036, that meet the criteria for "qualifying streamlined housing projects". The City will not accept any application under this Article after January 1, 2036, unless the State extends Government Code Section 65913.4. This Article shall not apply if the state has determined that the City is not subject to the streamlined ministerial approval process based on its housing element annual progress report or shall apply only to projects with specific affordability restrictions under specific circumstances as described in Government Code Section 65913.4(a)(4). The provisions of this Article 1 will become null and void, and are repealed, once the last application deemed completed before January 1, 2036 is fully processed.

(c) *Qualifying Streamlined Housing Projects.* For purposes of this Chapter, "qualifying streamlined housing projects" means housing development projects that satisfy all of the standards set forth in Government Code Section 65913.4(a).

10.10.020 – Objective Zoning and Design Standards

Qualifying streamlined housing projects must comply with all objective land use regulations, development standards, and design review standards including but not limited to objective design standards provided in Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards, of Chapter 10.10, Housing Regulations. The objective standards applied to the project shall be those in effect at the time a notice of intent in the form of a complete preliminary application is submitted pursuant to Subsection 10.10.040(a). Qualifying streamlined housing projects are eligible for parking exemptions under certain circumstances as described in Government Code Section 65913.4(e)(1). Qualifying streamlined housing projects do not require a conditional use permit or other discretionary review or approval.

10.10.030 – Exceptions Prohibited

Qualifying streamlined housing projects may not include a request for an exception to objective standards by applying for a variance, modification, exception, waiver, or other discretionary approval for height, density, setbacks, open yard, land use, development plan approval, or similar development standard, other than modifications granted as part of a density bonus concession or incentive pursuant to Article 36.5 – Density Bonus or State Density Bonus Law.

10.10.040 – Review Process

(a) *Preliminary Application/Notice of Intent.* Before submitting an application for a development subject to this Section, the applicant must submit a notice of intent in the form of a preliminary application that includes all of the information described in Government Code Section 65941.1.

(b) *Public Meeting.* Public meetings are required following submittal of a notice of intent for certain projects. See Government Code Section 65913.4(q) for definitions and implementation requirements.

(c) *Scoping Consultation.* Upon receipt of a notice of intent, the City will engage in a scoping consultation with any California Native American tribe that is traditionally and culturally affiliated with the geographic area, as described in Public Resources Code Section 21080.3.1, according to the timelines and procedures established by state law and described in Government Code Section 65913.4(b). After concluding the scoping consultation as described in Government Code Section 65913.4(b)(2)(D), the applicant and any California Native American tribe that is a party to that scoping consultation will be notified as follows:

(1) The applicant may submit an application for review if it is either determined that no potential tribal cultural resource could be affected by the proposed development, or if all parties enter into an enforceable agreement establishing the methods, measures,

and conditions for treatment of the tribal cultural resource. The agreement shall be included in the requirements and conditions for the proposed development.

(2) The development is not eligible for approval under this Section if it is determined that a potential tribal cultural resource could be affected by the proposed development, and all parties do not reach an enforceable agreement on methods, measures, and conditions to avoid or address impacts to tribal cultural resources. Additionally, the development is not eligible if any of the reasons included in Government Code Section 65913.4(b)(5)(A) apply.

If the development or environmental setting substantially changes after the completion of the scoping consultation, the Department shall notify the California Native American tribes that were party to the original scoping consultation of the changes and engage in a subsequent scoping consultation if requested by the California Native American tribes.

(d) *Consistency Determination.* After receiving notification pursuant to Subsection (c)(1) above, the applicant may submit a complete application. After an application is determined to be complete, the Director will review the application for consistency with the applicable criteria required for streamlined housing projects and for compliance with applicable objective zoning, subdivision, and design review standards. If it is determined that the project is in conflict with any of the applicable objective standards, the applicant will be provided with written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards. This notification will be issued within 60 days of a complete application submittal if the development contains 150 or fewer housing units or within 90 days of a complete application submittal if the development contains more than 150 housing units. Notification will be issued within 30 days of a submittal that was resubmitted to address written feedback provided by the Director.

(e) *Design Review.* Design review will be completed within the scope of the Director's review and shall not be subject to separate design review approval.

(f) *Project Approval.* The Director must approve a project that meets all the requirements of state law and this Section, and complies with all applicable objective standards within 90 days of a complete application submittal if the development contains 150 or fewer housing units, or within 180 days of a complete application submittal if the project contains more than 150 housing units.

(g) *Subdivision Application.* An application for a subdivision pursuant to the Subdivision Map Act shall be exempt from the requirements of the California Environmental Quality Act and shall be subject to the timelines set forth in Section 10.10.040(f) above, so long as the development is consistent with the requirements of this section and all objective subdivision standards.

(h) *Expiration.* Projects approved pursuant to this Section shall not have that approval expire as long as the project includes public investment in housing affordability beyond tax credits and at least 50 percent of the project units are affordable to households

making at or below 80 percent of the area median income. For projects that do not meet these requirements, the project approval shall remain valid for three years from the date of final action subject to the limitations and allowances under Government Code Section 65913.4(g).

(i) *Modifications.* An applicant may request a modification to a development that has been approved under the streamlined, ministerial approval process if that request is submitted before the issuance of the final building permit required for the construction of the development. Modifications will be considered in accordance with Government Code Section 65913.4(h).

SECTION 6. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 7. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 8. Effective Date. This ordinance shall become effective upon the thirtieth (30th) day after final adoption.

SECTION 9. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 10. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the ___ day of _____ 2025, and finally adopted on the_____ day of_____ _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

EXHIBIT 2

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, PURSUANT TO CEQA GUIDELINES SECTION 15061(b)(3) AND 2) APPROVING AN AMENDMENT TO ADD A NEW ARTICLE, ARTICLE 2, MULTIPLE-UNIT AND MIXED-USE HOUSING OBJECTIVE DESIGN STANDARDS, TO CHAPTER 10.10, HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, on September 29, 2017, the State Legislature adopted Senate Bill (SB) 35 (Government Code [GC] Sections 65582.1 and 65913.4) requiring a streamlined application review process for qualifying multiple-unit and mixed-use housing projects, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on September 26, 2018, the State Legislature adopted Assembly Bill (AB) 2162 (Government Code [GC] Sections 65650 through 65656 and 65583) requiring ministerial approval of supportive housing that meets specific eligibility criteria, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on July 31, 2019, the State Legislature adopted Assembly Bill 101 (Government Code [GC] Sections 65660 through 65666) requiring ministerial approval of qualifying low barrier navigation centers, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on October 11, 2023 the State Legislature adopted SB 423 (GC §65913.4) to, among other updates, extend the provisions of SB 35 to expire on January 1, 2036 in place of the original expiration date of January 1, 2026; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would establish objective design standards for multiple-unit and mixed-use housing to bring the City of Tracy into compliance with the state laws mentioned above and implement Program 15, Objective Design/Development Standards, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendment to add Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards, to Chapter 10.10, Housing Regulations, of the Tracy Municipal Code.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to add Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards. The City council hereby amends Tracy Municipal Code to add Article 2, Multiple-Unit and Mixed-Use Housing Objective Design Standards, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, to read as follows:

Article 2 - Multiple-Unit and Mixed-Use Housing Objective Design Standards.

Sections:

10.10.050 – Purpose and Intent

10.10.060 – Building Design

10.10.070 – Site Design

10.10.080 – Mixed-Use Standards

10.10.090 – Utilitarian Elements

10.10.050 - Purpose and Intent.

(a) **Purpose and Intent**. The purpose of this Article is to provide the public, building and design professionals, and decision-makers with objective criteria for multiple-unit and mixed-use housing development projects in the City of Tracy. The intent is to provide clear design direction that enhances an area's sense of place, respects existing neighborhood compatibility and privacy, and ensures a high-quality living environment. It is also intended that this Article establish "objective" design standards, as that term is defined under state housing law, that apply to multiple-unit residential and mixed-use development projects where state housing law restricts City review of such projects to objective standards, to the fullest extent permitted under state housing law.

(b) **Applicability**. The provisions of this Article apply to multiple-unit residential and mixed-use development in all Zone Districts, including such development that constitutes a "housing development project" under Government Code Section 65589.5 (Housing

Accountability Act), qualifying "multifamily housing development" under Government Code Section 65913.4 (SB 423), "transitional or supportive housing" under Government Code Section 65651 (AB 2162), and "farmworker housing" under Health and Safety Code Section 50199.7, as well as any other multiple-unit residential or mixed-use development project for which the Department may require compliance with "objective" standards under applicable state housing law.

(c) **Consistency with All Objective Standards**. In addition to the objective design standards established in this Article, multiple-unit residential and mixed-use development projects shall also comply with all other applicable objective standards and policies, including all adopted design guidelines, per Tracy's Title 10 Planning and Zoning Code and the City's General Plan.

(1) **Exception**. Applicants may request concessions, incentives, or waivers of development standards pursuant to Article 36.5 (Density Bonus).

(2) **Conflicting Standards**. If there is any conflict between the objective standards set forth in this Article and any existing City or State objective standards, the more restrictive objective standard shall apply.

Nothing in this Article is intended to limit the City's discretion, to the fullest extent permitted under law, to condition the approval of multiple-unit residential and mixed-use development projects, as authorized under state housing law and this code.

(d) **Design Standards Compliance.** Department staff may consult with a design professional to assist in determining a project's compliance with the objective design standards contained in this Article.

10.10.060 - Building Design.

(a) Building Form, Massing, and Articulation.

(1) **Building Form and Vertical Hierarchy.** Buildings that are three stories or more in height shall be designed to differentiate between a defined base; a middle or body; and a top, cornice, or parapet cap. Buildings two stories or less shall include a defined base and a top, cornice, or parapet cap. All buildings shall achieve this effect through at least two of the following:

i. Color, texture, or material changes.
ii. Variations, projections, or reveals in the wall plane.
iii. Variations in fenestration size or pattern.
iv. Decorative architectural details, such as cornices and columns.

(2) **Wall Plane Variation.** Building façades visible from the primary street shall not extend more than 50 feet in length without either an architectural element or a two-foot variation in depth in the wall plane. Architectural elements include: building entrances, front porches, balconies, upper-story setbacks, projections, and recessions, such as stoops, bay windows, overhangs, and trellises.

(3) **All-Sided Architecture.** Buildings shall be designed and articulated with common details, articulation, materials, and elements on all sides.

(4) **Corner Lots.** Buildings located on corner lots shall include one or more of the following features on both street-facing facades, located within 25 feet of the corner of the building closest to the intersection:
   i. An entrance to a ground-floor use or a primary building entrance.
   ii. A different material application, color, or fenestration pattern of windows and doors from the rest of the façade.
   iii. A change in height of at least 18 inches from the height of the abutting façade.

(5) **Roof Line Variation.** Roof lines shall not extend more than a length of 50 feet without at least one prominent change as described below:
   i. Variation in roof form, such as hip, mansard, gable, shed, and flat with parapet.
   ii. Variation in architectural elements, such as parapets or varying cornices.
   iii. Variation of roof height of at least 24 inches for buildings of two stories or less and 30 inches for buildings of three stories or more (as measured from the highest point of each roof line).

(6) **Roof Slopes.** For buildings of three or more stories or roof spans of 30 feet or greater, sloped roofs shall have a minimum pitch of 4:12.

(7) **Flat Roofs and Parapets.**
   i. A parapet shall be provided that is a minimum of twelve inches taller than all roof-top equipment.
   ii. Interior side of parapet walls shall not be visible from a common open space or public right-of-way.
   iii. Parapets shall be capped with precast treatment, continuous banding, projecting cornices, dentils, or similar edge treatment.

(b) Building and Dwelling Unit Entrances. See Subsection 10.10.070(a) for orientation of building and dwelling unit entrances within a site.

(1) Primary Building Entrance.
   i. **Street-Facing Entrance.** Buildings located within 20 feet of the primary street right-of-way shall have a ground-level primary building entrance facing the primary street.

(2) Exterior Individual Dwelling Unit Entrance
   i. **General Requirement.** All individual unit entrances shall have either a projected sheltering element or be recessed from the main facade; the projection or recess shall have a minimum depth of 24 inches.
   ii. **Visibility.** All individual unit entrances shall be illuminated or shall face towards a common area or public street.
   iii. **Street-Facing Unit Entrance.** Each dwelling unit located within 20 feet of a primary street right-of-way shall include at least one street-facing porch, balcony, or patio unless a setback of five feet or less is provided.
   iv. **Upper-Floor Unit Entrance.** Exterior entrances to individual dwelling units on upper floors are permitted.

(3) **Architectural Treatments.** Entrances for buildings and individual dwelling units shall incorporate at least two of the following:

i. Feature window details
ii. Towers
iii. Columns
iv. Decorative veneer or siding
v. Porches or stoops
vi. Changes in roof line or wall plane

(c) Windows.

(1) Privacy. Where windows are proposed within 10 feet of a window on another building, the design and placement shall avoid unfiltered/direct views into the adjacent site and shall be designed with one or more of the following:

i. Use non-transparent or obscured glazing, such as frosted/patterned glass. Reflective glazing is not permitted.
ii. Provide permanent architectural screens or affixed louvers at windows.
iii. Offset windows horizontally at least 12 inches from any windows in adjacent buildings (edge to edge), so as not to have a direct line-of-sight into adjacent units.
iv. Permanent landscaping screening.

(2) Window Treatment.

i. **Design Treatment.** Windows shall either be recessed at least three inches from the plane of the surrounding exterior wall or shall have a trim or windowsill at least one-half inch in depth.
ii. **Windows Facing a Public Street.** Windows facing a public street shall feature enhanced window treatments, such as decorative architectural brackets, trim, shutters, awnings, and/or trellises.

(d) Materials and Colors.

(1) Wall Material. The primary exterior siding material for buildings shall be wood, composite wood, stone, stone veneer, granite, slate, brick, brick veneer, stucco, plaster, fiber cement, vinyl, or metal including aluminum or steel. The use of exposed plywood or glass curtain walls is prohibited. Buildings shall not be comprised wholly of metal.

(2) Window Consistency. Window frame materials and color shall be used on all elevations.

(3) Material and Color Transition. Changes in material or color shall occur at inside corners of intersecting walls or at architectural features that break up the wall plane, such as columns.

(4) Accent Material. Use of two or more accent materials, such as glass, tile, brick, stone, concrete, wood, metal, or plaster, shall be incorporated to highlight building features.

(5) Architectural Consistency. Affordable units and market rate units in the same development shall be constructed of the same exterior materials and details such that the units are not distinguishable from one another in quality and detail.

(e) Parking Structures.

(1) Wall Plane Variation. Building façades visible from the primary street shall not extend more than 50 feet in length without at least one of the following: a two-foot variation in depth in the wall plane, architectural element, or other prominent feature that provides visual interest.

(2) Materials and Colors. The parking structure shall utilize the same colors and materials as the primary buildings.

(3) Articulation. The exterior of the parking structure shall apply at least one of the following as articulation:

i. Applied materials, such as brick, stone, and/or siding, which extend at least two inches from the face of the structure to the face of the applied materials. Painted concrete, smooth concrete, or stucco walls shall not be considered sufficient articulation.

ii. Decorative architectural features, such as cut metal screens, awnings, trellises, louvers, and/or decorative security grills.

(4) Vertical Plantings. Vertical plantings shall be located between openings, entrances, and architectural accent features. Plantings shall be evergreen vegetation that will grow to a minimum height equivalent to 75 percent of the height of the parking structure; container size shall be selected to achieve a height of at least 50 percent of the height of the parking structure within at least two years from the time of installation.

(f) Garages and Carports.

(1) Garages.

i. Garage doors shall be recessed a minimum of five feet from the surrounding wall plane when facing a public right of way.

ii. Garages shall feature at least one of the following treatments:

a. Garage door windows.
b. Paneled garage door surface.
c. Two different colors.
d. Alternative architectural materials, finishes, or treatments.

(2) Carports. Carports shall incorporate the same colors and materials as the primary residential or mixed-use building design.

10.10.070 - Site Design.

(a) Building Placement and Orientation.

(1) Street Façade. If buildings on adjacent properties establish a contiguous street facade along the primary street frontage, new buildings shall be located to maintain the contiguous street wall, with allowances for variation in facade and entrances which are projected or recessed.

(2) Visibility of Entrances. On all lots 60 feet or less in width, at least one primary building entrance or individual unit entrance shall be visible from the front or street side lot line. See Subsection 10.10.070(c).

(3) **Buffer for Adjacent Single-Family Homes.** When developing multi-family buildings of three or more stories adjacent to single-family residential zones, site design shall utilize parking areas, common open space, landscaping, and/or other site features to provide a buffer for adjacent development.

(b) Vehicular Parking and Access. Vehicular parking and access shall comply with the provisions of the California Building Code, California Fire Code, and Article 26 (Off-Street Parking Requirements), of this Code. In addition, projects shall provide the following:

(1) **Primary Access.** Side street or alley access shall serve as the primary vehicular access to parking areas, if available. If not available, the primary street shall serve vehicular access.

(2) **Number of Access Points.**

i. **Interior Lots.** A maximum of one vehicle access point from the street is permitted per 100 feet of street frontage.

ii. **Corner Lots.**

a. One vehicular access point is permitted per lot where all street frontages are less than 100 linear feet.

b. Two vehicular access points are permitted on lots where at least one street has a frontage of 100 linear feet or more.

(3) **Parking Location.** Parking areas shall not be located within any front or street side setback.

(4) **Mixed-Use Loading and Service Areas.** In addition to the provisions below, loading and service areas shall comply with the standards of Article 26 (Off-Street Parking Requirements), as applicable.

i. All required loading and service areas shall be located adjacent to a façade other than the primary street frontage.

ii. Loading and service areas shall be located so as to not disrupt or block the flow of on-site and off-site vehicular traffic.

iii. Loading and service areas shall not be located adjacent to residential dwelling units or common open space areas.

iv. Loading and service areas shall be screened from view with walls, solid fencing, and/or landscape privacy screening as described in Subsection 10.10.070(e) Landscaping.

v. On-Site Loading Spaces. Every nonresidential use shall provide and maintain on-site loading, unloading, and service spaces for vehicles as required by this Section:

Table 10.10-1 Number of Spaces Required

Gross Floor Area (Square Feet)	Number of Spaces
Office	
5,000-36,000	**1**

36,000 and greater	**2**
Commercial	
5,000-24,000	**1**
24,000-60,000	**2**

Table 10.10-2 Minimum Dimensions for Loading Spaces

Gross Floor Area (Square Feet) of Commercial Space	Minimum Length (feet)	Minimum Width (feet)	Required Vertical Clearance (feet)
5,000 or less	**20**	**10**	**14**
5,000 or more	**25**	**12**	**14**

(5) Enhanced Paving for Entrance Driveways. Paving treatment using patterned and/or colored pavers, brick, or decorative colored and/or scored concrete shall be used for entrance driveways, a minimum of 14 feet in length, and spanning the width of the entrance driveway.

(6) Vehicle Light Intrusion. Vehicle headlights shall be obstructed from direct alignment with habitable interior spaces with a minimum 3-foot high evergreen shrub or vine and/or features such as fencing or walls.

(c) Pedestrian Circulation and Access.

(1) General. The following pedestrian walkways shall be provided and interconnected within the site:

i. Pedestrian walkways shall connect residential dwelling units to areas throughout the site, such as vehicle parking areas, bicycle parking areas, common open space, waste and recycling enclosures, and other amenities.

ii. Pedestrian walkways shall connect public sidewalks, building entrances, and vehicle parking areas.

iii. Pedestrian walkways shall connect building entrances and vehicle parking areas through the site interior to all transit stops directly adjacent to the site.

(2) Pedestrian Walkways. Pedestrian walkways shall be provided with a minimum width of four feet along their entire length and shall be designed as follows:

i. **Through Lot Connection.** Through lots located more than 300 feet from a street intersection, measured from the closest point of the lot, shall provide a publicly accessible sidewalk or walkway connecting the two streets.

ii. **Materials.** Walkways shall be constructed of firm, stable, and slip-resistant materials, such as poured-in-place concrete (including stamped concrete), permeable paving, decomposed granite, or concrete pavers.

iii. **Paving for Pedestrian Crossings.** Where an intersection of pedestrian and vehicle access exists, enhanced paving treatment using patterned and/or colored pavers, brick, or decorative colored and scored concrete shall be used. Pedestrian crossings shall feature enhanced paving a minimum width of five feet and span the length of the intersecting drive area.

iv. **Maintenance.** Pedestrian walkways shall be maintained in good condition for the life of the project and shall not be allowed to fall into disrepair so as to constitute a nuisance or hazard to the public.

(3) Enhanced Paving for Building Entrances. Primary building entrances shall provide decorative and accent paving that contrast in color and texture with the adjacent walkway paving. Grasscrete is prohibited.

(d) Common Open Space. Common open spaces for multiple-unit developments shall provide a minimum usable open space of 100 square feet for each of the first ten (10) dwelling units, fifty (50) square feet for each of the second ten units, and twenty-five square feet for each unit in excess of twenty (20). Rooftops may be used to satisfy up to 75% of the common open space requirements. The open space shall not include the required front yard or street side yard, off-street parking, driveways, or service areas.

(e) Landscaping. Landscaping shall be used for all outdoor areas that are not specifically used for parking, driveways, walkways, or open space.

(1) Additional Landscaping Requirements. Landscaping must comply with all requirements of the City of Tracy Municipal Water Management Plan and the State and City's Water Efficient Landscape Ordinance (WELO), including the submittal of irrigation plans and landscape plans. Landscape plans shall include paving materials, finishes, plant palettes, notes, call-outs, details, the type of irrigation technology, the total square footage of the area to be landscaped and irrigated, all existing utilities, and a WELO checklist.

(2) Plant Materials. Plant materials shall be limited to native, climate adapted and large stature species.

(3) Parking and Loading Area Landscaping. Parking and loading area landscaping must comply with Subsection 10.08.3560 (Landscaping Requirements for Parking Areas)

(4) Landscape Buffer. A landscape buffer of a minimum width of seven feet shall include plants for screening and noise buffering between adjacent non-residential and residential uses. A landscape strip shall be planted along lot lines to separate different land uses, unless adjacent sites have the same land use type.

(5) Pedestrian Walkways. Pedestrian walkways shall be flanked on at least one side with landscaping, and may include a mix of trees, shrubs, and groundcover. Trees shall be provided along walkways in order to shade at least 40 percent of the overall walkway length at maturity.

(6) **Number of Plants.** A minimum of two 24-inch box trees or three 15-gallon trees shall be planted per every 1,000 square feet of landscaped area.

(7) **Groundcover and Shrubs.** Groundcover and shrubs shall be sized and located to cover a minimum of 35 percent of all landscape areas that are not planted with trees prior to final inspection of certificate of occupancy. Organic wood mulch shall only be used within shrub and groundcover areas and shall be installed at a minimum of three inch depth.

(8) **Plant Selection.** Artificial or synthetic plants, except for turf, are prohibited. Artificial turf or a natural lawn substitute shall be limited to a maximum of 30 percent of the front landscape area.

(9) **Solar Access.** Landscaping shall not obstruct solar access to adjacent solar collectors for water heating, space heating or cooling, or electricity generation.

(10) **Privacy.** Landscape screening shall obscure direct sight lines into dwelling units and open space areas from communal areas such as parking areas, common mailboxes, and pedestrian walkways. Landscape screening may be used in combination with walls, fencing, and/or trellises to screen views.

i. **Location.** Landscape screening shall fit within associated planting areas and canopy sizes must not overlap with building foundations or eaves.

ii. **Plant Selection.** Landscape screening shall use trees, shrubs, and/or vines located and sized to buffer views. Deciduous species, perennials, and grasses or grass-like plants are not permitted for privacy screening.

iii. **Minimum Sizes.** Landscape screening and vegetation shall use the following minimum container sizes at the time of planting:

a. Trees: 24-inch box

b. Shrubs: 5-gallon size

c. Vines: 1-gallon at 10 feet

10.10.080 - Mixed-Use Standards

(a) **Ground Floor Height.** The ground floor of a mixed-use building shall have a minimum floor height of 12 feet, measured from the finished ground floor to the bottom of the finished second floor.

(b) **Ground Floor Transparency.** Exterior walls facing a public street shall include transparent windows and doors for at least 50 percent of the building wall area located between three and seven feet above the elevation of the sidewalk. Parking garages are not required to meet the ground floor transparency requirement.

(c) **Street-Facing Setbacks.** Street-facing setbacks shall be landscaped and/or prepared for use by pedestrians. The setback area on each lot shall contain at least two amenities per 50 linear feet, such as benches, drinking fountains, shade structures, or other design element (e.g., public art, planters, kiosks, etc.).

(d) **Street-Facing Entrance.** Mixed-use buildings located within 20 feet of a primary street right-of-way shall incorporate at least one primary building entrance directly from the public sidewalk or right-of-way. The primary building entrance shall include weather

protection that is a minimum of six feet wide and four feet deep by recessing the entrance or providing an awning or similar weather protection element.

10.10.090 - Utilitarian Elements

(a) Bicycle Parking. Bicycle parking shall comply with the California Building Code and shall be provided as follows:

(1) Parking Spaces Required. One (1) space for every two (2) dwelling units. A minimum of two (2) spaces shall be provided.

(2) Parking Location. Bicycle parking must be located on the same lot as the use it serves.

i. Located at surface levels near main pedestrian entrances to nearby facilities or structures, or in the parking garages of such facilities or structures;

ii. Located as not to obstruct pedestrian and auto access;

iii. Access to nearby public streets and sidewalks for the bicycle users;

iv. Accessible only to residents and owners, operators, and managers of a residential facility when the involved use is residential.

(3) Size and Accessibility. Each bicycle parking space must be a minimum of five and one-half feet long and two and one-half feet wide and must be accessible without moving another bicycle. Bicycle parking shall be at least five feet from vehicle parking spaces and two feet from adjacent walls, landscaping, and pedestrian ways.

(4) Anchoring and Security.

i. Bicycle parking must be located in one or more of the following:

a. An enclosed bicycle locker;

b. An illuminated, fenced, covered, and locked or guarded bicycle storage area;

c. A secure area within a building or structure.

ii. Bicycle Locker. When using bicycle lockers, they shall be:

a. Of sufficient size to hold an entire bicycle; and

b. Securely anchored to a permanent surface.

iii. Bicycle Rack. When using bicycle racks, they shall be:

a. Located and installed to support an entire bicycle, including the frame and wheels, so that the frame and wheels can be locked without damage when using a customary, heavy-duty cable, or U-shaped bicycle lock, or any other security device.

(b) Trash, Recycling, and Green Waste Container Enclosures. Enclosures for recycling, green waste, and any other waste containers required by law are required for multiple-unit and mixed-use developments. Enclosures shall be located within a building, incorporated into the exterior building design, or located within a detached enclosure designed and placed as follows:

(1) Location. The enclosure shall be located to the rear or side of the building(s) and located outside of or screened from view from a public right-of-way.

(2) Materials. The enclosure shall incorporate the materials and colors of the primary residential or mixed-use building design.

(c) **Fences and Walls.** Fences and walls shall comply with the provisions of Section 10.08.3250 (Wall, fence and hedge requirements) of this Code.

(d) **Lighting.** Lighting shall be compatible with building and site design and shall have a 40' maximum height for a freestanding light pole. Accent lighting shall be used to enhance the appearance of a structure and define open spaces and pathways. Lighting fixtures shall be fully shielded with cut-off fixtures and shall not impact adjacent development or residences.

(e) **Screening of Mechanical Equipment.** The following development standards shall apply to new development projects subject to this Chapter, as well as to the replacement or provision of new equipment that is added to serve existing building(s) that are subject to this Chapter.

(1) **General Requirements.** All exterior mechanical equipment, whether on a roof, on the side of a structure, or located on the ground, must be screened from public view. Exterior mechanical equipment to be screened includes, without limitation, heating, ventilation, air conditioning, refrigeration equipment, plumbing lines, ductwork, transformers, smoke exhaust fans, water meters, backflow preventers, service entry sections, and similar utility devices.

(2) **Requirements for Specific Types of Mechanical Equipment.** The following additional screening standards apply to the specified types of mechanical equipment.

i. **Ground-Mounted Equipment.** Ground-mounted equipment that faces a public viewing area must be screened to a height of 12 inches above the equipment and designed and painted to blend in with the surrounding area, unless such screening conflicts with utility access, in which case screening shall comply to the greatest extent that is technically feasible. Acceptable screening devices consist of decorative walls, berms, and/or plant materials.

ii. **Exterior Wall Equipment.** Screening for wall-mounted equipment, (e.g., electrical meters, cable-connection boxes, electrical distribution cabinets, etc.) must incorporate elements of the building design (e.g., shape, color, texture, material, etc.). For screen walls that are three feet in height or lower, vegetative materials may be substituted for the screening device. This requirement does not apply to equipment that has accessibility and visibility requirements for health and safety.

(f) **Vents and Exhaust.** All wall-mounted vent and exhaust elements shall be located at interior corners of building walls or behind building elements that conceal them from public view. All flashing, sheet metal vents, exhaust fans or ventilators, and pipe stacks shall be painted a color to match the adjacent roof or wall material.

SECTION 3. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 4. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 5. Effective Date. This ordinance shall become effective upon the thirtieth (30th) day after final adoption.

SECTION 6. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 7. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the ___ day of _____ 2025, and finally adopted on the_____ day of_____ _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

EXHIBIT 3

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, PURSUANT TO CEQA GUIDELINES SECTION 15061(b)(3) AND 2) APPROVING AN AMENDMENT TO REVISE ARTICLE 2, DEFINITIONS, REPEAL AND RELOCATE SECTION 10.08.3195, DAY CARE HOME, AND ADD A NEW ARTICLE, ARTICLE 3, COMMUNITY CARE FACILITIES, TO CHAPTER 10.10, HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, California Health and Safety Code Section 1566.3 requires residential care facilities serving six or fewer persons to be considered as a residential use of property and that its residents be considered a family for zoning purposes, with the use being treated as a single-family dwelling; and

WHEREAS, on June 19, 2012, Tracy City Council adopted Ordinance No. 1171, to add a new section, Section 10.08.3195, Day care home, to the Tracy Municipal Code; and

WHEREAS, on November 17, 2015, Tracy City Council adopted Ordinance No. 1202, to amend the definition of family as described in Tracy Municipal Code Section 10.08.320; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would revise the definition of family, and establish a new article for community care facilities, consisting of day care homes and residential care facilities, to bring the City of Tracy into compliance with the state laws mentioned above and implement Program 14, Zoning Ordinance, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendment to revise Section 10.08.320, Family, repeal and relocate Section 10.08.3195, Day care home, and add Article 3, Community Care Facilities, to Chapter 10.10, Housing Regulations, of the Tracy Municipal Code.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to revise Section 10.08.320. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code, is hereby amended to revise Section 10.08.320, Family, to read as follows:

10.08.320 - Family.

"Family" shall mean one or more persons occupying a single dwelling unit not operated for profit, as distinguished from two or more persons occupying a boarding or lodging house, hotel, club, or similar structure used for residential purposes. A family shall not include a fraternal, religious, social, or business organization. A family shall be deemed to include the clients and operators of a residential facility licensed by the State that serves six or fewer clients.

SECTION 3. Amendment to add Section 10.08.772. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby amended to add Section 10.08.772, Residential care facility, to add the definition of "Residential care facility" to read as follows:

10.08.772 – Residential care facility.

"Residential care facility" shall mean any family home, group care facility, or similar facility for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual.

SECTION 4. Amendment to add Article 3, Community Care Facilities. The City Council hereby amends Tracy Municipal Code to add Article 3, Community Care Facilities, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning.

SECTION 5. Amendment to repeal Section 10.08.3195. Section 10.08.3195, Day care home, of Article 23, General Provisions, Conditions, and Exceptions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning of the Tracy Municipal code is hereby repealed in its entirety.

~~**10.08.3195 – Day care home.**~~

~~A small family day care home, as defined by Health and Safety Code section 1596.78, or a large family day care home, as defined by Health and Safety Code section 1596.78, is permitted on any residentially zoned property: RE, LDR, MDC, MDR, HDR, or PUD.~~

~~(Ord. No. 1171, § 4, 6-19-2012)~~

SECTION 6. Amendment to add Section 10.10.100. The City Council hereby amends Tracy Municipal Code to add Section 10.10.100, Day care homes, to Article 3, Community Care Facilities, of Chapter 10.10, Housing Regulations, to read as follows:

10.10.100 – Day care home.

A small family day care home, as defined by Health and Safety Code section 1596.78, or a large family day care home, as defined by Health and Safety Code section 1596.78, is permitted on any residentially zoned property: RE, LDR, MDC, MDR, HDR, or PUD.

(Ord. No. 1171, § 4, 6-19-2012)

SECTION 7. Amendment to add Section 10.10.110. The City Council hereby amends Tracy Municipal Code to add Section 10.10.110, Residential Care Facilities, to Article 3, Community Care Facilities, to Chapter 10.10, Housing Regulations, to read as follows:

10.10.110 Residential Care Facilities.

(a) *Purpose.* The purpose of this Section is to establish permit procedures for residential care facilities serving six or fewer persons in compliance with California Health and Safety Code Section 1566.3. This Section establishes a use by right permit process for residential care facilities serving six or fewer persons in all residential zones.

(b) *Definitions.* See Section 10.08.320 for the definition of Family and Section 10.08.772 for the definition of Residential care facility.

(c) *Residential care facilities serving six or fewer persons.*

(1) *Considered a residential use.* A residential care facility licensed by the State that serves six or fewer persons shall be considered a residential use of property, and the residents and operators of the facility shall be considered a family. A family dwelling includes single-family dwellings, units in multifamily dwellings, inclusive of units in duplexes and apartments, mobile homes, inclusive of mobile homes in mobile home parks, units in cooperatives, units in condominiums, units in townhouses, and units in planned unit developments.

(2) *Considered a dwelling.* A residential care facility serving six or fewer persons does not differ in any other way from a family dwelling. Such facilities shall not be included with the definition of a boarding house, rooming house, institution or home for the care of minors, the aged, or persons with mental health disorders, foster care home, guest home, rest home, community residence, or other similar term that implies the residential care facility is a business run for profit.

(3) *Allowable Restrictions.*

i. Restrictions on structure height, setbacks, lot dimensions, or placement of signs of a residential care facility serving six or fewer persons shall be identical to those applied to other family dwellings of the same type in the same zone.

ii. A residential care facility serving six or fewer persons shall comply with City ordinance that deal with health and safety, building standards, environmental impact standards, or any other matter within the jurisdiction of the City, including the imposition of fines and other penalties associated with violations of local ordinances.

(4) *Fees.* Such facilities shall be subject to the fees to which other dwellings of the same type in the same zone are subject to. Such facilities shall not be subject to any business taxes, local registration fees, use permit fees, or other fees to which other dwellings of the same type in the same zone are not subject to.

(5) *Not a change in occupancy.* Use of a family dwelling for purposes of a residential care facility serving six or fewer persons shall not constitute a change of occupancy for purposes of local building codes.

(6) *Application Processing.* No conditional use permit shall be required of a residential care facility serving six or fewer persons that is not required of a family dwelling of the same type in the same zone.

(d) *Reasonable Accommodation.* The requirements of this Section may be modified in compliance with Section 10.08.3199 (Reasonable accommodation) if necessary to comply with the Federal Fair Housing Act and the California Fair Employment and Housing Act relating to accommodations necessary for disabled residents.

SECTION 8. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 9. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 10. Effective Date. This ordinance shall become effective upon the thirtieth (30th) day after final adoption.

SECTION 11. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 12. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the ___ day of _____ 2025, and finally adopted on the_____ day of_____ _____, 2025, by the following vote:

AYES –
NOES –

ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

EXHIBIT 4

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, PURSUANT TO CEQA GUIDELINES SECTION 15061(b)(3) AND 2) APPROVING AN AMENDMENT TO REVISE SECTION 10.08.852 AND SECTION 10.08.861 OF ARTICLE 2, DEFINITIONS, AND ADD A NEW ARTICLE, ARTICLE 4, TRANSITIONAL AND SUPPORTIVE HOUSING, TO CHAPTER 10.10, HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, on November 17, 2015, Tracy City Council adopted Ordinance No. 1202, to add the definitions of supportive housing facility and transitional housing facility to Tracy Municipal Code Section 10.08.852 and Section 10.08.861; and

WHEREAS, on September 26, 2018, the State Legislature adopted Assembly Bill (AB) 2162 (Government Code [GC] Sections 65650 through 65656 and 65583) requiring ministerial approval of supportive housing meeting specific eligibility criteria in zones where multifamily and mixed-uses are permitted, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on September 26, 2019, the State Legislature adopted Senate Bill 744 (GC§ 65650 through 65656) to, among other updates, expand the exemption for the ministerial approval for qualifying supportive housing projects under CEQA; and

WHEREAS, on September 27, 2024, the State Legislature adopted AB 1801 (GC§ 65650 through 65656) to revise supportive housing floor area requirements for onsite supportive services and specify that supportive housing includes transitional housing for youth and young adults for purposes of the use by right provisions; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would revise the definitions of supportive housing and transitional housing and establish a new article for transitional and supportive housing to bring the City of Tracy into compliance with the state laws mentioned above and implement Program 14, Zoning Ordinance, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendment to revise definitions in Section 10.08.852, Supportive housing facility, and Section 10.08.861, Transitional housing facility, and add a new article, Article 4, Transitional and Supportive Housing, to Chapter 10.10, Housing Regulations, of the Tracy Municipal Code.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to revise Section 10.08.852. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby amended to revise Section 10.08.852, Supportive housing facility, to read as follows:

10.08.852 – Supportive housing.

"Supportive housing" shall mean housing with no limit on length of stay, that is occupied by the target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community. (Government Code Section 65582(n)). This includes nonresidential uses and administrative office space as provided in paragraph (5) of subdivision (A) of Government Code Section 65651. Supportive housing specifically includes transitional housing for youth and young adults (Government Code Section 65650(b)).

SECTION 3. Amendment to revise Section 10.08.861. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby amended to revise Section 10.08.861, Transitional housing facility, to read as follows:

10.08.861 – Transitional housing.

"Transitional housing" shall mean buildings configured as rental housing developments but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. (Government Code Section 65582(q)).

SECTION 4. Amendment to add Article 4, Transitional and Supportive Housing. The City Council hereby amends Tracy Municipal Code to add Article 4, Transitional and Supportive Housing, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, to read as follows:

Article 4 – Transitional and Supportive Housing

10.10.120 - Transitional and supportive housing.

(a) *Purpose.* The purpose of this Section is to establish permit procedures and development standards for transitional and supportive housing projects and identify the criteria that must be met for supportive housing to qualify for ministerial review and the requirements associated with qualifying projects. This Section is intended to promote the development of transitional and supportive housing. This Section establishes compliance with Government Code Section 65650 through 65656, and 65583(c)(3).

(b) *Considered a residential use.* Transitional and supportive housing shall be considered a residential use of property. Supportive housing specifically includes transitional housing for youth and young adults for the purposes of the use by right provisions described in Subsection d.

(c) *Application Requirements.* The following application and processing requirements shall apply to applications for transitional and/or supportive housing, except for projects that qualify for a streamlined, ministerial review as described under Subsection 10.10.120(d), (By Right Supportive Housing Requirements) below:

(1) *Permit Required.* Prior to the development of a new building or use of an existing building for transitional housing, an applicant shall submit an application for a Building Permit.

(2) Transitional and supportive housing shall be allowed in any dwelling allowed in a specific zone, subject to the same permit requirements that apply to the dwelling that will be used for transitional and supportive housing.

(3) No Conditional Use Permit, Variance, or other planning permit shall be required for transitional or supportive housing that is not required for a dwelling of the same type in the same zone.

(4) When transitional or supportive housing is proposed to be located in a zone where the residential use requires a Conditional Use Permit, an additional Conditional Use Permit is not required if the existing residential use has obtained the necessary Conditional Use Permit.

(d) *By Right Supportive Housing Requirements.* An application for supportive housing shall be considered ministerially without discretionary review or hearing if the project meets all the following requirements in accordance with Government Code Section 65651(a):

(1) *Zoning.* The project is located within a zone where multiple-family and mixed uses are permitted, including non-residential zones permitting multiple-family uses, and zones where multiple-family and mixed uses are permitted with a Conditional Use Permit. For the purposes of this Section, multiple-family uses shall include two-family dwellings (i.e., "Dwelling, two-family" as defined in Section 10.08.270(b) of Article 2. Definitions).

Zones permitting two-family dwellings, multiple-family dwellings, and/or mixed uses
Medium Density Cluster (MDC) Zone
Medium Density Residential (MDR) Zone
High Density Residential (HDR) Zone
Professional Office and Medical (POM) Zone
Planned Unit Development (PUD) Zone
Agricultural (A) Zone
Central Business District (CBD) Zone
General Highway Commercial (GHC) Zone

(2) *Lower income housing.* One hundred percent of the units, excluding managers' units, within the project shall be dedicated to lower income households and are, or will be, receiving public funding, and are subject to a recorded affordability restriction for 55 years. For purposes of this paragraph, "lower income households" has the same meaning as defined in Section 50079.5 of the Health and Safety Code.

(3) *Minimum number of supportive housing units.* At least 25 percent of the units in the project or 12 units, whichever is greater, are restricted to residents in supportive housing who meet criteria of the target population. If the project consists of fewer than 12 units, then 100 percent of the units, excluding managers' units, in the project shall be restricted to residents in supportive housing.

(4) *Supportive services.* Projects shall include onsite supportive services limited to tenant use that may include, but are not limited to, community rooms, case management offices, computer rooms, and community kitchens that comply with the following square footage requirements:

i. Projects with 20 or fewer total units shall provide at least 90 square feet for onsite supportive services.

ii. Projects with more than 20 units shall provide at least 3 percent of the total nonresidential floor area for onsite supportive services.

iii. Administrative office space shall not exceed 25 percent of the total floor area.

(5) *Dwelling unit facilities.* All dwelling units, excluding managers' units, shall include at least one bathroom and a kitchen or other cooking facilities, including, at minimum, a stovetop, a sink, and a refrigerator.

(6) *Replacement units.* The applicant shall replace any existing dwelling units on the site of the supportive housing project in the manner provided in Government Code Section 65915(c)(3) or successor statutes.

(7) *Fewer than 50 units.* The project shall consist of 50 units or fewer in accordance with Government Code Section 65651(d).

(e) *Development Standards.* Transitional and supportive housing projects shall be subject to the same development standards, policies, and occupancy restrictions that apply to other dwellings of the same type in the same zone, except as described in subsection 10.10.120(e)(1) (Exceptions for ministerial projects) and subsection 10.10.120(e)(2) (Parking) below and in Government Code Section 65589.5(f).

(1) *Exceptions for ministerial projects.* Projects that qualify for ministerial review in compliance with Subsection d (By right supportive housing requirements) above shall only be subject to objective development standards and policies that apply to other multifamily development within the same zone, and the objective design standards in Article 2 of Chapter 10.10, (Multiple-Unit and Mixed-Use Housing Objective Design Standards).

(2) *Parking.* If the supportive housing project qualifies for ministerial review in compliance with Subsection 10.10.120(d) (By right supportive housing requirements) above and is located within one-half mile of a public transit stop, minimum parking requirements will not be imposed for the units occupied by supportive housing residents.

(f) *Supportive services.* Supportive services provided onsite shall only serve residents of that particular housing project.

(g) *Application Processing Requirements.*

(1) If required based on the permit type, notice of the application and pending decision on a permit for transitional or supportive housing shall be given in compliance with Section 10.08.4170 (Hearings – Notices).

(2) *Supportive services plan.* For all transitional or supportive housing projects, the applicant shall submit a written plan for providing supportive services with documentation demonstrating that supportive services will be provided onsite to residents in the project, as required by Government Code Section 65651 or successor statute, and describing those services, which shall include all of the following:

i. *Services Provider.* The name of the proposed entity or entities that will provide supportive services.

ii. *Funding Source.* The proposed funding source or sources for the provided onsite supportive services.

iii. *Staffing.* Proposed staffing levels.

(3) *Deadlines for by right supportive housing.* Projects that qualify for ministerial review in conformance with Subsection 10.10.120(d) (By right supportive housing requirements) above shall be subject to the following processing deadlines:

i. *Completeness determination deadline.* Within 30 days of receipt of an application to develop supportive housing, the Department shall notify an applicant whether the applicant's application is complete. If the Department does not make a written determination within 30 days, the application shall be deemed complete, pursuant to Government Code Section 65943, or successor statute.

ii. *Decision deadline.* The Director shall complete their review of the application to develop supportive housing within 60 days after the application is complete for a project with 50 or fewer units, or within 120 days after the application is complete for a project with more than 50 units.

(h) *Limits on disapproval.*

(1) Pursuant to Government Code Section 65589.5(d), the Department shall not disapprove a transitional or supportive housing project for very low, low-, or moderate-income households, or condition approval in a manner that renders the project infeasible for development for the use of very low, low-, or moderate-income households, including through the use of design review standards, unless it makes written findings, based upon a preponderance of the evidence in the record, as to one of the findings in Government Code Sections 65589.5(d)(1) through (6) or successor statute.

(2) Pursuant to Government Code Section 65589.5(j) or successor statute, if the Department proposes to disapprove a transitional or supportive housing project or approve it upon the condition that the project be developed at a lower density, the Department shall base its decision regarding the proposed project upon written findings supported by substantial evidence on the record that both of the conditions in Government Code Section 65589.5(j)(1) and (2) or successor statutes exist.

(i) *Fees.* Transitional and supportive housing shall not be subject to any fees to which other dwellings of the same type in the same zone are not likewise subject.

(j) *Not a change in occupancy.* The use of an existing dwelling for purposes of transitional or supportive housing shall not constitute a change of occupancy for purposes of local building codes.

(k) *Future changes in occupancy.* The required number of units in a supportive housing project dedicated to the target population may be reduced if termination of the operating subsidy or project-based rental assistance occurs at no fault of the project owner and if all conditions outlined in Government Code Section 65651(c) or successor statutes are met.

(l) *Reasonable accommodation.* The requirements of this Development Code may be modified in compliance with Section 10.08.3199 (Reasonable Accommodation) if necessary to

comply with the Federal Fair Housing Act and the California Fair Employment and Housing Act relating to accommodations for persons with disabilities including allowances for structural installations that are necessary to accommodate disabled residents (e.g., handrails, lifts, and ramps).

(m) *Conflicts with other Sections of this Development Code.* Where there are conflicts between the standards in this Section 10.10.120 and other requirements of this Development Code, the provisions of this Section shall prevail.

SECTION 5. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 6. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 7. Effective Date. This ordinance shall become effective upon the thirtieth (30th) day after final adoption.

SECTION 8. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 9. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the ___ day of _____ 2025, and finally adopted on the_____ day of_____ _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

EXHIBIT 5

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, PURSUANT TO CEQA GUIDELINES SECTION 15061(b)(3) AND 2) APPROVING AN AMENDMENT TO REPEAL AND RELOCATE SECTION 10.08.3197, STANDARDS FOR EMERGENCY HOMELESS SHELTERS, OF ARTICLE 23, GENERAL PROVISIONS, CONDITIONS, AND EXCEPTIONS, AND ADD A NEW ARTICLE, ARTICLE 5, EMERGENCY HOMELESS SHELTERS AND LOW BARRIER NAVIGATION CENTERS, TO CHAPTER 10.10, HOUSING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, on November 17, 2015, Tracy City Council adopted Ordinance No. 1202, to add a new section, Section 10.08.3197, Standards for Emergency Homeless Shelters, to Tracy Municipal Code; and

WHEREAS, on July 31, 2019, the State Legislature adopted Assembly Bill 101 (Government Code [GC] Sections 65660 through 65666) requiring ministerial approval of qualifying low barrier navigation centers in areas zoned for mixed use and nonresidential zones permitting multifamily uses, with a provision that qualifying projects shall be subject to objective design standards; and

WHEREAS, on September 19, 2024, the State Legislature adopted SB 1395 (GC§ 65660 through 65666), to, among other updates, permanently establish low barrier navigation centers as a use by right and expand CEQA exemptions for local agencies' actions related to low barrier navigation centers; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the proposed ordinance would relocate standards for emergency homeless shelters and establish standards for low barrier navigation centers to bring the City of Tracy into compliance with the state laws mentioned above, create consistency, and implement Program 14, Zoning Ordinance, of the City of Tracy's 2023-2031 Housing Element Update; and

WHEREAS, on November 5, 2025, the Planning Commission conducted a public hearing and recommended that the City Council adopt the ordinance; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment,

either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, on _____,_____, the City Council conducted a public hearing regarding the proposed amendment to repeal and relocate Section 10.08.3197, Standards for emergency homeless shelters, and include new standards for low barrier navigation centers, in a new article, Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, within Chapter 10.10, Housing Regulations, of the Tracy Municipal Code.

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

SECTION 1. Incorporation of Recitals/Findings. The City Council finds and determines the foregoing recitals are true and correct and are hereby incorporated herein as findings and determinations of the City.

SECTION 2. Amendment to add Section 10.08.592. Article 2, Definitions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby amended to add Section 10.08.592, Low Barrier Navigation Center, to add the definition of "Low Barrier Navigation Center" to read as follows:

10.08.592 – Low Barrier Navigation Center.

"Low Barrier Navigation Center" shall mean a Housing First, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. The shelter may be non-congregate and relocatable.

(a) "Low Barrier" means best practices to reduce barriers to entry, and may include, but is not limited to, the following:
   i. The presence of partners if it is not a population-specific site, such as for survivors of domestic violence or sexual assault, women, or youth.
   ii. Pets
   iii. The storage of possessions
   iv. Privacy, such as partitions around beds in a dormitory setting or in larger rooms containing more than two beds, or private rooms.

(b) "Coordinated entry system" means a centralized or coordinated assessment system developed pursuant to Section 576.400(d) or Section 578.7(a)(8), of Title 24 of the Code of Federal Regulations, as those sections read on January 1, 2020, and any related requirements, designed to coordinate program participant intake, assessment, and referrals.

SECTION 3. Amendment to add Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers. The City Council hereby amends Tracy Municipal Code to add Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, to Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning.

SECTION 4. Amendment to repeal Section 10.08.3197 in its entirety. Section 10.08.3197, Standards for emergency homeless shelters, of Article 23, General Provisions, Conditions, and Exceptions, of Chapter 10.08, Zoning Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code is hereby repealed in its current section to read as follows:

~~**10.08.3197 – Standards for emergency homeless shelters.**~~

~~(a) *General.* Emergency homeless shelters are permitted in the MDR, HDR and MDC Zoning Districts, subject to the requirements of this section.~~

~~(b) *Requirements for emergency homeless shelters.*~~

~~(1) *Concentration.* An emergency homeless shelter may not be located closer than 300 feet from another emergency homeless shelter.~~

~~(2) *On-site resident manager.* An emergency homeless shelter shall have a resident, on-site manager.~~

~~(Ord. No. 1202, Exh. A § 21, 12-1-2015)~~

SECTION 5. Amendment to add Section 10.10.130. Section 10.10.130, Standards for emergency homeless shelters, is proposed to be added to Article 5, Emergency Homeless Shelters and Low Barrier Navigation Centers, of Chapter 10.10, Housing Regulations, of Title 10, Planning and Zoning, of the Tracy Municipal Code to read as follows:

10.10.130 – Standards for emergency homeless shelters.

(a) *General.* Emergency homeless shelters are permitted in the MDR, HDR and MDC Zoning Districts, subject to the requirements of this section.

(b) *Requirements for emergency homeless shelters.*

(1) *Concentration*. An emergency homeless shelter may not be located closer than 300 feet from another emergency homeless shelter.

(2) *On-site resident manager.* An emergency homeless shelter shall have a resident, on-site manager.

(Ord. No. 1202, Exh. A § 21, 12-1-2015)

SECTION 6. Amendment to add Section 10.10.140. The City Council hereby amends Tracy Municipal Code to add Section 10.10.140, Low Barrier Navigation Centers, to read as follows:

10.10.140 - Low Barrier Navigation Centers.

(a) *Purpose.* The purpose of this Section is to establish streamlined permit procedures and development standards for low barrier navigation centers to help create permanent solutions for the City's homeless population. This Section establishes compliance with Government Code Sections 65660 through 65666.

(b) *Definitions*. See Section 10.08.592 for the definition of a Low Barrier Navigation Center.

(c) *Application Requirements*. The following application and processing requirements shall apply to applications for low barrier navigation centers:

(1) *Permit Required.* Prior to the development of a new building or use of an existing building as a low barrier navigation center, an applicant shall submit an application for a Development Review Permit subject to a streamlined ministerial review.

(2) *Completeness Determination.* Within 30 days of receipt of an application for a low barrier navigation center, the Department shall notify an applicant whether the

application is complete. If the Department does not make a written determination within 30 days, the application shall be deemed complete.

(3) *Decision Deadline.* Upon deeming an application complete, the Director shall approve, conditionally approve, or deny the application for a low barrier navigation center within 30 days.

(4) *Ministerial Review.* The Director shall consider an application for a low barrier navigation center ministerially without discretionary review or hearing. Ministerial review does not apply to actions to facilitate the lease, conveyance, or encumbrance of land owned by a public agency or to provide financial assistance to a low barrier navigation center.

(5) *Conflicts with other Sections of Tracy Municipal Code.* Where there are conflicts between the standards in this Section 10.10.140 (Low Barrier Navigation Centers) and other requirements of this Development Code, the provisions of this Section shall prevail.

(d) *Development Standards.* A low barrier navigation center that complies with all of the following development standards shall be allowed with a Development Review Permit subject to a streamlined ministerial review.

(1) *Zoning.* The low barrier navigation center shall only be located within mixed-use zones and nonresidential zones permitting two-family and multiple-family uses, which consist of the following zones:

i. Central Business District (CBD)

ii. Professional Office and Medical Zone (POM)

iii. Agricultural Zone (A)

iv. General Highway Commercial Zone (GHC)

(2) *Services Plan.* The applicant shall submit a written services plan that identifies staffing services and demonstrates that the low barrier navigation center will offer services to connect people to permanent housing.

(3) *Coordinated entry system.* The low barrier navigation center shall be linked to a coordinated entry system, so that staff in the facility may conduct assessments and provide services to connect people to permanent housing. If the proposed project will receive funding from the City of Tracy, the applicant shall submit a memorandum of understanding consistent with the City's coordinated entry system procedures. If the proposed project will not receive funding from the City, the applicant shall demonstrate compliance with the coordinated entry system requirements set forth in Government Code Section 65662(b), or successor statute.

(4) *Housing First policies.* The low barrier navigation center shall comply with Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

(5) *Information collection.* The low barrier navigation center shall have a system for entering information regarding client stays, client demographics, client income, and exit destination through the local Homeless Management Information System as defined by Section 578.3 of Title 24 of the Code of Federal Regulations.

(6) *Objective design review.* The low barrier navigation center shall not require discretionary review but shall be subject to the objective design standards applicable to multiple-unit dwellings and mixed-use development in Article 1, Multiple-Unit and Mixed-Use Housing Objective Design Standards, of Chapter 10.10, Housing Regulations. For purposes of this Section 10.10.140 (Low Barrier Navigation Centers), new buildings, existing buildings, and as applicable, additions to existing buildings, shall also comply with the following design review standards:

i. *Fences and walls.* The low barrier navigation center shall comply with the fences and walls regulations in Section 10.08.3250 (Wall, fence and hedge requirements).

ii. *Height.* The low barrier navigation center shall comply with height limitations of the applicable zone and the height measurement, exceptions, and limitations in Section 10.08.3200 (Height limitations). This standard shall not apply to existing permitted buildings.

iii. *Signs.* The low barrier navigation center shall comply with the sign standards in Article 35 (Signs).

iv. *Setbacks.* The low barrier navigation center shall comply with the setback requirements of the applicable zone. This standard shall not apply to existing permitted buildings.

v. *Lot coverage.* The low barrier navigation center shall comply with any lot coverage standards of the applicable zone. This standard shall not apply to existing permitted buildings.

vi. *Open space.* The low barrier navigation center shall comply with any open space standards of the applicable zone. This standard shall not apply to existing permitted buildings.

(e) *Exempt from other development standards.* Other than the development standards in this Subsection 10.10.140(d), the low barrier navigation center shall not be subject to any other objective or discretionary development standards or other provisions in the General Plan or this Development Code, including parking requirements.

SECTION 7. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 8. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 9. Effective Date. This ordinance shall become effective upon the thirtieth (30th) day after final adoption.

SECTION 10. Publication. The City Clerk is directed to publish this ordinance in a manner required by law.

SECTION 11. Codification. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * * *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the ___ day of _____ 2025, and finally adopted on the_____ day of_____ _____, 2025, by the following vote:

AYES –
NOES –
ABSENT –
ABSTENTION –

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
City Clerk and Clerk of the Council of the
City of Tracy, California

Date of Attestation: _____

December 2, 2025

Agenda Item 3.C

RECOMMENDATION

The City of Tracy Planning Commission recommends the City Council hold a public hearing, and upon its conclusion, take the following actions:

1. **Determine that this project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378 (not a "project" within the meaning of CEQA) and 15061(b)(3) ("common sense" exemption); and**

2. **Waive the first reading by substitution of title and introduce an ordinance amending Article 8 – Medium Density Cluster Zone, Article 9 – Medium Density Residential Zone, Article 9.5 – Small Lot Residential Zone, Article 11 – High Density Residential Zone, Article 19 – General Highway Commercial Zone, and adding a "density" definition to Article 2 of Title 10, Planning and Zoning, of the Tracy Municipal Code.**

EXECUTIVE SUMMARY

The 2023 – 2031 Housing Element Update requires increasing the allowable density in the Medium Density Residential (MDR), Medium Density Cluster (MDC), High Density Residential (HDR) and General Highway Commercial (GHC) zone districts. The recently created Small Lot Residential (SLR) zone district is also being amended to stay consistent with the new density ranges required by the Housing Element.

This project is City initiated to comply with State housing laws and to complete implementation actions required in the City Council adopted 2023-2031 Housing Element Update.

BACKGROUND AND LEGISLATIVE HISTORY

The City Council adopted the 2023 – 2031 Housing Element on July 1, 2025. The City of Tracy received a compliance letter from the California Department of Housing and Community Development (HCD) on August 11, 2025, indicating HCD's tentative certification of the City's 6th cycle Housing Element update for the 2023 – 2031 planning period.

The City is now working on the Housing Element implementation measures, which include rezones and General Plan Amendments affecting over 120 properties and totaling approximately 240 acres spread throughout the City, as shown in the Housing Element. Included in the rezones will be the creation of a new Mixed Use zone district. A Public Draft Environmental Impact Report (EIR) for the rezones and General Plan Amendments

is anticipated to be released in December 2025 or early January 2026 for a 45-day public review period. The public hearing process for the Planning Commission and the City Council to consider the rezones and General Plan Amendments is anticipated for the first quarter of 2026. The City's Housing Element will not be in full compliance with HCD until the rezones and General Plan Amendments are complete.

In total, the Housing Element includes approximately 94 tasks that need to be implemented by the City, including increasing the allowable density in multiple zone districts, which is the subject of this agenda item.

PROJECT DESCRIPTION

The 2023 – 2031 Housing Element Update requires increasing the allowable density in the Medium Density Residential (MDR), Medium Density Cluster (MDC), High Density Residential (HDR) and General Highway Commercial (GHC) zone districts. Staff is also recommending the recently created Small Lot Residential (SLR) zone district be amended to stay consistent with the new density ranges required by the Housing Element.

The table below identifies the existing and proposed densities.

Zoning District	Existing Density Range	Proposed Density Range
Medium Density Residential (MDR)	5.9 – 12 units/acre	5.9 – 20 units/acre
Medium Density Cluster (MDC)	5.9 – 12 units/acre	5.9 – 20 units/acre
Small Lot Residential (SLR)	5.9 – 12 units/acre 12 – 25 units/acre	5.9 – 20 units/acre 20 – 35 units/acre
High Density Residential (HDR)	12 – 25 units/acre	20 – 35 units/acre
General Highway Commercial (GHC)	12 – 25 units/acre	20 – 35 units/acre

The zoning code update for these districts also includes slight modifications to required lot area, lot coverage and development review standards. These revisions are shown in Attachment A in track changes or with ~~deletions stricken~~ **additions in bold and underline**. These modifications are required by the Housing Element and are consistent with modifications required to city standards state-wide.

All of these sections have language added for development reviews to comply with the newly created objective design standards.

Staff has also prepared a "density" definition that is also required by the Housing Element.

PUBLIC OUTREACH / INTEREST

Public Hearing notices were provided to the local paper and posted on the City website.

These noticing requirements were completed for both the Planning Commission and City Council.

PLANNING COMMISSION ACTION

The Planning Commission held a duly noticed public hearing on November 5, 2025. The Commission considered and reviewed the staff report, exhibits, and recommended resolutions and ordinances. Based upon the information presented at the hearing, the Planning Commission voted 3-0 with two commissioners absent, to recommend that City Council approve the Housing Policy Implementation – Density Increase.

The agenda and minutes from the November 5, 2025 Planning Commission meeting are available at: https://www.cityoftracy.org/government/boards-and-commissions/planning-commission.

FISCAL IMPACT

The proposed ordinances are a part of the 2023 – 2031 Housing Element implementation and compliance effort, which is being funded by the City's General Fund.

CEQA DETERMINATION

The proposed ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

STRATEGIC PLAN

While required by State law, the Housing Policy Implementation Part I project supports the City's Quality of Life Strategy, Goal Number 4: Increase local affordable housing supply.

ACTION REQUESTED OF THE CITY COUNCIL

The City of Tracy Planning Commission recommends that the City Council:

1. Determine that this project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15379 (not a "project" within the meaning of CEQA) and 15061(b)(3) ("common sense" exemption).

2. Recommend that the City Council adopt an ordinance amending Article 8 – Medium Density Cluster Zone, Article 9 – Medium Density Residential Zone, Article 9.5 – Small Lot Residential Zone, Article 11 – High Density Residential Zone,

Article 19 – General Highway Commercial Zone, and adding a “density” definition to Article 2 of Title 10, Planning and Zoning, of the Tracy Municipal Code.

Prepared by: Craig Hoffman, Senior Planner

Reviewed by: Scott Claar, Planning Manager
Forrest Ebbs, Director of Community and Economic Development
Sara Castro, Director of Finance
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A – An Ordinance of The City of Tracy Amending Article 8 – Medium Density Cluster Zone, Article 9 – Medium Density Residential Zone, Article 9.5 Small Lot Residential Zone, Article 11 – High “Density” Residential Zone, Article 19 – General Highway Commercial Zone and adding a “Density” definition to Article 2 of Title 10, Planning and Zoning, of the Tracy Municipal Code
Exhibit A – Article 8 – Medium Density Cluster Zone
Exhibit B – Article 9 – Medium Density Residential Zone
Exhibit C – Article 9.5 – Small Lot Residential Zone
Exhibit D – Article 11 – High Density Residential Zone
Exhibit E – Article 19 – General Highway Commercial Zone
Exhibit F – Article 2 – 10.08.256 – adding a “Density” definition
Attachment B – Planning Commission Resolution No. 2025-022

Attachment A

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS EXEMPT FROM CEQA PURSUANT TO CEQA GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENT; AND 2) APPROVING AN AMENDMENT TO ARTICLE 8 – MEDIUM DENSITY CLUSTER ZONE, ARTICLE 9 – MEDIUM DENSITY RESIDENTIAL ZONE, ARTICLE 9.5 – SMALL LOT RESIDENTIAL ZONE, ARTICLE 11 – HIGH DENSITY RESIDENTIAL ZONE, ARTICLE 19 – GENERAL HIGHWAY COMMERCIAL ZONE, AND ADDING A DENSITY DEFINITION TO ARTICLE 2 OF CHAPTER 10.08, ZONING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, State law requires the City of Tracy to adopt a General Plan containing mandatory elements including housing, and that the Housing Element is required to be updated and is subject to statutory requirements and mandatory review by the California Department of Housing and Community Development (HCD); and

WHEREAS, the 2023 – 2031 Housing Element was prepared in coordination with the California Department of Housing and Community Development; and

WHEREAS, the update to the Housing Element has provided residents and other interested parties with opportunities to review draft documents and proposed policies, and to provide recommendations for consideration by decision-makers; and

WHEREAS, the 2023 – 2031 Housing Element public participation efforts included an online housing survey in both English and Spanish, stakeholder focus group interviews, dedicated webpage on City website, an email list, community workshops, joint Planning Commission and City Council study session and several Planning Commission and City Council public hearings; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the California Department of Housing and Community Development provided tentative certification on August 11, 2025, on the 2023 – 2031 Housing Element subject to various implementation programs and polies being updated and enacted; and

WHEREAS, the 2023 – 2031 Housing Element requires increasing the allowable density ranges in the Medium Density Residential, Medium Density Cluster, High Density Residential and General Highway Commercial zone districts; and

WHEREAS, the 2023 – 2031 Housing Element requires the creation of a density definition in the Article 2 definitions; and

WHEREAS, the Small Lot Residential zone density is be amended to be consistent with the Housing Element and the Medium Density Residential, Medium Density Cluster, and High Density Residential zone districts; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, the Planning Commission considered this matter at a duly noticed public hearing held on November 5, 2025, and recommended that the City Council adopt the ordinance; and

WHEREAS, The City Council considered this matter at a duly noticed public hearing held on December 2, 2025; and

WHEREAS, the proposed revisions to the Tracy Municipal Code are in track changes or with ~~deletions stricken~~ and **additions in bold and underline** in the below referenced Exhibits.

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

SECTION 1. Incorporation of Recitals/Findings. The foregoing recitals are true and correct and are incorporated herein as findings.

SECTION 2. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines

because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 3. **Amendment to Tracy Municipal Code, Title 10, Chapter 8, Article 8.** The City Council hereby approves the zoning text amendment to Article 8 – Medium Density Cluster Zone as attached to this Ordinance as Exhibit "A" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 4. **Amendment to Tracy Municipal Code Title 10, Chapter 8, Article 9.** The City Council hereby approves the zoning text amendment to Article 9 – Medium Density Residential Zone as attached to this Ordinance as Exhibit "B" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 5. **Amendment to Tracy Municipal Code, Title 10, Chapter 8, Article 9.5.** The City Council hereby approves the zoning text amendment to Article 9.5 – Small Lot Residential Zone as attached to this Ordinance as Exhibit "C" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 6. **Amendment to Tracy Municipal Code, Title 10, Chapter 8, Article 11.** The City Council hereby approves the zoning text amendment to Article 11 – High Density Residential Zone as attached to this Ordinance as Exhibit "D" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 7. **Amendment to Tracy Municipal Code, Title 10, Chapter 8, Article 19.** The City Council hereby approves the zoning text amendment to Article 19 – General Highway Commercial Zone as attached to this Ordinance as Exhibit "E" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 8. **Amendment to Tracy Municipal Code, Adding Section 10.08.256.** The City Council hereby approves the zoning text amendment to Article 2 – Definitions, adding section 10.08.256 – Density, as attached to this Ordinance as Exhibit "F" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 9. Effective Date. This Ordinance shall take effect 30 days after its final passage and adoption.

SECTION 10. Publication This Ordinance shall either (1) be published once in a newspaper of general circulation, within 15 days after its final adoption, or (2) be published

in summary form and posted in the City Clerk's office at least five days before the ordinance is adopted and within 15 days after adoption, with the names of the Council Members voting for and against the ordinance. (Gov't. Code §36933.)

SECTION 11. **Severability.** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 12. **Typographical or Clerical (Scrivener's) Error.** Any typographical errors in this Ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

* *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the 2nd day of December 2025, and finally adopted on the ___ day of _____ 202_, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy

Date of Attestation: _____

Exhibit 1 – Article 8 – Medium Density Cluster Zone
Exhibit 2 – Article 9 – Medium Density Residential Zone
Exhibit 3 – Article 9.5 – Small Lot Residential Zone
Exhibit 4 – Article 11 – High Density Residential Zone
Exhibit 5 – Article 19 – General Highway Commercial Zone

Exhibit 6 – Article 2 – 10.08.256 – adding a “Density” definition

- **Article 8. - Medium Density Cluster Zone (MDC)**
- **10.08.1270 - Purpose (MDC).**

  The Medium Density Cluster (MDC) Zone classification is designed to provide for single- and two-family dwellings, dwelling groups, and supporting uses and to be utilized in appropriate locations within the areas designated medium density residential with a density range of five and nine-tenths (5.9) to **twenty (20**) ~~twelve and no/tenths (12.0)~~ dwelling units per gross acre by the General Plan.

  (Prior code § 10-2.800)

- **10.08.1280 - Permitted uses (MDC).**

  (a) The following uses shall be permitted in the MDC Zone:

  (1) **Single-family, two-family, or multiple-family dwelling, dwelling group, or apartment house; Accessory dwelling unit, subject to TMC section 10.08.3180;**

  ~~Single-family, two-family, or three-family dwelling or dwelling group composed of such dwellings; Accessory dwelling unit, subject to TMC section 10.08.3180;~~

  (2) Boarding and rooming house;

  (3) Emergency homeless shelter, subject to TMC section 10.08.3197;

  (4) Crop and tree farming;

  (5) Public park, building or school; and

  (6) Accessory use or structure as provided in section 10.08.1080 of Article 5 of this chapter.

  (b) The following conditional uses shall be permitted in the MDC Zone subject to the granting of a use permit as provided in sections 10.08.4250 through 10.08.4420 of Article 34 of this chapter:

  (1) Mobile home park or mobile home park subdivision;

  (2) Condominium or planned residential development of one- and two-family dwellings;

  (3) (Not used);

  (4) Off-street parking to serve an adjacent commercial or office use;

  (5) Church and church related use;

(6) Educational, cultural, institutional or recreational use;

(7) Private school, nursery school or day care center;

(8) Hospital, convalescent hospital, rest home or nursing home;

(9) Board and care facility;

(10) Mortuary; and

(11) Single-Room Occupancy Facility ("SROs"), subject to TMC section 10.08.3197.

(Prior code § 10-2.801)

(Ord. No. 1202, Exh. A § 15, 12-1-2015; Ord. No. 1254, § 5, 5-1-2018)

- **10.08.1290 - Lot area and width (MDC).**

There shall be no minimum lot size for this district.

~~The following lot area and width requirements shall apply in the MDC Zone:~~

~~(a) The minimum lot area shall be 3,500 square feet.~~

~~(b) The minimum lot width shall be forty-five (45') feet at the front lot line, including cul-de-sacs and knuckles; except where the driveway to the lot is from an alley and there is no curb cut for a driveway along the front lot line in which event a minimum of thirty-five (35') foot frontage at the front lot line shall be allowed.~~

~~(c) The requirement for a minimum frontage of forty-five (45') feet on all MDC lots as described in (b) above shall not apply to projects having approved tentative subdivision maps and/or approved Development Review applications prior to the first reading of the ordinance codified in this section. Such projects shall provide a minimum frontage of thirty-five (35') feet and the corner lot width shall be at least forty (40') feet; provided, however, lots on cul-de-sacs or knuckles shall have a minimum frontage of at least twenty-five (25') feet and a width at a twenty (20') foot building line of at least thirty (30') feet.~~

(Prior code § 10-2.802)

- **10.08.1300 - Density (MDC).**

~~There shall be at least 3,500 square feet of net lot area for each dwelling unit in the MDC Zone.~~

The areas designated medium density cluster shall have a density range of five and nine-tenths (5.9) to twenty (20) dwelling units per gross acre by the General Plan.

The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project.

The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed in section 10.08.1380 - Permitted uses

(Prior code § 10-2.803)

- **10.08.1310 - Minimum yards (MDC).**

The following minimum yards shall be required in the MDC Zone:

(a) Front:

(1) For lots created on or after July 7, 2016, the minimum front yard shall be ten (10') feet, except for the garage door, which shall be setback a minimum of twenty (20') feet;

(2) For lots created before July 7, 2016, the minimum front yard shall be at least fifteen (15') feet to at least twenty (20') feet, including garage structure from the existing or planned sidewalk with at least a two (2') foot differential between neighboring main buildings. Garage setbacks fifteen (15') feet to eighteen (18') feet from the property line shall have roll-up doors;

(b) Side:

(1) Interior lots: Seven (7') feet on one side and four (4') feet on the other with a minimum distance of eleven (11') feet between neighboring main buildings;

(2) Corner lots: Ten (10') feet on the street side and four (4') feet on the interior side; with no four (4') foot side yard abutting another four (4') foot side yard with a minimum distance of eleven (11') feet between neighboring main buildings;

(3) Interior lots ten (10') feet on one side with zero (0') feet on interior side. On corner lots the ten (10') foot side yard shall be on the street side;

(c) Rear:

(1) For lots created on or after July 7, 2016, the minimum rear yard shall be ten (10') feet with at least 450 square feet of open space in the rear yard;

(2) For lots created before July 7, 2016, the minimum rear yard shall be ten (10') feet with an average distance of fifteen (15') feet and at least six hundred seventy-five (675') square feet of open space in the rear yard;

(d) Distance between buildings: Six (6') feet between accessory buildings and between an accessory and main building; and the minimum distance between main buildings shall be the average height of the two main buildings;

(e) Accessory buildings not exceeding one-story in height may be located in any required rear or interior side yard provided they are on the rear one-half (½) of the lot or at least sixty (60') feet from the front property line;

(f) The requirements for side (b) and rear (c) yards described above shall not apply to projects having an approved Development Review and/or Tentative Subdivision Map application prior to October 3, 1989. Such projects shall provide a side yard area of seven (7') feet on one side and three (3') feet on the other side, with a rear yard setback of ten (10') feet.

(Prior code § 10-2.804)

(Ord. No. 1218, § 1, 6-7-2016)

- **10.08.1320 - Height (MDC).**

The maximum height in the MDC Zone shall be two and one-half (2½) stories or thirty-five (35') feet, whichever is less. Second story elevations facing the street shall have windows or other significant architectural features.

(Prior code § 10-2.805)

- **10.08.1330 - Lot coverage (MDC).**

The maximum coverage of all buildings in the MDC Zone shall not exceed ~~forty-five (45%)~~ **sixty-five (65%)**percent of the net lot area.

No garage shall exceed one-half (½) of the lot width unless the driveway enters from an alley.

Those projects having approved development review and/or tentative subdivision map applications prior to the first reading of the ordinance codified in this section shall be exempt from the above standards. Said projects shall not require single-family residential to be subject to Development Review.

(Prior code § 10-2.806)

- **10.08.1340 - Off-street parking (MDC).**

Off-street parking in the MDC Zone shall be provided as required by Article 26 of this chapter.

(Prior code § 10-2.807)

- **10.08.1350 - Development review (MDC).**

Development approval of all uses, buildings, and site development in the MDC Zone requiring a building permit shall be required as provided in Article 30 of this chapter.

Those projects having approved development review and/or tentative subdivision map applications prior to the first reading of the ordinance codified in this section shall be exempt from the above standards. Said projects shall comply with the standards of the provisions in effect before the effective date of the ordinance codified in this section.

(Prior code § 10-2.808)

Multifamily Residential or Medium Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households (in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

- **10.08.1360 - Abutting RE (MDC).**

Design of new lots abutting an RE Zone shall be such that each RE lot has two or less neighboring lots for every 100 feet of frontage of the RE lot and no street shall abut the RE Zone lots. Such lots shall be separated by a fence with a two (2') foot high masonry base, with a five (5') foot high wood top, for a total height of seven (7') feet along the RE Zone. Said durable fence shall also be on any borders of a school and or park with an RE Zone.

Those projects having approved development review and/or tentative subdivision map applications prior to the first reading of the ordinance codified in this section shall be exempt from the above standards. Said projects shall comply with the standards of the provisions in effect before the effective date of the ordinance codified in this section.

(Prior code § 10-2.809)

- **10.08.1370 - On-street parking (MDC).**

At least one and one-half (1½) on-street parking space shall be provided per dwelling unit. Said parking spaces shall be located on the same street as that which the dwelling unit it is intended to provide parking for is located.

Those projects having approved development review and/or tentative subdivision map applications prior to the first reading of the ordinance codified in this section shall be exempt from the above standards. Said project shall comply with the standards of the provisions in effect before the effective date of the ordinance codified in this section.

(Prior code § 10-2.810)

- **Article 9. - Medium Density Residential Zone (MDR)**

- **10.08.1380 - Purpose (MDR).**

  The Medium Density Residential (MDR) Zone is designed to provide for apartments, multiple-family dwellings, dwelling groups, and supporting uses and to be utilized in appropriate locations within the areas designated medium-density residential with a density range of five and nine-tenths (5.9) to **twenty (20)** ~~twelve and no/tenths (12.0)~~ dwelling units per gross acre by the General Plan.

  (Prior code § 10-2.900)

- **10.08.1390 - Permitted uses (MDR).**

  (a) The following uses shall be permitted in the MDR Zone:

  (1) Single-family, two-family, or multiple-family dwelling, dwelling group, or apartment house; Accessory dwelling unit, subject to TMC section 10.08.3180;

  (2) Boarding and rooming house;

  (3) Emergency homeless shelter, subject to TMC section 10.08.3197;

  (4) Single-Room Occupancy Facility ("SROs"), subject to TMC section 10.08.3197;

  (5) Crop and tree farming;

  (6) Public park, building, or school; and

  (7) Accessory use as provided in section 10.08.1080 of Article 5 of this chapter.

  (b) The following conditional uses shall be permitted in the MDR Zone subject to the granting of a use permit as provided in sections 10.08.4250 through 10.08.4420 of Article 34 of this chapter:

  (1) Mobile home park or mobile home park subdivision;

  (2) Condominium or planned residential development;

  (3) (Not used);

  (4) Off-street parking to serve an adjacent commercial or office use;

  (5) Church and church-related use;

  (6) Educational, cultural, institutional or recreational use;

  (7) Private school, nursery school or day care center;

(8) Hospital, convalescent hospital or rest and nursing home;

(9) Board and care facility; and

(10) Mortuary.

(Prior code § 10-2.901)

(Ord. No. 1202, Exh. A § 16, 12-1-2015; Ord. No. 1254, § 5, 5-1-2018)

- **10.08.1400 - Lot area and width (MDR).**

There shall be no minimum lot size for this district.

~~The following lot area and width requirements shall apply in the MDR Zone:~~

~~(a) The minimum lot area shall be 6,000 square feet.~~

~~(b) The minimum lot width shall be sixty (60') feet; provided, however, lots on cul-de-sacs or knuckles shall have a minimum frontage of at least thirty-five (35') feet and a width at the twenty (20') foot building line of at least forty-five (45') feet.~~

~~(c) The requirements set forth in this section may be increased or decreased for conditional uses.~~

(Prior code § 10-2.902)

- **10.08.1410 - Density (MDR).**

The areas designated medium density residential shall have a density range of five and nine-tenths (5.9) to twenty (20) dwelling units per gross acre by the General Plan.

~~There shall be at least 2,900 square feet of net lot area for each dwelling unit in the MDR Zone.~~

The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project.

The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed in section 10.08.1380 - Permitted uses

(Prior code § 10-2.903)

- **10.08.1420 - Minimum yards (MDR).**

The following minimum yards shall be required in the MDR Zone:

(a) Front: Fifteen (15') feet, except garage structures which shall be twenty (20') feet;

(b) Side:

(1) Interior lots: Ten (10') feet on one side; three (3') feet on the other side. Lots recorded prior to June 1, 1965, and less than sixty (60') feet wide may utilize five (5') foot side yards;

(2) Corner lots: Three (3') feet on the interior side; ten (10') feet on the street side; provided, however, fifteen (15') feet shall be required on reverse corner lots; and

(3) Detached accessory buildings on the rear one-third (⅓) of the lot or seventy (70') feet from the front property line may be located in a required side yard other than a street side yard;

(c) Rear: Ten (10') feet, except detached accessory buildings which may be located in a required rear yard; and

(d) Distance between buildings: Six (6') feet between accessory buildings and between an accessory and a main building; and the minimum distance between main buildings shall be the average height of the two (2) main buildings.

(Prior code § 10-2.904)

- **10.08.1430 - Height (MDR).**

The maximum height in the MDR Zone shall be two and one-half (2½) stories or thirty-five (35') feet, whichever is less.

(Prior code § 10-2.905)

- **10.08.1440 - Lot coverage (MDR).**

The maximum aggregate coverage of all buildings in the MDR Zone shall not exceed **sixty-five (65%)**~~forty-five (45%)~~ percent of the lot.

(Prior code § 10-2.906)

- **10.08.1450 - Usable open space (MDR).**

Residential uses in the MDR Zone shall provide minimum usable open space of 100 square feet for each of the first ten (10) dwelling units, fifty (50) square feet for each of the second ten (10) units, and twenty-five (25) square feet for each unit in excess of twenty (20).

For the purposes of this section, "usable open space" shall mean an on-site ground level area, not less than twenty (20') feet in width, of lawn, pool, or garden courts with

concrete paving accessible to all dwelling units via a walk, path, or stairway easily used and intended to be used by pedestrians. The space shall not include the required front yard or street side yard, off-street parking, driveways, or service areas. There shall be no obstruction above the space, except for devices to enhance the usability of the space.

(Prior code § 10-2.907)

- **10.08.1460 - Off-street parking (MDR).**

  Off-street parking in the MDR Zone shall be provided as required by Article 26 of this chapter.

  (Prior code § 10-2.908)

- **10.08.1470 - Development review (MDR).**

  Development approval for all uses, buildings, structures, and site development in the MDR Zone, except a single- or two-family residence and accessory structures on a single lot, shall be required as provided in Article 30 of this chapter.

  ~~(Prior code § 10-2.909)~~

  Multifamily Residential or Medium Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households (in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

Article 9.5 – Small Lot Residential Zone (SLR)

10.08.1471 - Purpose (SLR).

The Small Lot Residential (SLR) Zone classification is designed to provide for single-family dwellings, two-family dwellings, and multiple-family dwellings on small lots, and to be utilized in appropriate locations within the areas designated Residential Medium with a density range of five and nine tenths (5.9) to **twenty (20)** ~~twelve (12)~~ dwelling units per gross acre or Residential High with a density range of **twenty (20) to thirty-five (35)** ~~twelve and one tenth (12.1) to twenty-five (25)~~ dwelling units per gross acre by the General Plan.

10.08.1472 - Permitted uses (SLR).

(a) The following uses shall be permitted in the SLR Zone:

(1) Single-family, two-family, or multiple-family dwelling; Accessory dwelling unit, subject to TMC section 10.08.3180;

(2) Boarding and rooming house;

(3) Emergency homeless shelter, subject to TMC section 10.08.3197;

(4) Single-Room Occupancy Facility ("SROs"), subject to TMC section 10.08.3197;

(5) Crop and tree farming;

(6) Public park, building or school; and

(7) Accessory use or structure as provided in section 10.08.1080 of Article 5 of this chapter.

(b) The following conditional uses shall be permitted in the SLR Zone subject to the granting of a use permit as provided in sections 10.08.4250 through 10.08.4420 of Article 34 of this chapter:

(1) Mobile home park or mobile home park subdivision;

(2) Condominium or planned residential development;

(3) Church and church related use;

(4) Educational, cultural, institutional or recreational use;

(5) Private school, nursery school or day care center;

(6) Board and care facility;

(7) Hospital, convalescent hospital, rest home or nursing home; and

(8) Mortuary.

10.08.1473 - Lot area and width (SLR).

The following lot area and width requirements shall apply in the SLR Zone:

(a) The minimum lot area shall be 1,400 square feet.

(b) The minimum lot width shall be twenty-five (25') feet. Lots may be created with access provided by a private court or lane. For such cases where a lot fronts onto a private court or lane, rather than a public street, the property line dividing the lot from the private court or lane shall be the front lot line.

(c) The requirements set forth in this section may be increased or decreased for conditional uses.

10.08.1474 - Density (SLR).

There shall be at least 1,400 square feet of net lot area for each dwelling unit in the SLR Zone.

10.08.1475 - Minimum yards (SLR).

The following minimum yards shall be required in the SLR Zone:

(a) Front: Three (3') feet, including setback to garage;

(b) Side: Three (3') feet, except that the minimum side yard shall be zero for attached dwellings, and the street side yard on a corner lot shall be five (5') feet minimum;

(c) Rear: Three (3') feet.

(d) Distance between buildings: Six (6') feet.

(e) Detached accessory buildings shall meet the minimum distance between buildings and the minimum yards of the SLR Zone.

10.08.1476 - Height (SLR).

The maximum height in the SLR Zone shall be three stories or forty (40′) feet, whichever is less.

10.08.1477 - Lot coverage (SLR).

The maximum aggregate coverage of all buildings in the SLR Zone shall not exceed seventy-five (75%) percent of the lot.

10.08.1478 - Off-street parking (SLR).

All single-family, two-family, and multiple-family dwellings in the SLR Zone shall provide off-street parking that meets the minimum requirements in Article 26 of this chapter for single-family residential.

10.08.1479 - Development review (SLR).

Development approval of all uses, buildings, and site development in the SLR Zone shall be required as provided in Article 30 of this chapter.

Multifamily Residential or Medium to High Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households (in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

- **Article 11. - High Density Residential Zone (HDR)**

- **10.08.1570 - Purpose (HDR).**

  The High Density Residential (HDR) Zone classification is designed to provide for apartments, multiple-family dwellings, dwelling groups, and supporting uses and to be utilized in appropriate locations within the areas designated high-medium density residential with a density range of **twenty (20) to thirty-five (35**) ~~twelve (12) to twenty-five (25)~~dwelling units per gross acre by the General Plan.

  (Prior code § 10-2.1100)

- **10.08.1580 - Permitted uses (HDR).**

  (a) The following uses shall be permitted in the HDR Zone:

  (1) Single-family, two-family, or multiple-family dwelling, dwelling group, or apartment house; Accessory dwelling unit, subject to TMC section 10.08.3180;

  (2) Boarding and rooming house;

  (3) Emergency homeless shelter, subject to TMC section 10.08.3197;

  (4) Single-Room Occupancy Facility ("SROs"), subject to TMC section 10.08.3197

  (5) Crop and tree farming;

  (6) Public park, building or school; and

  (7) Accessory use as provided in section 10.08.1080 of Article 5 of this chapter.

  (b) The following conditional uses shall be permitted in the HDR Zone subject to the granting of a use permit as provided in sections 10.08.4250 through 10.08.4420 of Article 34 of this chapter:

  (1) Mobile home park or mobile home park subdivision;

  (2) Condominium or planned residential development;

  (3) (Not used);

  (4) Off-street parking to serve an adjacent commercial or office use;

  (5) Church and church-related use;

  (6) Educational, cultural, institutional or recreational use;

  (7) Private school, nursery school or day care center;

(8) Board and care facility;

(9) Hospital, convalescent hospital, rest home or nursing home; and

(10) Mortuary.

(Prior code § 10-2.1101)

(Ord. No. 1202, Exh. A § 17, 12-1-2015; Ord. No. 1254, § 5, 5-1-2018)

- **10.08.1590 - Lot area and width (HDR).**

There shall be no minimum lot size for this district.

~~The following lot area and width requirements shall apply in the HDR Zone:~~

~~(a) The minimum lot area shall be 6,000 square feet.~~

~~(b) The minimum lot width shall be sixty (60') feet; provided, however, lots on cul-de-sacs or knuckles shall have a minimum frontage of at least thirty-five (35') feet and a width at the twenty (20') foot building line of at least forty-five (45') feet.~~

~~(c) The requirements set forth in this section may be increased or decreased for conditional uses.~~

(Prior code § 10-2.1102)

- **10.08.1600 - Density (HDR).**

The areas designated high density residential shall have a density range of twenty (20) to thirty-five (35) dwelling units per gross acre by the General Plan

~~There shall be at least 1,400 square feet of net lot area for each dwelling unit in the HDR Zone.~~

The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project.

The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed in section 10.08.1580 - Permitted uses

(Prior code § 10-2.1103)

- **10.08.1610 - Minimum yards (HDR).**

The following minimum yards shall be required in the HDR Zone:

(a) Front: Fifteen (15') feet, except garage structures which shall be twenty (20') feet;

(b) Side:

(1) Interior lots: Five (5') feet on each side; provided, however, this requirement shall be increased by four (4') feet for every story above the second story;

(2) Corner lots: Ten (10') feet on the street side; the interior side shall be the same as set forth in subsection (1) of this subsection; and

(3) Detached accessory buildings not exceeding one story in height on the rear one-third (⅓) of the lot or set back at least seventy (70') feet from the front line whichever is less, may be located in a required side yard other than a street side yard;

(c) Rear:

(1) Main buildings: Ten (10') feet; provided, however, this requirement shall be increased by four (4') feet for every story above the second story; and

(2) Accessory buildings: Detached accessory buildings not exceeding one story in height may be located in the rear yard; and

(d) Distance between buildings: Six (6') feet between accessory buildings and between an accessory and main building; and the minimum distance between main buildings shall also be six (6') feet.

(Prior code § 10-2.1104)

(Ord. No. 1179, § 1, 1-15-2013)

- **10.08.1620 - Height (HDR).**

  There shall be no height limit in the HDR Zone.

  (Prior code § 10-2.1105)

- **10.08.1630 - Lot coverage (HDR).**

  The maximum aggregate coverage of all buildings in the HDR Zone shall not exceed **seventy (70%)**~~forty-five (45%)~~ percent of the lot.

  (Prior code § 10-2.1106)

- **10.08.1640 - Usable open space (HDR).**

  Residential uses in the HDR Zone shall provide minimum usable open space of 100 square feet for each of the first ten (10) dwelling units, fifty (50) square feet for each of the second ten (10) units, and twenty-five (25) square feet for each unit in excess of twenty (20).

For the purposes of this section, "usable open space" shall mean an on-site ground level area, not less than twenty (20') feet in width, of lawn, pool, or garden courts with concrete paving accessible to all dwelling units via a walk, path, or stairway easily used and intended to be used by pedestrians. The space shall not include the required front yard or street side yard, off-street parking, driveways, or service areas. There shall be no obstruction above the space, except for devices to enhance the usability of the space.

(Prior code § 10-2.1107)

- **10.08.1650 - Off-street parking (HDR).**

  Off-street parking in the HDR Zone shall be provided as required by Article 26 of this chapter.

  (Prior code § 10-2.1108)

- **10.08.1660 - Development review (HDR).**

  Development approval for all uses, buildings, structures, and site development in the HDR Zone, except a single- or two-family residence and accessory structures on a single lot, shall be required as provided in Article 30 of this chapter.

  ~~**(Prior code § 10-2.1109)**~~

  Multifamily Residential or High Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households (in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

Article 19. General Highway Commercial Zone (GHC)

10.08.2490 Purpose (GHC).

The General Highway Commercial (GHC) Zone is to provide areas for commercial activities which are automobile-oriented or for those uses which seek independent locations outside shopping centers or other business clusters. The GHC Zone is not to be confused with the Highway Service (HS) Zone which is applicable to freeway interchanges only.

(Prior code § 10-2.1900)

10.08.2500 Descriptive regulations (GHC).

The GHC Zone is intended to permit a pattern of varied automobile-oriented uses of property adjacent to major arterial streets. The provisions of this article are intended to control the site layout and design so as to:

(a) Promote a free traffic flow on major arterial streets;

(b) Assure compatibility among the uses along major arterial streets and with existing and future uses in adjacent areas;

(c) Provide an area for commercial activities which are of an automobile-oriented nature or for those which seek an independent location outside of shopping centers and can prosper as well in such areas as in a shopping center; and

(d) Encourage development of an open, uncrowded nature which will enhance the major arterials of the City and discourage developments which will extend unplanned commercial strips.

(Prior code § 10-2.1901)

10.08.2510 Permitted uses (GHC).

(a) In the GHC Zone, only automobile-oriented uses which are included in the following use groups shall be permitted without conditional approval:

Group 1	Minor public service uses;
Group 4	Temporary buildings and uses;
Group 23	**Multi-family uses;**
Group 29	Accessory uses;
Group 30	Educational, cultural, institutional and recreational uses (neighborhoods);
Group 31	Educational, cultural, institutional and recreational uses serving the greater community;
Group 40	Traveler's living accommodations, except trailer parks and uses listed as (c-2), Eating and/or drinking establishment that serves alcohol and provides entertainment after 11:00 p.m.;
Group 41	Business offices/professional offices and laboratories, excluding dwelling units;
Group 42	Retail trade establishment, convenience or goods; food stores, except supermarkets;

Group 43	Consumer services and retail trade establishments, except (a), (c-2), (e), and (f);
Group 44	Consumer services and retail trade;
Group 45	General consumer and business services;
Group 46	Special retail trade and consumer establishments;
Group 47	Special business, consumer, and miscellaneous repair services;
Group 50	Farm equipment sales and services; and
Group 51	Wholesale trade establishments.

(b) In the GHC Zone, automobile uses which are included in the following use groups shall be permitted only with conditional approval:

Group 2	Local public service and utility installations;
~~**Group 23**~~	~~**Multi-family uses;**~~
Group 25	Institutional uses with residential accommodations;
Group 40	Traveler's living accommodations, except trailer parks and uses listed as (c-2), Eating and/or drinking establishment that serves alcohol and provides entertainment after 11:00 p.m.;
Group 41	Business offices and professional offices and laboratories including one owner-occupied dwelling unit per business;
Group 42	Food stores and supermarkets;
Group 43	Consumer services and retail trade including (a), (c-2), (e) and (f);
Group 48	Commercial amusement and entertainment establishments (requiring large sites and generating large traffic volumes);
Group 52	Contract construction; and
Group 53	Warehousing and storage.

(Prior code § 10-2.1902, as amended by § 1, Ord. 947 C.S., eff. Oct. 31, 1996)

(Ord. No. 1177, § 11, 1-15-2013)

10.08.2520 Uses to be conducted within buildings (GHC).

All uses established within the GHC Zone shall be conducted wholly within a building, except such uses as drive-in restaurants, gasoline service stations, plant material nurseries, plumbing shops, and similar enterprises deemed by the Commission to be customarily conducted in the open, with the exception that live plant materials and nursery supplies may be displayed outside provided no more than an area equal to twenty (20%) percent of the lineal footage of the building front is occupied by such displays.

(Prior code § 10-2.1903)

10.08.2530 Screening (GHC).

A screening fence six (6') feet in height, measured from the finished grade of the GHC property line, separating the GHC Zone property from adjoining residential or agricultural zones, shall be required. On corner lots adjoining such zoning districts across a minor connecting side street, a screening fence six (6') feet in height shall be constructed to enclose storage areas, trash bins, and delivery areas. The design and location of such screening shall be approved during the site plan review (see Article 30 of this chapter).

(Prior code § 10-2.1904)

10.08.2540 Driveways (GHC).

(a) All existing lots of record within the GHC Zone as of August 8, 1972, and all lots created within another zoning district prior to reclassification to the GHC Zone, shall be permitted access to the major street in accordance with the following:

(1) Lots with less than 120 feet in width along the frontage of the major arterial street shall be allowed one curb cut with a maximum width of thirty-five (35') feet. The location of such curb cut shall be approved by the Community Development Director concurrently with the approval of the development plans.

(2) Those lots with 120 feet or more in width along the major arterial street shall be provided access in accordance with the standards set forth in sub.section (b) of this section.

(b) All lots created within the GHC Zone subsequent to August 8, 1972, shall be permitted access in accordance with the following standards:

(1) One curb cut only shall be permitted for each sixty (60') foot increment of lot width along the major arterial street up to a width of 125 feet.

(2) Curb cuts shall be a maximum of thirty-five (35') feet from the top of the curb to the top of the curb.

(Prior code § 10-2.1905)

10.08.2550 Building site area (GHC).

There shall be no site area requirements in the GHC Zone.

(Prior code § 10-2.1906)

10.08.2560 Lot area (GHC).

All lots in the GHC Zone located along major arterials shall have a minimum frontage along the major arterial of 125 feet, except lots that have combined parking areas with common ingress and egress.

~~(Prior code § 10-2.1907; Ord. No. 1241, § 1, 9-19-2017)~~

10.08.2565 Multi-family Density.

The areas designated GHC shall allow high density multi-family housing residential with a density range of twenty (20) to thirty-five (35) dwelling units per gross acre by the General Plan.

The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project.

The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed in section 10.08.2580 - Permitted uses

10.08.2570 Yard areas (GHC).

Minimum yards: in the GHC Zone shall be as follows:

(a) Front yards. Every lot within the GHG Zone shall have a front yard of not less than fifteen (15') feet; and

(b) Side and rear yards. Each lot within the GHC Zone shall have side and rear yards of not less than fifteen (15') feet, except where adjacent to commercial or industrial zones, in which case there shall be no requirements.

(Prior code § 10-2.1908)

10.08.2580 Height (GHC).

There shall be no height requirements in the GHC Zone.

(Prior code § 10-2.1909)

10.08.2590 Permissible lot coverage (GHC).

There shall be no lot coverage requirements in the GHC Zone.

(Prior code § 10-2.1910)

10.08.2600 Floor area (GHC).

There shall be no floor area requirements in the GHC Zone.

(Prior code § 10-2.1911)

10.08.2610 Off-street parking (GHC).

See Article 26 of this chapter. In addition, when two (2) or more uses combine their parking into a single adjoining parking lot with common ingress and egress, they may receive a twenty-five (25%) percent reduction in the required number of spaces. The proposed common parking lot shall be subject to site plan and architectural review at the time of the development plan review.

(Prior code § 10-2.1912)

10.08.2620 Development review (GHC).

All uses requiring a building permit shall obtain development review compliance, except as provided in Article 30 of this chapter and the CEQA Guidelines adopted by the City, prior to being established in the GHC Zone.

Multifamily Residential or High Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households

(in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

EXHIBIT 6

Article 2 – Definitions

10.08.256 - Density

The “Density” of a parcel or project area shall be the number of units divided by the gross area in acres. The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project. The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed as a permitted or conditionally permitted use.

APPROVED AS TO FORM

CITY ATTORNEY'S OFFICE

TRACY PLANNING COMMISSION

RESOLUTION 2025-022

RECOMMENDING THAT THE CITY COUNCIL OF THE CITY OF TRACY CONDUCT A PUBLIC HEARING, AND UPON ITS CONCLUSION, TAKE THE FOLLOWING ACTIONS:

1. INTRODUCE AND ADOPT AN ORDINANCE THAT

(A) DETERMINES THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CEQA GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS SUBJECT TO THE CEQA EXEMPTION CONTAINED IN CEQA GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENT; AND; AND

(B) APPROVES AN AMENDMENT TO ARTICLE 8 – MEDIUM DENSITY CLUSTER ZONE, ARTICLE 9 – MEDIUM DENSITY RESIDENTIAL ZONE, ARTICLE 9.5 SMALL LOT RESIDENTIAL ZONE, ARTICLE 11 – HIGH DENSITY RESIDENTIAL ZONE, ARTICLE 19 – GENERAL HIGHWAY COMMERCIAL ZONE, AND ADDING A "DENSITY" DEFINITION TO ARTICLE 2 OF CHAPTER 10.08 OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE.

WHEREAS, State law requires the City of Tracy to adopt a General Plan containing mandatory elements including housing, and that the Housing Element is required to be updated and is subject to statutory requirements and mandatory review by the California Department of Housing and Community Development (HCD); and

WHEREAS, the 2023 – 2031 Housing Element was prepared in coordination with the California Department of Housing and Community Development; and

WHEREAS, the update to the Housing Element has provided residents and other interested parties with opportunities to review draft documents and proposed policies, and to provide recommendations for consideration by decision-makers; and

WHEREAS, the 2023 – 2031 Housing Element public participation efforts included an online housing survey in both English and Spanish, stakeholder focus group interviews, dedicated webpage on City website, an email list, community workshops, joint Planning Commission and City Council study session and several Planning Commission and City Council public hearings; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the California Department of Housing and Community Development provided tentative certification on August 11, 2025, on the 2023 – 2031 Housing Element subject to various implementation programs and polices being updated and enacted; and

WHEREAS, the 2023 – 2031 Housing Element requires increasing the allowable density ranges in the Medium Density Residential, Medium Density Cluster, High Density Residential and General Highway Commercial zone districts; and

WHEREAS, the 2023 – 2031 Housing Element requires the creation of a "density" definition in the Article 2 definitions; and

WHEREAS, the Small Lot Residential zone density is to be amended to be consistent with the Housing Element and the Medium Density Residential, Medium Density Cluster, and High Density Residential zone districts; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, the Planning Commission considered this matter at a duly noticed public hearing held on November 5, 2025; now, therefore, be it

RESOLVED, That the Planning Commission of the City of Tracy hereby recommends that the City Council determine that the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(B)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and be it

FURTHER RESOLVED, That the Planning Commission of the City of Tracy hereby recommends that the City Council introduce and adopt an ordinance (as shown in Exhibit 1) amending Article 8 – Medium Density Cluster Zone (Exhibit A), Article 9 – Medium Density Residential Zone (Exhibit B), Article 9.5 – Small Lot Residential Zone (Exhibit C), Article 11 – High Density Residential Zone (Exhibit D), Article 19 – General Highway Commercial Zone (Exhibit E) and adding a "density" definition to Article 2 (Exhibit F) of Chapter 10.08 of Title 10, Planning and Zoning, of the Tracy Municipal Code.

* * * * * * * * * * * * * * * * * * * *

The foregoing Resolution 2025-022 was adopted by the Planning Commission of the City of Tracy on the 5th day of November, 2025, by the following vote:

AYES: COMMISSION MEMBERS: BOAKYE-BOATENG, ENGLISH, PENNING
NOES: COMMISSION MEMBERS: NONE.
ABSENT: COMMISSION MEMBERS: ATWAL, ORCUTT
ABSTAIN: COMMISSION MEMBERS: NONE.

Chair

ATTEST:

Staff Liaison

Exhibit 1 – An Ordinance of The City of Tracy Amending Article 8 – Medium Density Cluster Zone, Article 9 – Medium Density Residential Zone, Article 9.5 Small Lot Residential Zone, Article 11 – High "Density Residential Zone, Article 19 – General Highway Commercial Zone and adding a Density" definition to Article 2 of Title 10, Planning And Zoning, of the Tracy Municipal Code

Exhibit A – Article 8 – Medium Density Cluster Zone

Exhibit B - Article 9 – Medium Density Residential Zone

Exhibit C - Article 9.5 – Small Lot Residential Zone

Exhibit D - Article 11 – High Density Residential Zone

Exhibit E - Article 19 – General Highway Commercial Zone

Exhibit F - Article 2 - 10.08.256 – adding a "Density" definition

EXHIBIT 1

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

ORDINANCE NO. _____

AN ORDINANCE 1) DETERMINING THAT THE ORDINANCE IS NOT A PROJECT WITHIN THE MEANING OF SECTION 15378 OF THE CEQA GUIDELINES BECAUSE IT HAS NO POTENTIAL FOR RESULTING IN PHYSICAL CHANGE IN THE ENVIRONMENT, EITHER DIRECTLY OR ULTIMATELY. IN THE EVENT THAT THE ORDINANCE IS FOUND TO BE A PROJECT UNDER CEQA, IT IS SUBJECT TO THE CEQA EXEMPTION CONTAINED IN CEQA GUIDELINES SECTION 15061(B)(3) BECAUSE IT CAN BE SEEN WITH CERTAINTY TO HAVE NO POSSIBILITY OF A SIGNIFICANT EFFECT ON THE ENVIRONMENTAND 2) APPROVING AN AMENDMENT TO ARTICLE 8 – MEDIUM DENSITY CLUSTER ZONE, ARTICLE 9 – MEDIUM DENSITY RESIDENTIAL ZONE, ARTICLE 9.5 – SMALL LOT RESIDENTIAL ZONE, ARTICLE 11 – HIGH DENSITY RESIDENTIAL ZONE, ARTICLE 19 – GENERAL HIGHWAY COMMERCIAL ZONE, AND ADDING A DENSITY DEFINITION TO ARTICLE 2 OF CHAPTER 10.08, ZONING REGULATIONS, OF TITLE 10, PLANNING AND ZONING, OF THE TRACY MUNICIPAL CODE

WHEREAS, State law requires the City of Tracy to adopt a General Plan containing mandatory elements including housing, and that the Housing Element is required to be updated and is subject to statutory requirements and mandatory review by the California Department of Housing and Community Development (HCD); and

WHEREAS, the 2023 – 2031 Housing Element was prepared in coordination with the California Department of Housing and Community Development; and

WHEREAS, the update to the Housing Element has provided residents and other interested parties with opportunities to review draft documents and proposed policies, and to provide recommendations for consideration by decision-makers; and

WHEREAS, the 2023 – 2031 Housing Element public participation efforts included an online housing survey in both English and Spanish, stakeholder focus group interviews, dedicated webpage on City website, an email list, community workshops, joint Planning Commission and City Council study session and several Planning Commission and City Council public hearings; and

WHEREAS, on July 1, 2025, Tracy City Council adopted the 2023-2031 Housing Element Update, requiring staff to implement the objectives, policies, and programs set forth in the Housing Plan to provide housing that fulfills the diverse needs of the community; and

WHEREAS, the California Department of Housing and Community Development provided tentative certification on August 11, 2025, on the 2023 – 2031 Housing Element subject to various implementation programs and polies being updated and enacted; and

WHEREAS, the 2023 – 2031 Housing Element requires increasing the allowable density ranges in the Medium Density Residential, Medium Density Cluster, High Density Residential and General Highway Commercial zone districts; and

WHEREAS, the 2023 – 2031 Housing Element requires the creation of a density definition in the Article 2 definitions; and

WHEREAS, the Small Lot Residential zone density is be amended to be consistent with the Housing Element and the Medium Density Residential, Medium Density Cluster, and High Density Residential zone districts; and

WHEREAS, the ordinance is not a project within the meaning of Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment; and

WHEREAS, the Planning Commission considered this matter at a duly noticed public hearing held on November 5, 2025, and recommended that the City Council adopt the ordinance; and

WHEREAS, The City Council considered this matter at a duly noticed public hearing held on December 2, 2025; and

WHEREAS, the proposed revisions to the Tracy Municipal Code are in track changes or with ~~deletions stricken~~ and **additions in bold and underline** in the below referenced Exhibits.

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

SECTION 1. Incorporation of Recitals/Findings. The foregoing recitals are true and correct and are incorporated herein as findings.

SECTION 2. CEQA Determination. The City Council finds and determines this Ordinance is not a project within the meaning of section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 3. Amendment to Tracy Municipal Code, Title 10, Chapter 8, Article 8. The City Council hereby approves the zoning text amendment to Article 8 – Medium Density Cluster Zone as attached to this Ordinance as Exhibit "A" and incorporated by reference as if

fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 4. Amendment to Tracy Municipal Code Title 10, Chapter 8, Article 9. The City Council hereby approves the zoning text amendment to Article 9 – Medium Density Residential Zone as attached to this Ordinance as Exhibit "B" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 5. Amendment to Tracy Municipal Code, Title 10, Chapter 8, Article 9.5. The City Council hereby approves the zoning text amendment to Article 9.5 – Small Lot Residential Zone as attached to this Ordinance as Exhibit "C" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 6. Amendment to Tracy Municipal Code, Title 10, Chapter 8, Article 11. The City Council hereby approves the zoning text amendment to Article 11 – High Density Residential Zone as attached to this Ordinance as Exhibit "D" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 7. Amendment to Tracy Municipal Code, Title 10, Chapter 8, Article 19. The City Council hereby approves the zoning text amendment to Article 19 – General Highway Commercial Zone as attached to this Ordinance as Exhibit "E" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 8. Amendment to Tracy Municipal Code, Adding Section 10.08.256. The City Council hereby approves the zoning text amendment to Article 2 – Definitions, adding section 10.08.256 – Density, as attached to this Ordinance as Exhibit "F" and incorporated by reference as if fully set forth herein. This zoning text amendment made by this ordinance shall be codified in the Tracy Municipal Code.

SECTION 9. Effective Date. This Ordinance shall take effect 30 days after its final passage and adoption.

SECTION 10. Publication This Ordinance shall either (1) be published once in a newspaper of general circulation, within 15 days after its final adoption, or (2) be published in summary form and posted in the City Clerk's office at least five days before the ordinance is adopted and within 15 days after adoption, with the names of the Council Members voting for and against the ordinance. (Gov't. Code §36933.)

SECTION 11. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of

competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 12. Typographical or Clerical (Scrivener's) Error. Any typographical errors in this Ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

* *

The foregoing Ordinance _____ was introduced at a regular meeting of the Tracy City Council on the 2nd day of December, 2025, and finally adopted on the ____ day of _____, 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy

ATTEST: _____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy

Date of Attestation: _____

- **Article 8. - Medium Density Cluster Zone (MDC)**
- **10.08.1270 - Purpose (MDC).**

The Medium Density Cluster (MDC) Zone classification is designed to provide for single- and two-family dwellings, dwelling groups, and supporting uses and to be utilized in appropriate locations within the areas designated medium density residential with a density range of five and nine-tenths (5.9) to **twenty (20)** ~~twelve and no/tenths (12.0)~~ dwelling units per gross acre by the General Plan.

(Prior code § 10-2.800)

- **10.08.1280 - Permitted uses (MDC).**

(a) The following uses shall be permitted in the MDC Zone:

(1) **Single-family, two-family, or multiple-family dwelling, dwelling group, or apartment house; Accessory dwelling unit, subject to TMC section 10.08.3180;**

~~Single-family, two-family, or three-family dwelling or dwelling group composed of such dwellings; Accessory dwelling unit, subject to TMC section 10.08.3180;~~

(2) Boarding and rooming house;

(3) Emergency homeless shelter, subject to TMC section 10.08.3197;

(4) Crop and tree farming;

(5) Public park, building or school; and

(6) Accessory use or structure as provided in section 10.08.1080 of Article 5 of this chapter.

(b) The following conditional uses shall be permitted in the MDC Zone subject to the granting of a use permit as provided in sections 10.08.4250 through 10.08.4420 of Article 34 of this chapter:

(1) Mobile home park or mobile home park subdivision;

(2) Condominium or planned residential development of one- and two-family dwellings;

(3) (Not used);

(4) Off-street parking to serve an adjacent commercial or office use;

(5) Church and church related use;

(6) Educational, cultural, institutional or recreational use;

(7) Private school, nursery school or day care center;

(8) Hospital, convalescent hospital, rest home or nursing home;

(9) Board and care facility;

(10) Mortuary; and

(11) Single-Room Occupancy Facility ("SROs"), subject to TMC section 10.08.3197.

(Prior code § 10-2.801)

(Ord. No. 1202, Exh. A § 15, 12-1-2015; Ord. No. 1254, § 5, 5-1-2018)

- **10.08.1290 - Lot area and width (MDC).**

There shall be no minimum lot size for this district.

~~The following lot area and width requirements shall apply in the MDC Zone:~~

~~(a) The minimum lot area shall be 3,500 square feet.~~

~~(b) The minimum lot width shall be forty-five (45') feet at the front lot line, including cul-de-sacs and knuckles; except where the driveway to the lot is from an alley and there is no curb cut for a driveway along the front lot line in which event a minimum of thirty-five (35') foot frontage at the front lot line shall be allowed.~~

~~(c) The requirement for a minimum frontage of forty-five (45') feet on all MDC lots as described in (b) above shall not apply to projects having approved tentative subdivision maps and/or approved Development Review applications prior to the first reading of the ordinance codified in this section. Such projects shall provide a minimum frontage of thirty-five (35') feet and the corner lot width shall be at least forty (40') feet; provided, however, lots on cul-de-sacs or knuckles shall have a minimum frontage of at least twenty-five (25') feet and a width at a twenty (20') foot building line of at least thirty (30') feet.~~

(Prior code § 10-2.802)

- **10.08.1300 - Density (MDC).**

~~There shall be at least 3,500 square feet of net lot area for each dwelling unit in the MDC Zone.~~

The areas designated medium density cluster shall have a density range of five and nine-tenths (5.9) to twenty (20) dwelling units per gross acre by the General Plan.

The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project.

The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed in section 10.08.1380 - Permitted uses

(Prior code § 10-2.803)

- **10.08.1310 - Minimum yards (MDC).**

The following minimum yards shall be required in the MDC Zone:

(a) Front:

(1) For lots created on or after July 7, 2016, the minimum front yard shall be ten (10') feet, except for the garage door, which shall be setback a minimum of twenty (20') feet;

(2) For lots created before July 7, 2016, the minimum front yard shall be at least fifteen (15') feet to at least twenty (20') feet, including garage structure from the existing or planned sidewalk with at least a two (2') foot differential between neighboring main buildings. Garage setbacks fifteen (15') feet to eighteen (18') feet from the property line shall have roll-up doors;

(b) Side:

(1) Interior lots: Seven (7') feet on one side and four (4') feet on the other with a minimum distance of eleven (11') feet between neighboring main buildings;

(2) Corner lots: Ten (10') feet on the street side and four (4') feet on the interior side; with no four (4') foot side yard abutting another four (4') foot side yard with a minimum distance of eleven (11') feet between neighboring main buildings;

(3) Interior lots ten (10') feet on one side with zero (0') feet on interior side. On corner lots the ten (10') foot side yard shall be on the street side;

(c) Rear:

(1) For lots created on or after July 7, 2016, the minimum rear yard shall be ten (10') feet with at least 450 square feet of open space in the rear yard;

(2) For lots created before July 7, 2016, the minimum rear yard shall be ten (10') feet with an average distance of fifteen (15') feet and at least six hundred seventy-five (675') square feet of open space in the rear yard;

(d) Distance between buildings: Six (6') feet between accessory buildings and between an accessory and main building; and the minimum distance between main buildings shall be the average height of the two main buildings;

(e) Accessory buildings not exceeding one-story in height may be located in any required rear or interior side yard provided they are on the rear one-half (½) of the lot or at least sixty (60') feet from the front property line;

(f) The requirements for side (b) and rear (c) yards described above shall not apply to projects having an approved Development Review and/or Tentative Subdivision Map application prior to October 3, 1989. Such projects shall provide a side yard area of seven (7') feet on one side and three (3') feet on the other side, with a rear yard setback of ten (10') feet.

(Prior code § 10-2.804)

(Ord. No. 1218, § 1, 6-7-2016)

- **10.08.1320 - Height (MDC).**

The maximum height in the MDC Zone shall be two and one-half (2½) stories or thirty-five (35') feet, whichever is less. Second story elevations facing the street shall have windows or other significant architectural features.

(Prior code § 10-2.805)

- **10.08.1330 - Lot coverage (MDC).**

The maximum coverage of all buildings in the MDC Zone shall not exceed ~~forty-five (45%)~~ **sixty-five (65%)**percent of the net lot area.

No garage shall exceed one-half (½) of the lot width unless the driveway enters from an alley.

Those projects having approved development review and/or tentative subdivision map applications prior to the first reading of the ordinance codified in this section shall be exempt from the above standards. Said projects shall not require single-family residential to be subject to Development Review.

(Prior code § 10-2.806)

- **10.08.1340 - Off-street parking (MDC).**

Off-street parking in the MDC Zone shall be provided as required by Article 26 of this chapter.

(Prior code § 10-2.807)

- **10.08.1350 - Development review (MDC).**

Development approval of all uses, buildings, and site development in the MDC Zone requiring a building permit shall be required as provided in Article 30 of this chapter.

Those projects having approved development review and/or tentative subdivision map applications prior to the first reading of the ordinance codified in this section shall be exempt from the above standards. Said projects shall comply with the standards of the provisions in effect before the effective date of the ordinance codified in this section.

(Prior code § 10-2.808)

Multifamily Residential or Medium Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households (in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

- **10.08.1360 - Abutting RE (MDC).**

Design of new lots abutting an RE Zone shall be such that each RE lot has two or less neighboring lots for every 100 feet of frontage of the RE lot and no street shall abut the RE Zone lots. Such lots shall be separated by a fence with a two (2') foot high masonry base, with a five (5') foot high wood top, for a total height of seven (7') feet along the RE Zone. Said durable fence shall also be on any borders of a school and or park with an RE Zone.

Those projects having approved development review and/or tentative subdivision map applications prior to the first reading of the ordinance codified in this section shall be exempt from the above standards. Said projects shall comply with the standards of the provisions in effect before the effective date of the ordinance codified in this section.

(Prior code § 10-2.809)

- **10.08.1370 - On-street parking (MDC).**

At least one and one-half (1½) on-street parking space shall be provided per dwelling unit. Said parking spaces shall be located on the same street as that which the dwelling unit it is intended to provide parking for is located.

Those projects having approved development review and/or tentative subdivision map applications prior to the first reading of the ordinance codified in this section shall be exempt from the above standards. Said project shall comply with the standards of the provisions in effect before the effective date of the ordinance codified in this section.

(Prior code § 10-2.810)

- **Article 9. - Medium Density Residential Zone (MDR)**

- **10.08.1380 - Purpose (MDR).**

  The Medium Density Residential (MDR) Zone is designed to provide for apartments, multiple-family dwellings, dwelling groups, and supporting uses and to be utilized in appropriate locations within the areas designated medium-density residential with a density range of five and nine-tenths (5.9) to **twenty (20)** ~~twelve and no/tenths (12.0)~~ dwelling units per gross acre by the General Plan.

  (Prior code § 10-2.900)

- **10.08.1390 - Permitted uses (MDR).**

  (a) The following uses shall be permitted in the MDR Zone:

  (1) Single-family, two-family, or multiple-family dwelling, dwelling group, or apartment house; Accessory dwelling unit, subject to TMC section 10.08.3180;

  (2) Boarding and rooming house;

  (3) Emergency homeless shelter, subject to TMC section 10.08.3197;

  (4) Single-Room Occupancy Facility ("SROs"), subject to TMC section 10.08.3197;

  (5) Crop and tree farming;

  (6) Public park, building, or school; and

  (7) Accessory use as provided in section 10.08.1080 of Article 5 of this chapter.

  (b) The following conditional uses shall be permitted in the MDR Zone subject to the granting of a use permit as provided in sections 10.08.4250 through 10.08.4420 of Article 34 of this chapter:

  (1) Mobile home park or mobile home park subdivision;

  (2) Condominium or planned residential development;

  (3) (Not used);

  (4) Off-street parking to serve an adjacent commercial or office use;

  (5) Church and church-related use;

  (6) Educational, cultural, institutional or recreational use;

  (7) Private school, nursery school or day care center;

(8) Hospital, convalescent hospital or rest and nursing home;

(9) Board and care facility; and

(10) Mortuary.

(Prior code § 10-2.901)

(Ord. No. 1202, Exh. A § 16, 12-1-2015; Ord. No. 1254, § 5, 5-1-2018)

- **10.08.1400 - Lot area and width (MDR).**

There shall be no minimum lot size for this district.

~~The following lot area and width requirements shall apply in the MDR Zone:~~

~~(a) The minimum lot area shall be 6,000 square feet.~~

~~(b) The minimum lot width shall be sixty (60') feet; provided, however, lots on cul-de-sacs or knuckles shall have a minimum frontage of at least thirty-five (35') feet and a width at the twenty (20') foot building line of at least forty-five (45') feet.~~

~~(c) The requirements set forth in this section may be increased or decreased for conditional uses.~~

(Prior code § 10-2.902)

- **10.08.1410 - Density (MDR).**

The areas designated medium density residential shall have a density range of five and nine-tenths (5.9) to twenty (20) dwelling units per gross acre by the General Plan.

~~There shall be at least 2,900 square feet of net lot area for each dwelling unit in the MDR Zone.~~

The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project.

The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed in section 10.08.1380 - Permitted uses

(Prior code § 10-2.903)

- **10.08.1420 - Minimum yards (MDR).**

The following minimum yards shall be required in the MDR Zone:

(a) Front: Fifteen (15') feet, except garage structures which shall be twenty (20') feet;

(b) Side:

(1) Interior lots: Ten (10') feet on one side; three (3') feet on the other side. Lots recorded prior to June 1, 1965, and less than sixty (60') feet wide may utilize five (5') foot side yards;

(2) Corner lots: Three (3') feet on the interior side; ten (10') feet on the street side; provided, however, fifteen (15') feet shall be required on reverse corner lots; and

(3) Detached accessory buildings on the rear one-third (⅓) of the lot or seventy (70') feet from the front property line may be located in a required side yard other than a street side yard;

(c) Rear: Ten (10') feet, except detached accessory buildings which may be located in a required rear yard; and

(d) Distance between buildings: Six (6') feet between accessory buildings and between an accessory and a main building; and the minimum distance between main buildings shall be the average height of the two (2) main buildings.

(Prior code § 10-2.904)

- **10.08.1430 - Height (MDR).**

The maximum height in the MDR Zone shall be two and one-half (2½) stories or thirty-five (35') feet, whichever is less.

(Prior code § 10-2.905)

- **10.08.1440 - Lot coverage (MDR).**

The maximum aggregate coverage of all buildings in the MDR Zone shall not exceed **sixty-five (65%)**~~forty-five (45%)~~ percent of the lot.

(Prior code § 10-2.906)

- **10.08.1450 - Usable open space (MDR).**

Residential uses in the MDR Zone shall provide minimum usable open space of 100 square feet for each of the first ten (10) dwelling units, fifty (50) square feet for each of the second ten (10) units, and twenty-five (25) square feet for each unit in excess of twenty (20).

For the purposes of this section, "usable open space" shall mean an on-site ground level area, not less than twenty (20') feet in width, of lawn, pool, or garden courts with

concrete paving accessible to all dwelling units via a walk, path, or stairway easily used and intended to be used by pedestrians. The space shall not include the required front yard or street side yard, off-street parking, driveways, or service areas. There shall be no obstruction above the space, except for devices to enhance the usability of the space.

(Prior code § 10-2.907)

- **10.08.1460 - Off-street parking (MDR).**

Off-street parking in the MDR Zone shall be provided as required by Article 26 of this chapter.

(Prior code § 10-2.908)

- **10.08.1470 - Development review (MDR).**

Development approval for all uses, buildings, structures, and site development in the MDR Zone, except a single- or two-family residence and accessory structures on a single lot, shall be required as provided in Article 30 of this chapter.

~~(Prior code § 10-2.909)~~

Multifamily Residential or Medium Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households (in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

Article 9.5 – Small Lot Residential Zone (SLR)

10.08.1471 - Purpose (SLR).

The Small Lot Residential (SLR) Zone classification is designed to provide for single-family dwellings, two-family dwellings, and multiple-family dwellings on small lots, and to be utilized in appropriate locations within the areas designated Residential Medium with a density range of five and nine tenths (5.9) to **twenty (20)** ~~twelve (12)~~ dwelling units per gross acre or Residential High with a density range of **twenty (20) to thirty-five (35)** ~~twelve and one tenth (12.1) to twenty-five (25)~~ dwelling units per gross acre by the General Plan.

10.08.1472 - Permitted uses (SLR).

(a) The following uses shall be permitted in the SLR Zone:

(1) Single-family, two-family, or multiple-family dwelling; Accessory dwelling unit, subject to TMC section 10.08.3180;

(2) Boarding and rooming house;

(3) Emergency homeless shelter, subject to TMC section 10.08.3197;

(4) Single-Room Occupancy Facility ("SROs"), subject to TMC section 10.08.3197;

(5) Crop and tree farming;

(6) Public park, building or school; and

(7) Accessory use or structure as provided in section 10.08.1080 of Article 5 of this chapter.

(b) The following conditional uses shall be permitted in the SLR Zone subject to the granting of a use permit as provided in sections 10.08.4250 through 10.08.4420 of Article 34 of this chapter:

(1) Mobile home park or mobile home park subdivision;

(2) Condominium or planned residential development;

(3) Church and church related use;

(4) Educational, cultural, institutional or recreational use;

(5) Private school, nursery school or day care center;

(6) Board and care facility;

(7) Hospital, convalescent hospital, rest home or nursing home; and

(8) Mortuary.

10.08.1473 - Lot area and width (SLR).

The following lot area and width requirements shall apply in the SLR Zone:

(a) The minimum lot area shall be 1,400 square feet.

(b) The minimum lot width shall be twenty-five (25') feet. Lots may be created with access provided by a private court or lane. For such cases where a lot fronts onto a private court or lane, rather than a public street, the property line dividing the lot from the private court or lane shall be the front lot line.

(c) The requirements set forth in this section may be increased or decreased for conditional uses.

10.08.1474 - Density (SLR).

There shall be at least 1,400 square feet of net lot area for each dwelling unit in the SLR Zone.

10.08.1475 - Minimum yards (SLR).

The following minimum yards shall be required in the SLR Zone:

(a) Front: Three (3') feet, including setback to garage;

(b) Side: Three (3') feet, except that the minimum side yard shall be zero for attached dwellings, and the street side yard on a corner lot shall be five (5') feet minimum;

(c) Rear: Three (3') feet.

(d) Distance between buildings: Six (6') feet.

(e) Detached accessory buildings shall meet the minimum distance between buildings and the minimum yards of the SLR Zone.

10.08.1476 - Height (SLR).

The maximum height in the SLR Zone shall be three stories or forty (40') feet, whichever is less.

10.08.1477 - Lot coverage (SLR).

The maximum aggregate coverage of all buildings in the SLR Zone shall not exceed seventy-five (75%) percent of the lot.

10.08.1478 - Off-street parking (SLR).

All single-family, two-family, and multiple-family dwellings in the SLR Zone shall provide off-street parking that meets the minimum requirements in Article 26 of this chapter for single-family residential.

10.08.1479 - Development review (SLR).

Development approval of all uses, buildings, and site development in the SLR Zone shall be required as provided in Article 30 of this chapter.

Multifamily Residential or Medium to High Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households (in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

- **Article 11. - High Density Residential Zone (HDR)**

- **10.08.1570 - Purpose (HDR).**

  The High Density Residential (HDR) Zone classification is designed to provide for apartments, multiple-family dwellings, dwelling groups, and supporting uses and to be utilized in appropriate locations within the areas designated high-medium density residential with a density range of **twenty (20) to thirty-five (35)** ~~twelve (12) to twenty-five (25)~~dwelling units per gross acre by the General Plan.

  (Prior code § 10-2.1100)

- **10.08.1580 - Permitted uses (HDR).**

  (a) The following uses shall be permitted in the HDR Zone:

  (1) Single-family, two-family, or multiple-family dwelling, dwelling group, or apartment house; Accessory dwelling unit, subject to TMC section 10.08.3180;

  (2) Boarding and rooming house;

  (3) Emergency homeless shelter, subject to TMC section 10.08.3197;

  (4) Single-Room Occupancy Facility ("SROs"), subject to TMC section 10.08.3197

  (5) Crop and tree farming;

  (6) Public park, building or school; and

  (7) Accessory use as provided in section 10.08.1080 of Article 5 of this chapter.

  (b) The following conditional uses shall be permitted in the HDR Zone subject to the granting of a use permit as provided in sections 10.08.4250 through 10.08.4420 of Article 34 of this chapter:

  (1) Mobile home park or mobile home park subdivision;

  (2) Condominium or planned residential development;

  (3) (Not used);

  (4) Off-street parking to serve an adjacent commercial or office use;

  (5) Church and church-related use;

  (6) Educational, cultural, institutional or recreational use;

  (7) Private school, nursery school or day care center;

(8) Board and care facility;

(9) Hospital, convalescent hospital, rest home or nursing home; and

(10) Mortuary.

(Prior code § 10-2.1101)

(Ord. No. 1202, Exh. A § 17, 12-1-2015; Ord. No. 1254, § 5, 5-1-2018)

- **10.08.1590 - Lot area and width (HDR).**

There shall be no minimum lot size for this district.

~~The following lot area and width requirements shall apply in the HDR Zone:~~

~~(a) The minimum lot area shall be 6,000 square feet.~~

~~(b) The minimum lot width shall be sixty (60') feet; provided, however, lots on cul-de-sacs or knuckles shall have a minimum frontage of at least thirty-five (35') feet and a width at the twenty (20') foot building line of at least forty-five (45') feet.~~

~~(c) The requirements set forth in this section may be increased or decreased for conditional uses.~~

(Prior code § 10-2.1102)

- **10.08.1600 - Density (HDR).**

The areas designated high density residential shall have a density range of twenty (20) to thirty-five (35) dwelling units per gross acre by the General Plan

~~There shall be at least 1,400 square feet of net lot area for each dwelling unit in the HDR Zone.~~

The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project.

The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed in section 10.08.1580 - Permitted uses

(Prior code § 10-2.1103)

- **10.08.1610 - Minimum yards (HDR).**

The following minimum yards shall be required in the HDR Zone:

(a) Front: Fifteen (15') feet, except garage structures which shall be twenty (20') feet;

(b) Side:

(1) Interior lots: Five (5') feet on each side; provided, however, this requirement shall be increased by four (4') feet for every story above the second story;

(2) Corner lots: Ten (10') feet on the street side; the interior side shall be the same as set forth in subsection (1) of this subsection; and

(3) Detached accessory buildings not exceeding one story in height on the rear one-third (⅓) of the lot or set back at least seventy (70') feet from the front line whichever is less, may be located in a required side yard other than a street side yard;

(c) Rear:

(1) Main buildings: Ten (10') feet; provided, however, this requirement shall be increased by four (4') feet for every story above the second story; and

(2) Accessory buildings: Detached accessory buildings not exceeding one story in height may be located in the rear yard; and

(d) Distance between buildings: Six (6') feet between accessory buildings and between an accessory and main building; and the minimum distance between main buildings shall also be six (6') feet.

(Prior code § 10-2.1104)

(Ord. No. 1179, § 1, 1-15-2013)

- **10.08.1620 - Height (HDR).**

There shall be no height limit in the HDR Zone.

(Prior code § 10-2.1105)

- **10.08.1630 - Lot coverage (HDR).**

The maximum aggregate coverage of all buildings in the HDR Zone shall not exceed **seventy (70%)**~~forty-five (45%)~~ percent of the lot.

(Prior code § 10-2.1106)

- **10.08.1640 - Usable open space (HDR).**

Residential uses in the HDR Zone shall provide minimum usable open space of 100 square feet for each of the first ten (10) dwelling units, fifty (50) square feet for each of the second ten (10) units, and twenty-five (25) square feet for each unit in excess of twenty (20).

For the purposes of this section, "usable open space" shall mean an on-site ground level area, not less than twenty (20') feet in width, of lawn, pool, or garden courts with concrete paving accessible to all dwelling units via a walk, path, or stairway easily used and intended to be used by pedestrians. The space shall not include the required front yard or street side yard, off-street parking, driveways, or service areas. There shall be no obstruction above the space, except for devices to enhance the usability of the space.

(Prior code § 10-2.1107)

- **10.08.1650 - Off-street parking (HDR).**

Off-street parking in the HDR Zone shall be provided as required by Article 26 of this chapter.

(Prior code § 10-2.1108)

- **10.08.1660 - Development review (HDR).**

Development approval for all uses, buildings, structures, and site development in the HDR Zone, except a single- or two-family residence and accessory structures on a single lot, shall be required as provided in Article 30 of this chapter.

~~**(Prior code § 10-2.1109)**~~

Multifamily Residential or High Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households (in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

Article 19. General Highway Commercial Zone (GHC)

10.08.2490 Purpose (GHC).

The General Highway Commercial (GHC) Zone is to provide areas for commercial activities which are automobile-oriented or for those uses which seek independent locations outside shopping centers or other business clusters. The GHC Zone is not to be confused with the Highway Service (HS) Zone which is applicable to freeway interchanges only.

(Prior code § 10-2.1900)

10.08.2500 Descriptive regulations (GHC).

The GHC Zone is intended to permit a pattern of varied automobile-oriented uses of property adjacent to major arterial streets. The provisions of this article are intended to control the site layout and design so as to:

(a) Promote a free traffic flow on major arterial streets;

(b) Assure compatibility among the uses along major arterial streets and with existing and future uses in adjacent areas;

(c) Provide an area for commercial activities which are of an automobile-oriented nature or for those which seek an independent location outside of shopping centers and can prosper as well in such areas as in a shopping center; and

(d) Encourage development of an open, uncrowded nature which will enhance the major arterials of the City and discourage developments which will extend unplanned commercial strips.

(Prior code § 10-2.1901)

10.08.2510 Permitted uses (GHC).

(a) In the GHC Zone, only automobile-oriented uses which are included in the following use groups shall be permitted without conditional approval:

Group 1	Minor public service uses;
Group 4	Temporary buildings and uses;
Group 23	**Multi-family uses;**
Group 29	Accessory uses;
Group 30	Educational, cultural, institutional and recreational uses (neighborhoods);
Group 31	Educational, cultural, institutional and recreational uses serving the greater community;
Group 40	Traveler's living accommodations, except trailer parks and uses listed as (c-2), Eating and/or drinking establishment that serves alcohol and provides entertainment after 11:00 p.m.;
Group 41	Business offices/professional offices and laboratories, excluding dwelling units;
Group 42	Retail trade establishment, convenience or goods; food stores, except supermarkets;

Group 43	Consumer services and retail trade establishments, except (a), (c-2), (e), and (f);
Group 44	Consumer services and retail trade;
Group 45	General consumer and business services;
Group 46	Special retail trade and consumer establishments;
Group 47	Special business, consumer, and miscellaneous repair services;
Group 50	Farm equipment sales and services; and
Group 51	Wholesale trade establishments.

(b) In the GHC Zone, automobile uses which are included in the following use groups shall be permitted only with conditional approval:

Group 2	Local public service and utility installations;
~~**Group 23**~~	~~**Multi-family uses;**~~
Group 25	Institutional uses with residential accommodations;
Group 40	Traveler's living accommodations, except trailer parks and uses listed as (c-2), Eating and/or drinking establishment that serves alcohol and provides entertainment after 11:00 p.m.;
Group 41	Business offices and professional offices and laboratories including one owner-occupied dwelling unit per business;
Group 42	Food stores and supermarkets;
Group 43	Consumer services and retail trade including (a), (c-2), (e) and (f);
Group 48	Commercial amusement and entertainment establishments (requiring large sites and generating large traffic volumes);
Group 52	Contract construction; and
Group 53	Warehousing and storage.

(Prior code § 10-2.1902, as amended by § 1, Ord. 947 C.S., eff. Oct. 31, 1996)

(Ord. No. 1177, § 11, 1-15-2013)

10.08.2520 Uses to be conducted within buildings (GHC).

All uses established within the GHC Zone shall be conducted wholly within a building, except such uses as drive-in restaurants, gasoline service stations, plant material nurseries, plumbing shops, and similar enterprises deemed by the Commission to be customarily conducted in the open, with the exception that live plant materials and nursery supplies may be displayed outside provided no more than an area equal to twenty (20%) percent of the lineal footage of the building front is occupied by such displays.

(Prior code § 10-2.1903)

10.08.2530 Screening (GHC).

A screening fence six (6') feet in height, measured from the finished grade of the GHC property line, separating the GHC Zone property from adjoining residential or agricultural zones, shall be required. On corner lots adjoining such zoning districts across a minor connecting side street, a screening fence six (6') feet in height shall be constructed to enclose storage areas, trash bins, and delivery areas. The design and location of such screening shall be approved during the site plan review (see Article 30 of this chapter).

(Prior code § 10-2.1904)

10.08.2540 Driveways (GHC).

(a) All existing lots of record within the GHC Zone as of August 8, 1972, and all lots created within another zoning district prior to reclassification to the GHC Zone, shall be permitted access to the major street in accordance with the following:

(1) Lots with less than 120 feet in width along the frontage of the major arterial street shall be allowed one curb cut with a maximum width of thirty-five (35') feet. The location of such curb cut shall be approved by the Community Development Director concurrently with the approval of the development plans.

(2) Those lots with 120 feet or more in width along the major arterial street shall be provided access in accordance with the standards set forth in sub.section (b) of this section.

(b) All lots created within the GHC Zone subsequent to August 8, 1972, shall be permitted access in accordance with the following standards:

(1) One curb cut only shall be permitted for each sixty (60') foot increment of lot width along the major arterial street up to a width of 125 feet.

(2) Curb cuts shall be a maximum of thirty-five (35') feet from the top of the curb to the top of the curb.

(Prior code § 10-2.1905)

10.08.2550 Building site area (GHC).

There shall be no site area requirements in the GHC Zone.

(Prior code § 10-2.1906)

10.08.2560 Lot area (GHC).

All lots in the GHC Zone located along major arterials shall have a minimum frontage along the major arterial of 125 feet, except lots that have combined parking areas with common ingress and egress.

~~(Prior code § 10-2.1907; Ord. No. 1241, § 1, 9-19-2017)~~

10.08.2565 Multi-family Density.

The areas designated GHC shall allow high density multi-family housing residential with a density range of twenty (20) to thirty-five (35) dwelling units per gross acre by the General Plan.

The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project.

The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed in section 10.08.2580 - Permitted uses

10.08.2570 Yard areas (GHC).

Minimum yards: in the GHC Zone shall be as follows:

(a) Front yards. Every lot within the GHG Zone shall have a front yard of not less than fifteen (15') feet; and

(b) Side and rear yards. Each lot within the GHC Zone shall have side and rear yards of not less than fifteen (15') feet, except where adjacent to commercial or industrial zones, in which case there shall be no requirements.

(Prior code § 10-2.1908)

10.08.2580 Height (GHC).

There shall be no height requirements in the GHC Zone.

(Prior code § 10-2.1909)

10.08.2590 Permissible lot coverage (GHC).

There shall be no lot coverage requirements in the GHC Zone.

(Prior code § 10-2.1910)

10.08.2600 Floor area (GHC).

There shall be no floor area requirements in the GHC Zone.

(Prior code § 10-2.1911)

10.08.2610 Off-street parking (GHC).

See Article 26 of this chapter. In addition, when two (2) or more uses combine their parking into a single adjoining parking lot with common ingress and egress, they may receive a twenty-five (25%) percent reduction in the required number of spaces. The proposed common parking lot shall be subject to site plan and architectural review at the time of the development plan review.

(Prior code § 10-2.1912)

10.08.2620 Development review (GHC).

All uses requiring a building permit shall obtain development review compliance, except as provided in Article 30 of this chapter and the CEQA Guidelines adopted by the City, prior to being established in the GHC Zone.

Multifamily Residential or High Density Residential projects of five (5) or more units that include a minimum twenty percent (20%) of units affordable to lower-income households

(in accordance with Government Code Section 65583.2(c)) shall be a permitted use by right; however, projects must comply with the Multiple-Unit and Mixed-Use Housing Objective Design Standards in Section 10.10.050. For purposes of this section, "use by right" has the same meaning as provided in Government Code Section 65583.2(i). Residential projects of five (5) or more units not containing a minimum of twenty percent (20%) of affordable units shall require staff level review. Projects that include an entitlement that requires Planning Commission approval, will have the Development Review approved by the Planning Commission.

EXHIBIT F

Article 2 – Definitions

10.08.256 - Density

The "Density" of a parcel or project area shall be the number of units divided by the gross area in acres. The density of a project may be averaged as a sole parcel or combination of adjacent touching parcels, if part of the overall project. The clustering of differentiating product types is allowed as long as the minimum density is maintained. A site or project may include multiple product types if allowed as a permitted or conditionally permitted use.

December 2, 2025

Agenda Item 3.D

RECOMMENDATION

Staff recommends that the Tracy City Council introduce and waive the first reading by substitution of title an ordinance adding Chapter 3.56- Temporary Memorials, sections 3.56.010 through 3.56.110, to Title 3 - Public Safety of the Tracy Municipal Code.

BACKGROUND AND LEGISLATIVE HISTORY

The City of Tracy does not have an existing Temporary Memorial Ordinance. However, temporary memorials have often created hazards to the public, city personnel, and public property. The City recognizes that these memorials are of significant importance to people grieving their lost ones. To afford citizens a reasonable opportunity to express their grief and condolences when tragedies occur, while balancing public safety priorities, this proposed ordinance will allow temporary memorials while establishing acceptable duration and content limitations. The proposed ordinance will create and add Chapter 3.56 - Temporary Memorials to Title 3 - Public Safety of the Tracy Municipal Code.

ANALYSIS

A. Purpose of the Proposed Ordinance

The purpose and justification for adding Chapter 3.56 are to:

- Afford citizens a reasonable opportunity to express their grief and condolences when tragedies occur;
- Establish acceptable duration and content limitations;
- Reduce hazards to the public, city personnel, and public property;
- Enhance and protect the physical appearance of the city; and
- Allow the city to properly and safely maintain public rights-of-way, streets, sidewalks, easements, or other areas of thoroughfare, parks, trails, and other public property.

B. Key Components of Chapter 3.56

- Defines a temporary memorial as placement of an item or collection of items near the site of a tragic event on public property;
- Establishes a timeframe for the display of temporary memorials;
- Establishes physical restrictions;
- Allows an enforcement mechanism for temporary memorials that are not in compliance with the chapter; and
- Establishes notice requirements and penalties for violations of the chapter.

FISCAL IMPACT

There is no fiscal impact associated with this action. Costs related to the enforcement of the ordinance will be absorbed within the adopted budget.

STRATEGIC PRIORITY

The proposed ordinance is consistent with the City Council's Strategic Priority of Public Safety, as it serves as a tool to strengthen community safety through intervention and enforcement activities.

CEQA DETERMINATION

The proposed ordinance is not a project within the meaning of Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. In the event that the ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

ACTION REQUESTED OF THE CITY COUNCIL

That the Tracy City Council introduce and waive the first reading by substitution of title an ordinance adding Chapter 3.56- Temporary Memorials, sections 3.56.010 through 3.56.110, to Title 3 - Public Safety of the Tracy Municipal Code.

Prepared by: City Attorney's Office
Reviewed by: Sara Castro, Director of Finance
Reviewed by: L. David Nefouse, City Attorney
Reviewed by Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments

Attachment A - Ordinance

Attachment A

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

CITY OF TRACY
ORDINANCE NO._____

AN ORDINANCE OF THE CITY OF TRACY ADDING CHAPTER 3.56-TEMPORARY MEMORIALS, SECTIONS 3.56.010 THROUGH 3.56.110, TO TITLE 3- PUBLIC SAFETY, OF THE TRACY MUNICIPAL CODE

WHEREAS, the City of Tracy recognizes that residents should be afforded a reasonable opportunity to express their grief when tragedy and loss of life occur; and

WHEREAS, the City of Tracy does not currently have a Temporary Memorial Ordinance; and

WHEREAS, the purpose of this ordinance is to promote public health, safety, and welfare by regulating temporary memorials on public property; and

WHEREAS, the city wishes to balance the grieving period with public health and safety, and establish an acceptable duration of time to display the temporary memorials on public property so that they do not become permanent and/or cause a public nuisance or hazards; and

WHEREAS, the city must also balance maintaining public rights-of-way both properly and safely; and

WHEREAS, the City Council considered this matter at a duly noticed public hearing held on December 2, 2025;

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

SECTION 1. The foregoing recitals are true and correct and are incorporated herein as findings.

SECTION 2. The Tracy City Council hereby approves the amendment to Title 3 - Public Safety, adding Chapter 3.56 - Temporary Memorials, Sections 3.56.010 through 3.56.110 of the Tracy Municipal Code, as listed below. The amendment to Title 3 - Public Safety with the addition of Chapter 3.56 - Temporary Memorials shall be codified in the Tracy Municipal Code.

Title 3-PUBLIC SAFETY
Chapter 3.56 – TEMPORARY MEMORIALS

3.56.010- Purpose.

The purpose of this chapter is to promote public health, safety, and welfare by regulating temporary memorials on public property. Specifically, this chapter is intended to:

(a) Afford citizens a reasonable opportunity to express their grief and condolences when tragedies occur;

(b) Establish the acceptable duration and contents of temporary memorials;

(c) Reduce hazards to the public, city personnel, and public property;

(d) Enhance and protect the physical appearance of the city; and

(e) Allow the city to properly and safely maintain public rights-of-way, streets, sidewalks, easements or other areas of thoroughfare, parks, trails, and other public property.

3.56.020-Definitions.

For purposes of this chapter, the following words shall have the meanings set forth in this section:

“City” means the City of Tracy, California.

"Public property" means any public street, right-of-way, sidewalk, curb, easement or thoroughfare, alleyway, parking lot or parking garage, park, trail, open space, or other property owned or controlled by the city.

"Temporary memorial" means the placement, at or near the site of a tragic event, of a single item or collection of items, including, but not limited to, real or plastic flowers, crosses, or other mementos made of any material, in memory of, or as a tribute to, a victim of a tragic event.

3.56.030- Duration of Temporary Memorial.

Any temporary memorial placed on public property shall be allowed to remain no more than forty-five (45) days from the date on which the incident giving rise to the temporary memorial occurred. The city shall have the sole discretion to remove the temporary memorial at any time thereafter.

3.56.040- Compliance with other applicable laws.

Nothing contained in this chapter shall be construed to exempt any person from complying with the provisions of any other applicable law, ordinance, rule or regulation or to exempt a temporary memorial or any similar collection of items, from the requirements under any zoning, nuisance, licensing, or other building ordinances, rules or regulations.

3.56.050- Physical restrictions of temporary memorials.

A temporary memorial shall be no more than thirty (30) inches in height, measured from the paved surface, two (2) feet in width, measured along the roadway or sidewalk, and one (1) foot in depth, measured perpendicular to the roadway or sidewalk.

3.56.060- Unauthorized or safe displays – immediate removal.

The city reserves the right to immediately remove and dispose of a temporary memorial prior to the expiration of the forty-five (45) day period, without notice of any kind or liability to any person or entity, upon the determination that a temporary memorial violates any of the following standards:

(a) Temporary memorials shall not create hazards to the public, city personnel, or others. This includes but is not limited to, posing a distraction to motorists; obstructing sight lines for motorists or pedestrians; or obstructing the free movement of motorists or pedestrians on any public street, sidewalk, or bike lane.

(b) Temporary memorials shall not threaten the surrounding property, including, but not limited to, by having flammable or hazardous materials.

(c) Temporary memorials shall not interfere with routine maintenance activities of the city, such as landscaping, mowing, irrigation, painting, tree removal, or related activities. Temporary memorials shall not be allowed in any permitted construction or maintenance work zone, or in any area where the city has granted an easement to a public utility company.

(d) Temporary memorials shall not cause any type of damage to public property or any personal property located on public property, including, without limitation, trees, signs, or traffic control devices.

(e) Temporary memorials shall not emit music or amplified sound.

(f) Temporary memorials shall not damage or deface public property or be permanently affixed to the site.

(g) Temporary memorials shall not be constructed from, contain, or include any glass items, including, but not limited to, picture frames, bottles, and candles, or any other item with or containing the potential for an open flame

(h) Temporary memorials shall not include any perishable food, drugs or alcohol, nor contain vulgar or obscene language or images.

3.56.070- Abandoned property – Removal, storage, and disposal.

(a) All items placed at a temporary memorial that remain after the aforementioned forty-five (45) day period shall be considered abandoned, shall immediately become the property of the city, and such items may be removed and disposed of in any manner at the city's sole discretion.

(b) All perishable items, including, but not limited to, food and flowers, shall be discarded. All nonperishable items will be placed for storage with the Tracy Police Department. Items collected by the city will be released to family members of the temporary memorial honoree upon written request. All items will be discarded by the city if not claimed within thirty (30) calendar days of storage.

3.56.080- Posted notice prior to removal.

Prior to the removal of a temporary memorial, but no later than five calendar days before the removal of the temporary memorial or the expiration of the 45-day period, whichever is later, the City shall post in a conspicuous place near the temporary memorial a notice reading substantially as follows:

CITY OF TRACY
NOTICE OF INTENT TO
REMOVE AND DISCARD TEMPORARY MEMORIAL
(T.M.C. Chapter 3.56)

In order to provide an avenue to memorialize or pay tribute to victims of tragic accidents or loss of life, while at the same time helping to protect the public health, safety, and welfare of the community, temporary memorials are permitted on public property for up to 45 calendar days from the date on which the incident occurred that gave rise to the temporary memorial, or the date on which the City received notice, whichever is later. Thereafter, all items are considered abandoned, become the property of the City, and may be removed and disposed of in any manner at the City's sole discretion.

Persons who place any item at a temporary memorial are unequivocally indicating that they do not intend to retain the item and that it may be discarded by the City. The City shall not be responsible for the loss or theft of any item placed at a temporary memorial.

NOTICE IS HEREBY GIVEN that on or after _____ ("Removal Date"), the City will remove and dispose of all items that comprise or are a part of this temporary memorial. Any person who wishes to recover any item that comprises or is a part of this temporary memorial should remove such item prior to the Removal Date. Items remaining after the Removal Date shall be considered abandoned property, shall become the property of the City of Tracy, and may be removed and disposed of in any manner at the City's sole discretion.

The city manager or his/her designee is authorized to approve revisions to this notice, so long as the notice remains consistent with the terms of this chapter.

3.56.090-Temporary memorials on private property.

Temporary memorials are prohibited on private property without the consent of the property owner.

3.56.100- Penalties for violation.

Violations of any provision of this chapter may be enforced by any one or more of the following methods:

(a) Administrative citations and penalties pursuant to Chapter 1.28-Administrative Citations and Penalties of this code;

(b) Criminal penalties pursuant to Chapter 1.04- Penalty Provisions of this code; or

(c) Any other lawful authority.

3.56.110- Severability.

The provisions of this chapter are hereby declared to be severable. If any provision, clause, word, sentence, or paragraph of this chapter or the application thereof to any person, establishment, or circumstance shall be held invalid, such invalidity shall not affect the other provisions or application of this chapter.

SECTION 3. The City Council determines the amendment creating Chapter 3.56-Temporary memorials is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) in that projects with no potential for causing a significant effect on the environment need no further environmental review, as any proposed residential development project will require its own environmental review under CEQA.

SECTION 4. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause, or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses, or phrases may be declared invalid or unconstitutional.

SECTION 5. Any typographical errors in this Ordinance may be remedied by the City Attorney with the assistance of the City Clerk and shall not constitute an alteration.

SECTION 6. This Ordinance shall take effect 30 days after its final passage and adoption.

SECTION 7. This Ordinance shall either (1) be published once in a newspaper of general circulation, within 15 days after its final adoption, or (2) be published in summary form and posted in the City Clerk's office at least five days before the ordinance is adopted and within 15 days after adoption, with the names of the Council Members voting for and against the ordinance. (Gov't. Code §36933.)

SECTION 8. This Ordinance shall be codified in the Tracy Municipal Code.

* * * * * * * * * * * * *

The foregoing Ordinance ___ was introduced at a regular meeting of the Tracy City Council on the 2nd day of December 2025 and finally adopted on the___ day of December 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of
the City of Tracy, California

Date of Attestation:

December 2, 2025

Agenda Item 4.A

RECOMMENDATION

Consideration and adoption of a Resolution Amending Council Policy D-2, Naming Public Buildings, Parks, and Facilities.

EXECUTIVE SUMMARY

At the October 7, 2025, and November 4, 2025, City Council meetings, Council directed staff to review and revise the current policy for naming public buildings, parks, and facilities. The proposed revision provides an option for how the Council may consider naming rooms within buildings and naming sports fields, rooms, and other areas within Parks and Recreation facilities. In response, the staff has prepared this item for Council discussion and consideration. Council may, by motion, approve the revised policy, incorporating both Council direction and staff recommendations.

BACKGROUND AND LEGISLATIVE HISTORY

The City Council's Policy D-2 (Resolution No. 2021-013) establishes procedures for the selection and approval of names for public buildings, parks, and recreation facilities (Attachment A). On February 2, 2021, Council approved revisions to the policy, which clarified the purpose, defined "Public Buildings" and "Parks & Recreation Facilities," and added steps to the naming procedure for Parks & Recreation Facilities. During this process, staff conducted public outreach and presented recommendations to the Parks & Community Services Commission for input.

Although there is a past practice of the City Council naming rooms without going through a public process, the proposed update to the policy clarifies this as approved practice, going forward.

ANALYSIS

City Council directed staff on October 7, 2025, and on November 4, 2025, to review and revise the current policy for the naming of public buildings, parks, and facilities. The purpose of this revision is to establish an option outlining how the Council may consider naming rooms within buildings and naming sports fields, rooms, and other areas within Parks and Recreation Facilities.

The City Council's Policy D-2 establishes separate procedures for naming public buildings and for naming parks and recreation facilities. Under the policy, requests involving public buildings are reviewed and evaluated by a City Council subcommittee, while parks and recreation facility names are considered by the Parks and Community Services Commission, which then provides a recommendation to the City Council.

Because the current policy does not define a room, interior space, sports fields, or courts within the definitions of either category, of “Public Building” or “Parks & Recreation Facility,” the rooms and interior portions of an already named facility would not be subject to the procedures of the policy for consideration of names. As such staff is recommending the proposed revisions to address this gap. Significant changes to this policy include the following, as outlined in (Attachment A). Proposed revisions are shown in red.

- Definitions of rooms within Public Buildings
- Definitions of sports fields and rooms within Parks & Recreation Facilities
- Added steps to the procedure for naming rooms within Public Buildings and Parks & Recreation Facilities
- Revised application

PUBLIC OUTREACH/INTEREST

N/A

FISCAL IMPACT

There is no direct fiscal impact associated with this action.

CEQA DETERMINATION

This item is exempt from the California Environmental Quality Act based on CEQA Guidelines Section 15061(b)(3), the commonsense exemption, which states that a project is not subject to CEQA “where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment”.

STRATEGIC PLAN

This agenda item supports the City of Tracy’s Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City’s amenities, business mix, and services, and cultivating connections to promote positive change and progress in our community.

ACTION REQUESTED OF THE CITY COUNCIL

Consideration and adoption of a Resolution Amending Council Policy D-2, Naming Public Buildings, Parks, and Facilities.

Prepared by: Brian MacDonald, Parks, Recreation & Community Services Director

Reviewed by: Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A: Proposed changes to the Naming Public Buildings, Parks, and Facilities Policy Number D-2

Attachment B: City of Tracy's Parks & Recreation Departments Nomination for Naming of Public Buildings, Parks, and Facilities Application

Naming Public Buildings, Parks and Recreation Facilities
Policy Number: D-2
Amended by resolution Date: 12/2/25

I. PURPOSE:

The purpose of this policy is to establish a set of standard procedures and guidelines for the naming of Public Buildings, Parks and Recreation Facilities.

II. DEFINITIONS:

1. "Public Building(s)" are(is) City-owned facilities that house employees or are otherwise used to conduct City business and consist of the entirety of a building or facility. Buildings may include, but are not limited to, the Civic Center, ~~City Council~~ Chambers, and the Police facility. This also includes "Support Facilities" that are City-owned facilities that are used to support field operations. Support facilities may include, but are not limited to, the corporation yard and pump stations.

2. "Parks & Recreation Facilities" are the entirety of all City parks, and the entirety of community buildings/~~and~~ grounds, athletic facilities, open space areas and other grounds and facilities owned or operated by the City for park, recreation or open space purposes.

3. "Rooms within Public Buildings" include standalone rooms, lobbies, contained areas, defined spaces, and other designated areas within a Public Building, but excludes the entirety of a building/facility as defined above.

4. "Sports Fields and Rooms within Parks & Recreation Facilities" include standalone sports fields, concessions, courts, pitches, stadiums, rooms, lobbies, contained areas, defined spaces, and other designated areas within a Park & Recreation Facility, but excludes the entirety of a park, community building, or facility as defined above.

III. POLICY:

A. Consideration for Names for a Public Building and Parks & Recreation Facility:

1. When named for an individual family or person, strong consideration should be given to:

a. The level of involvement and commitment to the Tracy community over a span of years that are sufficient for accomplishments and contributions to have taken place;
b. Individuals or families who have been involved in many facets of the community such as through service clubs, civic organizations, school community, multi-cultural events and organizations, elected/appointed positions, military service, church community and non-profit groups; the nature of their involvement should be beyond that done in the normal course of their employment (i.e., voluntary);
c. The local significance and relationship of this individual or family to the City of Tracy, or to the parks and recreation systems or programs.

2. Public building, park and facility names should reflect both the current and past heritage and historical significance of the community that is now serviced. Strong consideration should be given to:
    a. Maintaining names that represent the current and past cultural diversity of the community.
    b. Any relevant California history that is part of the Tracy community, such as the period covered by the Spanish land grants, Native American tribal history, etc.

3. Park names should reflect the geographical significance of the park site's topography or other natural amenities that exist in or near the park property. Strong consideration should be given to:
    a. Vistas and view corridors.
    b. Native plants or trees
    c. Adjacencies to creeks, streams, open space, hills, etc.

4. Public building, park and facility names should incorporate the functionality of the building, park or facility by simply stating its purpose without further description (for example the "John Smith Community Center"), especially, when a specialized facility may be a part of the park such as sports fields, etc. Special features for the park should be considered in the park name.

5. Consideration should also be given to public building, park and facility names that reflect the geographic location or adjacencies to other City facilities or schools in order to avoid confusion about the geographic location of the building.

6. If a public building, park or facility improvement is acquired or constructed by means of a substantial gift, financial contribution or financial donation by an individual, family or corporation, consideration

should be given to recognizing the contribution by incorporating the benefactor's name into the facility name.

7. If a public building that has previously been named is proposed to have its function be moved, or is proposed for relocation, or demolition, or is destroyed through a natural disaster or other act, the City Council shall be provided an opportunity to name the replacement building.

B. Consideration of Names for Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities

1. Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities may be named for individuals who have made exceptional contributions to the community such as:
   a. The individual must have made a significant contribution to the community which resulted in the improved well-being of the citizens of Tracy.
   b. The individual must have been involved in Tracy community affairs over a span of years that are sufficient for accomplishments and contributions to have taken place.
   c. Individuals or families who have been involved in many facets of the community such as through service clubs, civic organizations, school community, multicultural events and organizations, elected/appointed positions, military service, church community and non-profit groups; the nature of their involvement should be beyond that done in the normal course of their employment (i.e., voluntary).

IV. PROCEDURES:

A. Parks and Recreation Facilities:

1. The Parks and Community Services Commission shall hold a public meeting that allows for community input and will follow a process for naming parks and recreational facilities that includes:
   a. The Parks and Recreation Director shall receive a naming request from a developer, resident or other interested groups for a new park or new recreational facility. All applications must be completed in full and include the supporting information required by this policy. Incomplete applications will not be considered. Additional supporting information provided by the applicant that is not required by this policy will not be accepted. (ie., signatures, signed petitions, obituaries)
   b. Staff will conduct a public solicitation of names (Example: social media & newspapers) for 30 days and submit all names to the Commission for review.

c. The Commission shall schedule a regular or special meetings to screen, review, evaluate and prioritize the requests submitted by residents and other interested groups such as developers, the West Side Pioneers, Chamber of Commerce, etc.
d. The Commission shall forward the top three names (In priority order) to City Council for final approval.

2. Depending on the special nature, size or location of a park, the Commission may also consider the following ideas for park naming:
   a. Development of a community-based naming process such as a contest.
   b. Receive input from an adjacent homeowner's association; receive input from future facility user group as identified through design process.

B. Public Buildings

1. The City Council will form a sub-committee to review and evaluate requests for naming public buildings from residents, interested groups and staff.

2. The sub-committee will bring forth screened, evaluated and recommended selections for authorization by the full City Council at a regularly scheduled Council meeting.

C. Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities

1. Following majority consensus by the City Council during Council comments at the end of a City Council meeting, the City Council may, at a regularly scheduled (not special) City Council meeting, discuss (as a non-consent item) whether Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities shall be named after an individual (or family), consistent with the criteria set out above. To be clear, for Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities, this shall only require the item be heard by and approved by the City Council.

2. Notice of the potential naming shall be set out consistent with the Brown Act, provided, however, City staff shall also make reasonable efforts to contact (via telephone or written communication) the individual(s), family (if a family naming) or their immediate next of kin (if deceased) who are subject to a naming under this subsection IV.C of the potential naming a minimum five (5) business days prior to the meeting date.

3. Namings under this subsection IV.C shall only require a majority vote.

V. MISCELLANEOUS

A. This policy may be amended by a majority vote of the City Council.

B. This policy shall become effective immediately after approved by the City Council, provided, however, this policy shall not apply retroactively.

C. This policy need not go before a Board or Commission prior to approval by the City Council.

D. Nothing herein is meant to override and/or be in conflict with the Tracy Municipal Code and/or other agreements as approved by the City Council.

E. Questions regarding the interpretation and application of this policy shall be resolved collectively by the City Manager, City Attorney, and the Director of Parks & Recreation (or their designees, respectively).

CITY OF TRACY PARKS RECREATION & COMMUNITY SERVICES DEPARTMENT

Application Form: Naming of Public Buildings, Parks & Facilities

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Please review the attached Naming Policy prior to completing this application.

Date of Nomination: _____

Nominator Name: _____

Address: _____

Email: _____ **Phone:** _____

Recommended Name: _____

Location: _____

Type of Facility (check one): ~~☐ Mini Park ☐ Neighborhood Park ☐ Community Park~~

☐ Public ~~Facility~~ Building ☐ **Parks & Recreation Facility** ☐ Other:

_____

If nominating a family member, what is the relationship? _____

Submittal Requirements:

1. **Complete Application (Incomplete applications will not be accepted).**
2. A **1–2 page summary** explaining how the recommended name meets one or more of the criteria listed in items **#1– #7** of the policy.
3. Submit to the Parks, Recreation **& Community Services Department by mail, in-person, or by email.**

Failure to submit the application and a summary will constitute an incomplete application.

Examples of information to include:

- Significance to the City of Tracy
- Local club**(s)** or organization**(s)** served
- **Reason(s) for nomination**
- Involvement and commitment to community
- School**(s)** attended

Staff will confirm receipt of the application submission via email or phone. If you have not heard back within three business days, please contact us by email or phone.

Submit Completed Application and Summary

Mail, In-Person, or Email:
City of Tracy – Parks, Recreation & **Community Services** Department
Re: Naming Public Buildings, Parks & Facilities
333 Civic Center Plaza
Tracy, CA 95376

Phone: (209) 831-6201
Email: parks@cityoftracy.org

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

AMENDING COUNCIL POLICY D-2, NAMING PUBLIC BUILDINGS, PARKS, AND FACILITIES

WHEREAS, on October 7, 2025, and November 4, 2025, the City Council directed staff to review and revise Council Policy D-2 regarding the naming of public buildings, parks, and facilities, and

WHEREAS, the revised policy provides an option for how the Council may consider naming rooms within buildings and naming sports fields, rooms, and other areas within Parks and Recreation facilities

NOW, THEREFORE, be it resolved as follows:

RESOLVED: that the City Council of the city of Tracy hereby finds and determines that the foregoing recitals are true and correct; and be it

FURTHER RESOLVED: That the City Council of the City of Tracy hereby adopts the attached amended Council Policy D-2, Naming Public Buildings, Parks, and Facilities.

BE IT FURTHER RESOLVED: that this resolution rescinds and replaces resolution 2021-013.

* * * * * * * * * * * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 4.B

RECOMMENDATION

Consideration and adoption of a Resolution Approving the Naming of the Reception Area, or Another Designated Room, Within the Tracy Recreation Activity Center (TRAC) or Lobby at City Hall in Honor of Dr. Nancy D. Young.

EXECUTIVE SUMMARY

At the October 7, 2025, City Council meeting, during Council Items, Mayor Dan Arriola made a motion requesting support for a future agenda item for the naming of a Dr. Nancy D. Young reception area or similar portion of the recently named Tracy Recreation Activity Center (TRAC). The motion was seconded by Council Member Dotty Nygard.

Additionally, on November 4, 2025, Council directed staff to revise the current policy for naming public buildings, parks, and facilities to provide an option for how the Council may consider naming rooms within buildings and naming sports fields, rooms, and other areas within Parks and Recreation facilities. Earlier this evening, Council will consider an amendment to the policy to establish a process for naming rooms, sports fields, and other areas within these facilities. If the amendment is approved, Council may consider this item, which allows the naming of designated rooms within the Tracy Recreation Activity Center (TRAC).

Staff prepared this companion item for Council discussion and, by motion, direction on the proposed naming of the reception area, or another suitable space within the TRAC, or Lobby at City Hall in recognition of Dr. Nancy D. Young's contributions to the community and the development of the TRAC facility and her donation of the Leadership wall located in the City Hall lobby area.

BACKGROUND AND LEGISLATIVE HISTORY

The City Council's Policy D-2 (Resolution No. 2021-013) established procedures for the selection and approval of names for public buildings, parks, and recreation facilities. Earlier this evening, Council will consider an amendment (Attachment A) to the policy to establish a process for naming rooms, sports fields, and other areas within these facilities. The amended policy clarifies that the definition of "Sports Fields and Rooms within Parks & Recreation Facilities" include standalone sports fields, concessions, courts, pitches, stadiums, rooms, lobbies, contained areas, defined spaces, and other designated areas within a Park & Recreation Facility, but excludes the entirety of a park, community building, or facility as defined above.

The amended also defines a new process that starts with:

1. Following majority consensus by the City Council during Council comments at the end of a City Council meeting, the City Council may, at a regularly scheduled (not special) City Council meeting, discuss (as a non-consent item) whether Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities shall be named after an individual (or family), consistent with the criteria set out above. To be clear, for Rooms within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities, this shall only require the item to be heard by and approved by the City Council.

2. Notice of the potential naming shall be set out consistent with the Brown Act, provided, however, City staff shall also make reasonable efforts to contact (via telephone or written communication) the individual(s), family (if a family naming) or their immediate next of kin (if deceased) who are subject to a naming under this subsection IV.C of the potential naming a minimum five (5) business days prior to the meeting date.

3. Naming under this subsection IV.C shall only require a majority vote.

If the amendment is approved, Council will be able to move forward with this companion item.

ANALYSIS

On August 7, 2025, the Parks & Community Services Commission voted on the top three name options for the City Council's consideration. Subsequently, at the October 7, 2025, City Council meeting, the Council selected Tracy Recreation Activity Center (TRAC) as the official name of the facility.

During that same meeting, under Council Items, Mayor Arriola made a motion, which was seconded by Council Member Nygard, to consider naming a reception area or similar portion of the TRAC in honor of Dr. Nancy D. Young.

The TRAC is a multi-use recreation center designed to integrate indoor and outdoor spaces, offering flexible and inclusive amenities for users of all ages. In addition to the reception area, the following spaces within the TRAC may also be considered by the City Council for potential naming opportunities:

- Gymnasium
- Teen Lounge
- Maker’s Space
- Bouldering and Climbing Area
- Outdoor Courtyard
- Multi-Purpose Rooms (2)
- Conference Rooms (2)
- Kitchen
- Elevated Indoor Running Tack

Council may also consider naming the City Hall Lobby in honor of Dr. Nancy D. Young. This location may be a suitable alternative due to the significant effort, time, and dedication Mayor Young spent on the historical wall honoring past appointed and elected officials of the City of Tracy, and the many years of public service provided in the Council Chambers.

PUBLIC OUTREACH/INTEREST

N/A

FISCAL IMPACT

There is no direct fiscal impact associated with this action.

CEQA DETERMINATION

This item is exempt from the California Environmental Quality Act based on CEQA Guidelines Section 15061(b)(3), the commonsense exemption, which states that a project is not subject to CEQA "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment".

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix, and services, and cultivating connections to promote positive change and progress in our community.

ACTION REQUESTED OF THE CITY COUNCIL

Consideration and adoption of a Resolution Approving the Naming of the Reception Area, or Another Designated Room, Within the Tracy Recreation Activity Center (TRAC) or Lobby at City Hall in Honor of Dr. Nancy D. Young.

Prepared by: Brian MacDonald, Parks, Recreation & Community Services Director

Reviewed by: Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A: Revised Naming Public Buildings, Parks, and Facilities Policy 12-2-25

Naming Public Buildings, Parks and Recreation Facilities
Policy Number: D-2
Amended by resolution Date: 12/2/25

I. PURPOSE:

The purpose of this policy is to establish a set of standard procedures and guidelines for the naming of Public Buildings, Parks and Recreation Facilities.

II. DEFINITIONS:

1. "Public Building(s)" are(is) City-owned facilities that house employees or are otherwise used to conduct City business and consist of the entirety of a building or facility. Buildings may include, but are not limited to, the Civic Center, ~~City Council~~ Chambers, and the Police facility. This also includes "Support Facilities" that are City-owned facilities that are used to support field operations. Support facilities may include, but are not limited to, the corporation yard and pump stations.

2. "Parks & Recreation Facilities" are the entirety of all City parks, and the entirety of community buildings/~~and~~ grounds, athletic facilities, open space areas, and other grounds and facilities owned or operated by the City for park, recreation, or open space purposes.

3. "Rooms within Public Buildings" include standalone rooms, lobbies, contained areas, defined spaces, and other designated areas within a Public Building, but exclude the entirety of a building/facility as defined above.

4. "Sports Fields and Rooms within Parks & Recreation Facilities" include standalone sports fields, concessions, courts, pitches, stadiums, rooms, lobbies, contained areas, defined spaces, and other designated areas within a Park & Recreation Facility, but excludes the entirety of a park, community building, or facility as defined above.

III. POLICY:

A. Consideration for Names for a Public Building and Parks & Recreation Facility:

1. When named for an individual family or person, strong consideration should be given to:

   a. The level of involvement and commitment to the Tracy community over a span of years that is sufficient for accomplishments and contributions to have taken place;
   b. Individuals or families who have been involved in many facets of the community, such as through service clubs, civic organizations, school community, multi-cultural events and organizations, elected/appointed positions, military service, church community, and non-profit groups; the nature of their involvement should be beyond that done in the normal course of their employment (i.e., voluntary);
   c. The local significance and relationship of this individual or family to the City of Tracy, or to the parks and recreation systems or programs.

2. Public building, park, and facility names should reflect both the current and past heritage and historical significance of the community that is now serviced. Strong consideration should be given to:
   a. Maintaining names that represent the current and past cultural diversity of the community.
   b. Any relevant California history that is part of the Tracy community, such as the period covered by the Spanish land grants, Native American tribal history, etc.

3. Park names should reflect the geographical significance of the park site's topography or other natural amenities that exist in or near the park property. Strong consideration should be given to:
   a. Vistas and view corridors.
   b. Native plants or trees
   c. Adjacencies to creeks, streams, open space, hills, etc.

4. Public building, park, and facility names should incorporate the functionality of the building, park, or facility by simply stating its purpose without further description (for example, the "John Smith Community Center"), especially when a specialized facility may be a part of the park, such as sports fields, etc. Special features for the park should be considered in the park name.

5. Consideration should also be given to public buildings, parks, and facility names that reflect the geographic location or adjacency to other City facilities or schools to avoid confusion about the geographic location of the building.

6. If a public building, park, or facility improvement is acquired or constructed by means of a substantial gift, financial contribution, or financial donation by an individual, family, or corporation, consideration

should be given to recognizing the contribution by incorporating the benefactor's name into the facility name.

7. If a public building that has previously been named is proposed to have its function be moved, or is proposed for relocation, or demolition, or is destroyed through a natural disaster or other act, the City Council shall be provided an opportunity to name the replacement building.

B. Consideration of Names for Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities

1. Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities may be named for individuals who have made exceptional contributions to the community, such as:
    a. The individual must have made a significant contribution to the community, which resulted in the improved well-being of the citizens of Tracy.
    b. The individual must have been involved in Tracy community affairs over a span of years that are sufficient for accomplishments and contributions to have taken place.
    c. Individuals or families who have been involved in many facets of the community, such as through service clubs, civic organizations, school community, multicultural events and organizations, elected/appointed positions, military service, church community, and non-profit groups; the nature of their involvement should be beyond that done in the normal course of their employment (i.e., voluntary).

IV. PROCEDURES:

A. Parks and Recreation Facilities:

1. The Parks and Community Services Commission shall hold a public meeting that allows for community input and will follow a process for naming parks and recreational facilities that includes:
    a. The Parks and Recreation Director shall receive a naming request from a developer, resident, or other interested groups for a new park or new recreational facility. All applications must be completed in full and include the supporting information required by this policy. Incomplete applications will not be considered. Additional supporting information provided by the applicant that is not required by this policy will not be accepted. (ie, signatures, signed petitions, obituaries)
    b. Staff will conduct a public solicitation of names (Example: social media & newspapers) for 30 days and submit all names to the Commission for review.

c. The Commission shall schedule regular or special meetings to screen, review, evaluate, and prioritize the requests submitted by residents and other interested groups, such as developers, the West Side Pioneers, Chamber of Commerce, etc.
d. The Commission shall forward the top three names (In priority order) to the City Council for final approval.

2. Depending on the special nature, size, or location of a park, the Commission may also consider the following ideas for park naming:
    a. Development of a community-based naming process, such as a contest.
    b. Receive input from an adjacent homeowner's association; receive input from the future facility user group as identified through the design process.

B. Public Buildings

1. The City Council will form a sub-committee to review and evaluate requests for naming public buildings from residents, interested groups, and staff.

2. The sub-committee will bring forth screened, evaluated, and recommended selections for authorization by the full City Council at a regularly scheduled Council meeting.

C. Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities

1. Following majority consensus by the City Council during Council comments at the end of a City Council meeting, the City Council may, at a regularly scheduled (not special) City Council meeting, discuss (as a non-consent item) whether Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities shall be named after an individual (or family), consistent with the criteria set out above. To be clear, for Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities, this shall only require the item to be heard by and approved by the City Council.

2. Notice of the potential naming shall be set out consistent with the Brown Act, provided, however, City staff shall also make reasonable efforts to contact (via telephone or written communication) the individual(s), family (if a family naming) or their immediate next of kin (if deceased) who are subject to a naming under this subsection IV.C of the potential naming a minimum five (5) business days prior to the meeting date.

3. Namings under this subsection IV.C shall only require a majority vote.

V. MISCELLANEOUS

A. This policy may be amended by a majority vote of the City Council.

B. This policy shall become effective immediately after approval by the City Council, provided, however, this policy shall not apply retroactively.

C. This policy need not go before a Board or Commission prior to approval by the City Council.

D. Nothing herein is meant to override and/or be in conflict with the Tracy Municipal Code and/or other agreements as approved by the City Council.

E. Questions regarding the interpretation and application of this policy shall be resolved collectively by the City Manager, City Attorney, and the Director of Parks & Recreation (or their designees, respectively).

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

APPROVING THE NAMING OF THE RECEPTION AREA, OR ANOTHER DESIGNATED ROOM, WITHIN THE TRACY RECREATION ACTIVITY CENTER (TRAC) OR LOBBY AT CITY HALL IN HONOR OF DR. NANCY D. YOUNG.

WHEREAS, the City Council approved the amended new policy for Naming Public Buildings, Parks, and Facilities on December 2, 2025; and

WHEREAS, the amended policy clarifies the definition of "Sports Fields and Rooms within Parks & Recreation Facilities" include standalone sports fields, concessions, courts, pitches, stadiums, rooms, lobbies, contained areas, defined spaces, and other designated areas within a Park & Recreation Facility, but excludes the entirety of a park, community building, or facility designate; and

WHEREAS, the amended policy for Naming Public Buildings, Parks, and Facilities will provide a process for how the Council may consider naming rooms within buildings and naming sports fields, rooms, and other areas within Parks and Recreation facilities; and

WHEREAS, the naming of a City Building, a Park & Recreation Facility, or rooms, sports fields, and other areas within these facilities is an important reflection of the City's partnership with, and recognition of individuals, community-based organizations, or points of interest to the Tracy community; and

WHEREAS, Council discussed the proposed naming of the reception area, or another suitable space within the TRAC or Lobby at City Hall, in recognition of Dr. Nancy D. Young's contributions to the community and the development of the TRAC facility; and

NOW, THEREFORE, be it resolved as follows:

RESOLVED: that the foregoing recitals are true and correct; and be it

RESOLVED: that the City Council considers the naming of the reception area, or another designated room, within the Tracy Recreation Activity Center (TRAC) or Lobby at City Hall, in honor of Dr. Nancy D. Young.

Designated area/room Name: _____

* * * * * * * * * * * * * *

The foregoing Resolution 2025 - ___ was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 4.C

RECOMMENDATION

Consideration and adoption of a Resolution Approving the Naming of a Soccer Field and/or Baseball/Softball Fields at the Legacy Fields Sports Complex in Honor of Shirley Thompson and Robert Rickman, Respectively, and Naming an Area at the Tracy Sports Complex in Honor of Brent Ives.

EXECUTIVE SUMMARY

At the August 19, 2025, City Council meeting, during Council Items, Mayor Pro Tem Steve Abercrombie made a motion requesting support for a future agenda item for the naming of the soccer fields after Shirley Thompson and the baseball fields after Robert Rickman at Legacy Fields Sports Complex. The motion was seconded by Councilmember Dan Evans. That same night, Mayor Pro Tem Abercrombie made a motion requesting support to name an area at the Tracy Sports Complex after Brent Ives. The motion was seconded by Council Member Dotty Nygard.

Additionally, on November 4, 2025, Council directed staff to revise the current policy for naming public buildings, parks, and facilities to provide an option for how the Council may consider naming rooms within buildings and naming sports fields, rooms, and other areas within Parks and Recreation facilities. Earlier this evening, the Council will have considered an amendment to their policy to establish a process for naming rooms, sports fields, and other areas within these facilities.

If the amendment is approved, staff prepared this companion item for Council discussion and, by motion, naming these fields after these individuals for their contributions to the development and completion of these sports facilities.

BACKGROUND AND LEGISLATIVE HISTORY

The City Council's Policy D-2 (Resolution No. 2021-013) established procedures for the selection and approval of names for public buildings, parks, and recreation facilities. Earlier this evening, Council will consider an amendment (Attachment A) to the policy to establish a process for naming rooms, sports fields, and other areas within these facilities. The amended policy clarifies that the definition of "Sports Fields and Rooms within Parks & Recreation Facilities" include standalone sports fields, concessions, courts, pitches, stadiums, rooms, lobbies, contained areas, defined spaces, and other designated areas within a Park & Recreation Facility, but excludes the entirety of a park, community building, or facility as defined above.

The amended also defines a new process that starts with:

1. Following majority consensus by the City Council during Council comments at the end of a City Council meeting, the City Council may, at a regularly scheduled (not special) City Council meeting, discuss (as a non-consent item) whether Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities shall be named after an individual (or family), consistent with the criteria set out above. To be clear, for Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities, this shall only require the item to be heard by and approved by the City Council.
2. Notice of the potential naming shall be set out consistent with the Brown Act, provided, however, City staff shall also make reasonable efforts to contact (via telephone or written communication) the individual(s), family (if a family naming) or their immediate next of kin (if deceased) who are subject to a naming under this subsection IV.C of the potential naming a minimum five (5) business days prior to the meeting date.

3. Namings under this subsection IV.C shall only require a majority vote.

If the amendment is approved, Council will be able to move forward with this companion item.

ANALYSIS

At the August 19, 2025, City Council meeting, during Council Items, Mayor Pro Tem Steve Abercrombie made a motion requesting support for a future agenda item for the naming of the soccer fields after Shirley Thompson and the baseball/softball fields after Robert Rickman at Legacy Fields Sports Complex. The motion was seconded by Councilmember Dan Evans. That same night, Mayor Pro Tem Abercrombie made a motion requesting support to name an area at the Tracy Sports Complex after Brent Ives. The motion was seconded by Council Member Dotty Nygard. Mayor Pro Tem suggested naming these fields after these individuals for their contributions to the development and completion of these sports facilities.

Legacy Fields Sports Complex, located at 4901 N. Tracy Boulevard, consists of 72 developed acres, with 10 baseball/softball fields, 8 soccer fields, three restroom/concession buildings, one restroom-only building, parking lots, and a maintenance yard. The baseball/softball fields are separated into two “wagon wheels” with 5 fields each, commonly referred to as the “Western Fields” and “Eastern Fields.” The soccer fields are separated into two areas of 4 soccer fields. The Council could consider naming individual fields, a group of fields, or the entire set of fields.

The Tracy Sports Complex, located at 955 Crossroads Drive, consists of 4 baseball/softball fields, 4 soccer fields, a concession stand, restrooms, a meeting room,

a maintenance yard, a parking lot, a picnic area, and two playgrounds. The 4 soccer fields are named after the 1965 Pioneer Soccer Club (Reso 2000-042), in honor of those who introduced the sport of soccer to the Tracy community. However, Council could consider naming the other designated areas within the Complex after Mr. Ives.

PUBLIC OUTREACH/INTEREST

N/A

FISCAL IMPACT

New signage will be needed if Council approves the request. The type of signage will depend on naming a building, a field, or a group of fields. Typically, a mounted plaque is used to commemorate the naming. Wayfinding at the facilities will need to be updated, as well as any marketing materials. Staff anticipate these costs will vary, but could be up to $5,000 per naming change. At this time, those costs will be absorbed within the Park Maintenance budget.

CEQA DETERMINATION

This item is exempt from the California Environmental Quality Act based on CEQA Guidelines Section 15061(b)(3), the commonsense exemption, which states that a project is not subject to CEQA “where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment”.

STRATEGIC PLAN

This agenda item supports the City of Tracy’s Quality of Life Strategic Priority, which is to provide an outstanding quality of life by enhancing the City’s amenities, business mix, and services, and cultivating connections to promote positive change and progress in our community.

ACTION REQUESTED OF THE CITY COUNCIL

Consideration and adoption of a Resolution Approving the Naming of a Soccer Field and/or Baseball/Softball Fields at the Legacy Fields Sports Complex in Honor of Shirley Thompson and Robert Rickman, Respectively, and Naming an Area at the Tracy Sports Complex in Honor of Brent Ives.

Prepared by: Brian MacDonald, Parks, Recreation & Community Services Director

Reviewed by: Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A: (Revised) Naming Public Buildings, Parks, and Facilities Policy
Attachment B: Map of Legacy Fields Sports Complex
Attachment C: Map of Tracy Sports Complex

Naming Public Buildings, Parks and Recreation Facilities
Policy Number: D-2
Amended by resolution Date: 12/2/25

I. PURPOSE:

The purpose of this policy is to establish a set of standard procedures and guidelines for the naming of Public Buildings, Parks and Recreation Facilities.

II. DEFINITIONS:

1. "Public Building(s)" are(is) City-owned facilities that house employees or are otherwise used to conduct City business and consist of the entirety of a building or facility. Buildings may include, but are not limited to, the Civic Center, ~~City Council~~ Chambers, and the Police facility. This also includes "Support Facilities" that are City-owned facilities that are used to support field operations. Support facilities may include, but are not limited to, the corporation yard and pump stations.

2. "Parks & Recreation Facilities" are the entirety of all City parks, and the entirety of community buildings/~~and~~ grounds, athletic facilities, open space areas, and other grounds and facilities owned or operated by the City for park, recreation, or open space purposes.

3. "Rooms within Public Buildings" include standalone rooms, lobbies, contained areas, defined spaces, and other designated areas within a Public Building, but exclude the entirety of a building/facility as defined above.

4. "Sports Fields and Rooms within Parks & Recreation Facilities" include standalone sports fields, concessions, courts, pitches, stadiums, rooms, lobbies, contained areas, defined spaces, and other designated areas within a Park & Recreation Facility, but excludes the entirety of a park, community building, or facility as defined above.

III. POLICY:

A. Consideration for Names for a Public Building and Parks & Recreation Facility:

1. When named for an individual family or person, strong consideration should be given to:

   a. The level of involvement and commitment to the Tracy community over a span of years that is sufficient for accomplishments and contributions to have taken place;
   b. Individuals or families who have been involved in many facets of the community, such as through service clubs, civic organizations, school community, multi-cultural events and organizations, elected/appointed positions, military service, church community, and non-profit groups; the nature of their involvement should be beyond that done in the normal course of their employment (i.e., voluntary);
   c. The local significance and relationship of this individual or family to the City of Tracy, or to the parks and recreation systems or programs.

2. Public building, park, and facility names should reflect both the current and past heritage and historical significance of the community that is now serviced. Strong consideration should be given to:
   a. Maintaining names that represent the current and past cultural diversity of the community.
   b. Any relevant California history that is part of the Tracy community, such as the period covered by the Spanish land grants, Native American tribal history, etc.

3. Park names should reflect the geographical significance of the park site's topography or other natural amenities that exist in or near the park property. Strong consideration should be given to:
   a. Vistas and view corridors.
   b. Native plants or trees
   c. Adjacent to creeks, streams, open space, hills, etc.

4. Public buildings, parks, and facility names should incorporate the functionality of the building, park, or facility by simply stating its purpose without further description (for example, the "John Smith Community Center"), especially when a specialized facility may be a part of the park, such as sports fields, etc. Special features for the park should be considered in the park name.

5. Consideration should also be given to public buildings, parks, and facility names that reflect the geographic location or adjacency to other City facilities or schools to avoid confusion about the geographic location of the building.

6. If a public building, park, or facility improvement is acquired or constructed by means of a substantial gift, financial contribution, or financial donation by an individual, family, or corporation, consideration

should be given to recognizing the contribution by incorporating the benefactor's name into the facility name.

7. If a public building that has previously been named is proposed to have its function be moved, or is proposed for relocation, demolition, or is destroyed through a natural disaster or other act, the City Council shall be provided an opportunity to name the replacement building.

B. Consideration of Names for Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities

1. Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities may be named for individuals who have made exceptional contributions to the community, such as:
    a. The individual must have made a significant contribution to the community, which resulted in the improved well-being of the citizens of Tracy.
    b. The individual must have been involved in Tracy community affairs over a span of years that are sufficient for accomplishments and contributions to have taken place.
    c. Individuals or families who have been involved in many facets of the community, such as through service clubs, civic organizations, school community, multicultural events and organizations, elected/appointed positions, military service, church community, and non-profit groups; the nature of their involvement should be beyond that done in the normal course of their employment (i.e., voluntary).

IV. PROCEDURES:

A. Parks and Recreation Facilities:

1. The Parks and Community Services Commission shall hold a public meeting that allows for community input and will follow a process for naming parks and recreational facilities that includes:
    a. The Parks and Recreation Director shall receive a naming request from a developer, resident, or other interested groups for a new park or new recreational facility. All applications must be completed in full and include the supporting information required by this policy. Incomplete applications will not be considered. Additional supporting information provided by the applicant that is not required by this policy will not be accepted. (ie, signatures, signed petitions, obituaries)
    b. Staff will conduct a public solicitation of names (Example: social media & newspapers) for 30 days and submit all names to the Commission for review.

c. The Commission shall schedule regular or special meetings to screen, review, evaluate, and prioritize the requests submitted by residents and other interested groups, such as developers, the West Side Pioneers, Chamber of Commerce, etc.
d. The Commission shall forward the top three names (In priority order) to the City Council for final approval.

2. Depending on the special nature, size, or location of a park, the Commission may also consider the following ideas for park naming:
    a. Development of a community-based naming process, such as a contest.
    b. Receive input from an adjacent homeowner's association; receive input from the future facility user group as identified through the design process.

B. Public Buildings

1. The City Council will form a sub-committee to review and evaluate requests for naming public buildings from residents, interested groups, and staff.

2. The sub-committee will bring forth screened, evaluated, and recommended selections for authorization by the full City Council at a regularly scheduled Council meeting.

C. Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities

1. Following majority consensus by the City Council during Council comments at the end of a City Council meeting, the City Council may, at a regularly scheduled (not special) City Council meeting, discuss (as a non-consent item) whether Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities shall be named after an individual (or family), consistent with the criteria set out above. To be clear, for Rooms Within Buildings and Sports Fields and Rooms within Parks & Recreation Facilities, this shall only require the item to be heard by and approved by the City Council.

2. Notice of the potential naming shall be set out consistent with the Brown Act, provided, however, City staff shall also make reasonable efforts to contact (via telephone or written communication) the individual(s), family (if a family naming) or their immediate next of kin (if deceased) who are subject to a naming under this subsection IV.C of the potential naming a minimum five (5) business days prior to the meeting date.

3. Namings under this subsection IV.C shall only require a majority vote.

V. MISCELLANEOUS

A. This policy may be amended by a majority vote of the City Council.

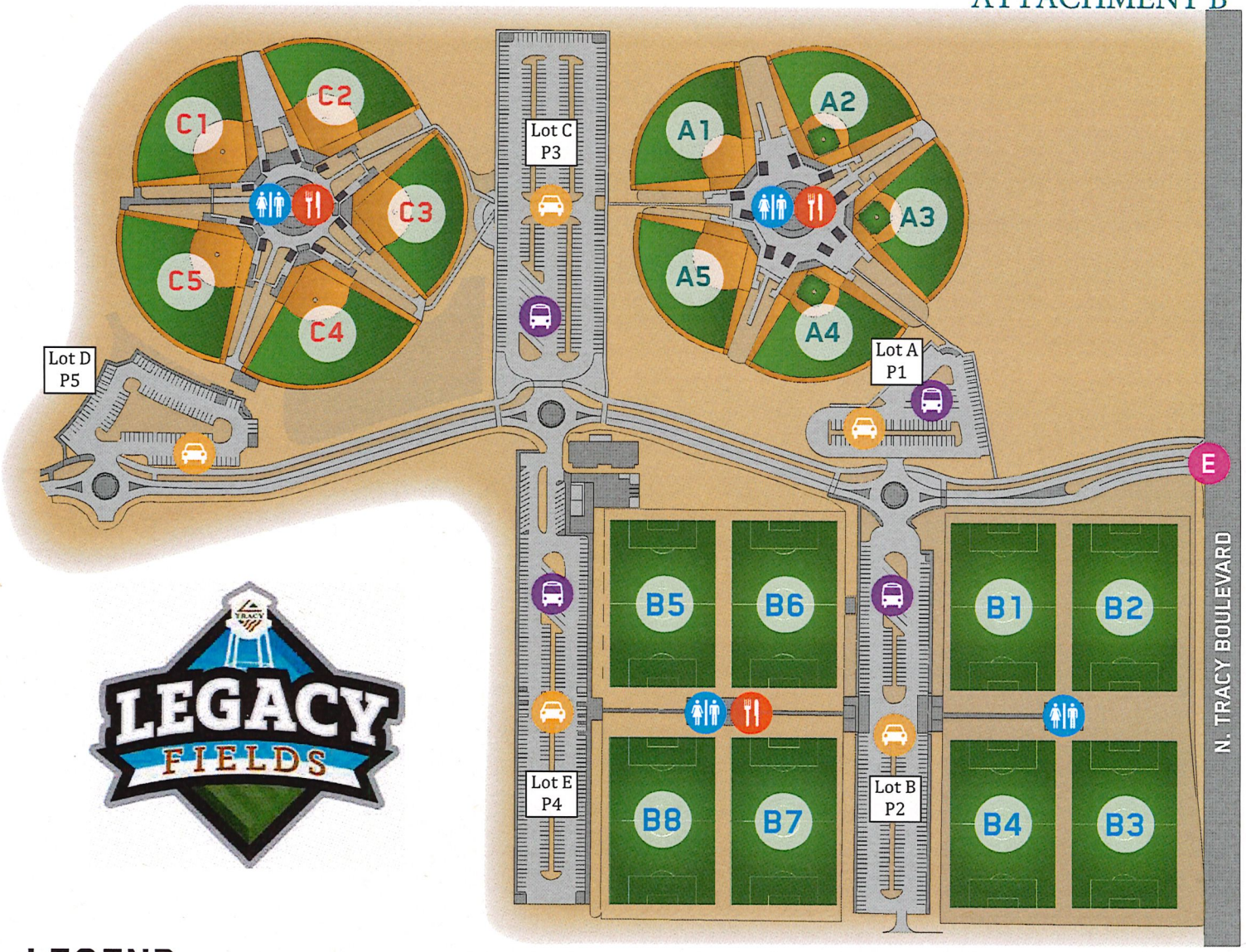
B. This policy shall become effective immediately after approval by the City Council, provided, however, this policy shall not apply retroactively.

C. This policy need not go before a Board or Commission prior to approval by the City Council.

D. Nothing herein is meant to override and/or be in conflict with the Tracy Municipal Code and/or other agreements as approved by the City Council.

E. Questions regarding the interpretation and application of this policy shall be resolved collectively by the City Manager, City Attorney, and the Director of Parks & Recreation (or their designees, respectively).

ATTACHMENT B



LEGEND

- YOU ARE HERE
- CONCESSIONS
- RESTROOMS
- PARKING
- BUS PARKING
- OVERFLOW PARKING
- MAIN ENTRANCE

N

ATTACHMENT C

Tracy Sports Complex



APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

APPROVING THE NAMING OF A SOCCER FIELD AND/OR BASEBALL/SOFTBALL FIELDS AT THE LEGACY FIELDS SPORTS COMPLEX IN HONOR OF SHIRLEY THOMPSON AND ROBERT RICKMAN, RESPECTIVELY, AND NAMING AN AREA AT THE TRACY SPORTS COMPLEX IN HONOR OF BRENT IVES

WHEREAS, the City Council approved the amended new policy for Naming Public Buildings, Parks, and Facilities on December 2, 2025; and

WHEREAS, the amended policy clarifies the definition of "Sports Fields and Rooms within Parks & Recreation Facilities" include standalone sports fields, concessions, courts, pitches, stadiums, rooms, lobbies, contained areas, defined spaces, and other designated areas within a Park & Recreation Facility, but excludes the entirety of a park, community building, or facility designate; and

WHEREAS, the amended policy for Naming Public Buildings, Parks, and Facilities will provide a process for how the Council may consider naming rooms within buildings and naming sports fields, rooms, and other areas within Parks and Recreation facilities; and

WHEREAS, the naming of a City Building, a Park & Recreation Facility, or rooms, sports fields, and other areas within these facilities is an important reflection of the City's partnership with, and recognition of individuals, community-based organizations, or points of interest to the Tracy community; and

WHEREAS, Council discussed the proposed naming of a soccer field and/or baseball/ softball fields in honor of these individuals for their contributions to the development and completion of these sports facilities.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: that the foregoing recitals are true and correct; and be it

FURTHER RESOLVED: that the City Council considers the naming of a soccer field and/or baseball/softball fields at the Legacy Fields Sports Complex in honor of Shirley Thompson and Robert Rickman, respectively, and naming an area at the Tracy Sports Complex in honor of Brent Ives.

Shirely Thompson - Designated Field: _____

Robert Rickman - Designated Field: _____

Brent Ives - Designated Area: _____

* * * * * * * * * * * * * *

The foregoing Resolution 2025 - ___ was adopted by the Tracy City Council on the 2nd day of December 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

_____

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:_____
APRIL B.A. QUINTANILLA
City Clerk and Clerk of the Council of the
City of Tracy, California

December 2, 2025

Agenda Item 4.D

RECOMMENDATION

Staff recommends that the City Council receive an informational update on the Economic Development Division's efforts to implement strategies, goals, and actions related to the adopted City Council Strategic Priority for Economic Development and the Ten-Year Economic Development Strategic Plan.

EXECUTIVE SUMMARY

The City of Tracy's Economic Development Division continues making measurable progress toward the strategies, goals, and actions outlined in the Ten-Year Economic Development Strategic Plan (EDSP). Through targeted marketing and business attraction, small business engagement, proactive partnerships, and community and housing initiatives, the Division has achieved tangible results that strengthen Tracy's economy and improve quality of life.

In 2025, Economic Development efforts yielded visible results, including increases in service levels due to hiring new staff, new retail investments like Trader Joe's, discussions on healthcare expansion with Sutter Health, expanded marketing efforts, and the successful renewal of the Downtown Tracy Community Benefit District, which promotes downtown investment, revitalization, and tourism. Together, these actions reinforce Tracy's position as a business-friendly city and a smart place to invest and live.

BACKGROUND AND LEGISLATIVE HISTORY

The EDSP, adopted by the City Council in 2023, guides the City's economic development initiatives across four key strategies. Each key strategy has goals and actions that align with the City Council's Strategic Priority for Economic Development to enhance the city's competitiveness and grow a strong, diverse economy. The EDSP strategies include:

- Organizational Capacity
- Diverse and Resilient Economy
- Real Estate and Development
- Quality of Life and Place

The Economic Development Division functions within the Community & Economic Development Department (CED). The division works closely with Planning, Building Safety, and Development Engineering Divisions to ensure smooth development processes for businesses, real estate professionals, and investors. This structure enables City staff to respond promptly to business needs, oversee complex development projects, and pursue multiple strategic initiatives.

The Division is comprised of three business units:

- Economic Development
- Real Property
- Federal Grant Administration

The work within these units encompasses strategic marketing and partnerships at the regional, state, and national levels to raise Tracy's profile. It includes business recruitment, retention, and expansion, as well as workforce development and revitalization efforts for commercial corridors and the downtown area. The Division manages the City's real estate assets, supporting land transactions, site readiness, and strategic reuse of publicly owned assets that generate revenue for the City. The Division also oversees two federally funded grant programs – the Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME) - which assist our most vulnerable populations. The achievements highlighted in this report showcase these efforts in action.

DISCUSSION

Key Strategy 1: Organizational Capacity

Organizational Capacity focuses on building internal resources and cross-departmental coordination to deliver high-quality, responsive service. It also focuses on the expansion and enhancement of regional collaboration. Goals under this strategy include increasing internal capacity to increase economic development services within Tracy and collaborating with regional partners to support business growth and expansion. These capacity-building efforts align with the EDSP's focus on creating the internal systems needed to support business attraction, small business services, and partnership development.

Increases to Organizational Capacity

Over the past year, the Division's capacity has expanded with the addition of new Economic Development staff that include two (2) Economic Development Analysts and one (1) Administrative Technician. This investment has increased service levels across all programs—allowing for more proactive business outreach, faster response times for development inquiries, and improved coordination of marketing, small business, and community engagement initiatives. Enhanced staffing aligns with the strategy's goals and actions, enabling the Division to sustain its momentum and deliver measurable progress on Council priorities. Increased staff visibility through business walks, chamber events, and direct outreach has helped reinforce the City's reputation as responsive and business-friendly.

State, Regional, and Local Partners

The City of Tracy partners with a wide range of state, regional, and local organizations to promote business growth, workforce development, sustainability, and community prosperity. Collaborations with TeamCalifornia, San Joaquin Partnership, and iHub San Joaquin boost Tracy's visibility and align local efforts with statewide economic goals. Locally, the Tracy Chamber of Commerce and Tracy City Center Association (TCCA) strengthen small business support and downtown vitality, while partnerships with San Joaquin County WorkNet, San Joaquin Delta College, and the Volt Institute expand workforce training and talent pipelines. The City also collaborates with the San Joaquin Small Business Development Center (SBDC) to assist entrepreneurs, GO-Biz to connect with state investment programs, and BEAM Circular to promote circular-economy initiatives. Collectively, these partnerships improve Tracy's ability to attract investment, support small businesses and employers, and develop a resilient economy.

Key Strategy 2: Diverse and Resilient Economy

A Diverse and Resilient Economy emphasizes business attraction, retention, and investment in sectors that strengthen Tracy's long-term economic stability. Identified goals under this strategy that staff have been able to accomplish and incorporate into their work plan include efforts to reignite conversations with healthcare providers to expand access to healthcare and leverage the City's "Inside the Triangle" brand to increase regional and national awareness of Tracy's value proposition. These actions directly support the EDSP objective of broadening Tracy's economic base while staying responsive to the needs of residents and businesses. Actions supporting these goals are highlighted below.

Expanding Access to Healthcare

Reengaging with Sutter Health and other healthcare providers about the expansion of healthcare services in Tracy is a warranted goal. Data from the 2025 San Joaquin County Community Health Needs Assessment identified portions of Tracy as having Priority Neighborhoods with increases in the poverty rate since 2022 and higher rates of death for heart disease, cancer, COVID-19, stroke, and Alzheimer's compared to the county rate. This demonstrates the importance of enhancing access to healthcare in Tracy. An action identified under this goal is the identification of a sector champion to lead conversations surrounding this need.

CED has been identified as the sector champion, and this goal has been met by reconnecting with Sutter Health to explore the possibility of a new regional healthcare facility at the Lammers Road site. In furtherance of this goal, CED staff assessed the zoning and infrastructure for the site on behalf of Sutter Health, reaffirming the City's commitment to a straightforward and efficient approval process. Sutter Health has already expanded in Tracy with the recent opening of the Valpico Road clinic. Sutter Health continues to evaluate Tracy as a potential location for other healthcare facilities.

A partnership with a healthcare provider like Sutter Health to expand healthcare services, address local healthcare gaps, and create high-wage jobs, while attracting private investment. Economic Development staff will continue conversations with Sutter Health, as well as other service providers, to increase access to healthcare in Tracy.

Marketing and Branding

Marketing is a significant component in raising the City's brand. Actions identified under this goal include enhancements to the Economic Development webpage, with a focus on site selection, and ensuring that local small businesses are made aware of available programs and resources. Improvements to the webpage are underway and will continue, with the posting of available sites for lease or purchase. Small businesses are made aware of the availability of programs and resources through several City communication platforms, including links on the webpage, social media postings, featured articles, newsletters, and email blasts. Collectively, these increased marketing efforts address the two identified actions meeting this goal. The Economic Development Division has not stopped here, however, as it has made additional significant efforts to increase marketing efforts to raise the City's brand by reaching broader audiences than before.

Since introducing new marketing strategies in December 2024, the City of Tracy's Economic Development Division, in partnership with the City's Communication Division, has achieved measurable progress across all outreach channels. Enhanced staffing and data-driven content have significantly increased visibility, engagement, and community response. Social media reach grew from a few thousand views in early 2024 to tens of thousands in 2025, with milestone posts, such as the Trader Joe's grand opening and the Sprouts Farmers Market groundbreaking announcement, reaching up to 44,000 people. Newsletter engagement also improved, with open rates rising to 38%. The Think Inside the Triangle website now attracts more than 12,000 users and 20,000 page views per quarter, with growing interest from regional markets, including San Jose, Sacramento, and Los Angeles. External exposure expanded through ad placement in the Tracy Press Celebrate Tracy edition and San Joaquin Livability Magazine, extending Tracy's reach to residents, business professionals, and site selectors. These results reflect a clear shift from limited visibility in early 2024 to strong, sustained growth in 2025, demonstrating alignment with City Council priorities and the EDSP, and reinforcing Tracy's position as a competitive community for investment.

Conferences, Trade Shows, and Events

Economic Development staff actively participated in a range of regional, state, national, and international conferences, tradeshows, and events throughout 2025, advancing Tracy's visibility, partnerships, and investment opportunities. Attendance at events such as the ICSC Las Vegas Conference, Site Selectors Guild Annual Conference, and SelectUSA Investment Summit connected staff directly with national retailers, corporate site consultants, and foreign investors, showcasing Tracy's strengths as a business-

friendly and strategically located community. Participation in the Entertainment Experience Evolution, Main Street Now, and CALED Annual Conference provided valuable insights into placemaking, downtown revitalization, and small business engagement. Additionally, regional involvement in events such as the 2025 State of the City, the iHub San Joaquin Innovation Summit, IAMC Spring Forum, and Tracy Chamber of Commerce networking events strengthened relationships within the logistics, innovation, and local business sectors. Collectively, these engagements support the EDSP goals while emphasizing the Division's visibility and proactive engagement — building relationships, identifying opportunities, and keeping Tracy at the forefront of economic development discussions.

Business Attraction

Over the past year, the Economic Development Division and The Retail Coach, a retail attraction subject matter consultant, have engaged more than 30 national and regional brands, resulting in multiple active prospects and new commitments. Recent highlights include potential advancement of projects like Firehouse Subs, Dutch Bros. Coffee, Chick-fil-A, Raising Cane's, Steak 'n Shake, Qdoba**,** and several family entertainment concepts. Additional discussions with WSS, Dick's Sporting Goods, Jimmy John's**,** and Philips Edison demonstrate continued interest in Tracy's trade area and reinforce the city's growing reputation as a business-friendly, high-demand market.

Tracy continues to experience strong momentum in business attraction, with new retailers, restaurants, and entertainment uses actively pursuing locations in the city. The City successfully attracted two nationally recognized specialty grocers, Trader Joe's and Sprouts Farmers Market, fulfilling a longstanding community demand. Trader Joe's opened in early 2025, revitalizing a previously vacant building and energizing the mall area. Sprouts Farmers Market is under construction at Ellis Village Center, creating more jobs and expanding access to healthy food options.

While the West Valley Mall continues to face challenges, with high vacancy rates contributing to Tracy's overall retail vacancy, staff have proactively engaged with ownership to encourage reinvestment and highlight new market activity such as the Trader Joe's project. Despite these challenges, Tracy's retail and entertainment recruitment efforts are producing tangible results, directly advancing City Council Strategic Priorities and the EDSP by diversifying amenities, responding to resident demand, and strengthening the city's long-term economic vitality. Staff will continue to meet with the mall's ownership, explore interim activation opportunities, and position the area for future reinvestment consistent with the EDSP's reuse strategies.

Business Retention and Expansion

Supporting small businesses remains a fundamental role of the Economic Development Division and a key element of Tracy's long-term economic health. The Division aims to build a resilient local business environment through proactive outreach, strong

partnerships, and responsive services. Staff work directly with business owners to understand their needs and opportunities, using insights from retention visits and the Small Business Survey to develop future incentive programs and technical support, including the Grow Tracy Fund.

In 2025, staff helped over 350 local businesses through business walks, technical assistance, and permitting guidance, while maintaining a visible presence at the Tracy Chamber of Commerce and community events. Feedback from surveys and outreach meetings is guiding the development of new incentive programs, which will be presented to the Council for consideration in 2026. These efforts are bolstered by ongoing collaboration with regional partners and responsiveness to community concerns, including those related to the West Valley Mall and other commercial areas. Overall, they reflect the City's dedication to maintaining a business-friendly environment where local businesses can thrive, grow, and contribute to Tracy's expanding economy.

The Economic Development Division conducted the Tracy Small Business Survey in 2025 to strengthen connections with local businesses and gain a better understanding of their priorities. The survey collected feedback from a diverse range of companies across the retail, service, manufacturing, and professional sectors. This engagement underscores the City's commitment to listening to its business community and ensuring that programs remain responsive, data-informed, and aligned with Council priorities. Survey insights are provided below and are guiding the Division's upcoming initiatives to inform the design of new incentive programs that address key local needs.

Survey results show that Tracy's small businesses are optimistic about the City's long-term growth, citing its strong location, customer base, and business-friendly environment. Top needs identified include marketing support, workforce development, and access to capital**.** Common challenges include rising costs, staffing shortages, and navigating permits and licensing requirements. Respondents also expressed interest in learning more about City programs, incentives, and regional partnerships**,** such as those with Delta College and the SBDC. They also highlighted priorities for improved communication, expanded networking, and increased visibility for local business success stories**.**

An incentive program is already underway that addresses a need for access to capital, as identified in the survey results. The Economic Development team is collaborating with the Grow America Fund to relaunch the Grow Tracy Fund, a program designed to stimulate local economic growth, create jobs, and enhance the business community by increasing access to capital for startups and existing businesses. The fund will provide federal SBA 7(a) loans to qualifying borrowers. Although the program's launch is temporarily postponed due to the federal government shutdown, staff continue preparations to ensure a smooth rollout once operations resume.

Key Strategy: Real Estate and Development

The Real Estate and Development strategy focuses on adaptive reuse and targeted reinvestment to revitalize underperforming and underutilized properties. This approach involves evaluating priority development areas, guiding strategic land use, and aligning infrastructure investments to enhance site readiness for commercial, industrial, and mixed-use projects. Because many of the actions in this strategy are identified as medium-to long-term (two to five years or more), progress at this stage is limited, as the current update emphasizes short-term initiatives (one to two years). Staff will provide additional updates in future reports as these longer-term actions advance through planning and implementation.

Real Property

Notwithstanding this, the Economic Development Division has made significant progress in Real Property by managing the acquisition, disposition, and leasing of City-owned assets. A key accomplishment this year is the development of a comprehensive inventory of all City-owned properties, which remains underway. This inventory can serve as a foundation for informed asset management. The Division is optimizing leases and identifying new revenue opportunities through the negotiation of multiple telecommunications agreements while ensuring that each property serves its highest and best purpose — including the Westside Market, which is currently under review for disposition. Through the development of updated real property policies and procedures, the City is enhancing operational efficiency, strengthening its fiscal foundation, and advancing the EDSP goal of maximizing the value of public assets.

Key Strategy: Quality of Life and Place

Quality of Life and Place encourages advances in placemaking enhancements and cultural amenities by improving the aesthetic appearance of Tracy's main entrances and strengthening tourism through continued promotion of the arts, music, festivals, and sports and leisure activities. A key action in supporting this strategy and its goals is for the City to support the TCCA in adopting Main Street Program principles.

Downtown Tracy Community Benefits District

Economic Development helped TCCA implement a core principle of the Main Street Program by focusing on the adoption of a Property-Based Improvement District (PBID) and developing a Downtown District Management Plan. The City Council approved the renewal and expansion of the Downtown Tracy Community Benefit District (DTCBD) for a new 10-year term under the PBID Law of 1994. The renewed district includes 118 parcels and 70 property owners in the downtown area. The District Management Plan highlights key benefit areas, such as District Identity, Civil Sidewalks, Administration, and Contingency. The PBID generates approximately $295,000 annually for maintenance, beautification, marketing, and event programming, supporting the goals of

this strategy. This fosters economic revitalization and attracts new businesses. Ultimately, renewing this PBID will create a more vibrant, welcoming, and competitive business district that benefits the entire community and enhances tourism.

CDBG and HOME Grant Programs

Another contribution to Quality of Life and Place includes the Division's management of the CDBG and HOME grant programs. These federal programs, administered by the U.S. Department of Housing and Urban Development and distributed through San Joaquin County, provide annual funding to support housing, public services, and community infrastructure that benefits low-and moderate-income residents. The Division conducted a community survey to establish local priorities, which were subsequently adopted by the City Council, ensuring that grant applications and allocations align with community needs and City Council goals. Survey responses identified top needs across public services, public facilities, and housing activities, emphasizing programs that expand affordable housing, improve accessibility, and support vulnerable populations. The City awarded CDBG and HOME funds to local and regional nonprofit partners this year, supporting public services and capital projects that address community priorities and improve the quality of life for Tracy's vulnerable populations.

Taken together, the accomplishments in this report demonstrate that Economic Development is implementing the EDSP in a thoughtful, community-centered manner, attracting new investment, supporting existing businesses, revitalizing downtown, and collaborating with partners to produce visible results. This approach keeps staff engaged in the community, responsive to business needs, and focused on creating a thriving and expanding business environment in Tracy.

FISCAL IMPACT

This is an informational update with no fiscal impact on the current operating budget.

STRATEGIC PLAN

This item supports the City Council Strategic Priority for Economic Development and the strategies identified in the EDSP.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommend that the City Council receive this informational update on the Economic Development Division's efforts to implement strategies, goals, and actions related to the adopted City Council Strategic Priority for Economic Development and the EDSP.

Prepared by: Jorge T. Barrera, J.D., Economic Development Manager

Reviewed by: Forrest Ebbs, Director of Community and Economic Development
Sara Castro, Finance Director
L. David Nefouse, City Attorney
Arturo M. Sanchez, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

City of Tracy
Economic Development Update

December 2, 2025

CED Department



Community and Economic Development

- Economic Development
- Planning
- Building and Safety
- Development Engineering

Think Inside the Triangle™

Division Business Units

Economic Development

- Marketing
- Business Attraction
- Business Retention
- Business Expansion



Real Property

- Acquisition
- Disposition
- Lease

Federal Grant Programs

- Community Development Block Grant (CDBG)
- Home Investment Partnership Program (HOME)

TRACY
Think Inside the Triangle℠

Economic Development Team



TRACY
Think Inside the Triangle™

City Strategic Priority

ECONOMIC DEVELOPMENT

To enhance the competitiveness of the City while further developing a strong and diverse economic base



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Demographics

98,578
Population

$117,761
Median Household Income

$648,726
Median Home Value

37
Median Age

88%
Diversity Index

132
Wealth Index

38%
Higher Education Index

Data Source: Esri 2025

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New Businesses

TOWNEPLACE SUITES BY MARRIOTT

LA BOLSITA

elements massage

GARDEN of EDEN

Tandoori FLAVORS

ANGRY CHICKZ

TACO BELL

BJ's

LA QUINTA BY WYNDHAM

Sutter Health

CLUB PILATES

CRUNCH FITNESS

THE GREAT GREEK Mediterranean Grill

LOUISIANA KITCHEN POPEYES

STARBUCKS COFFEE

Trader Joe's Grand Opening







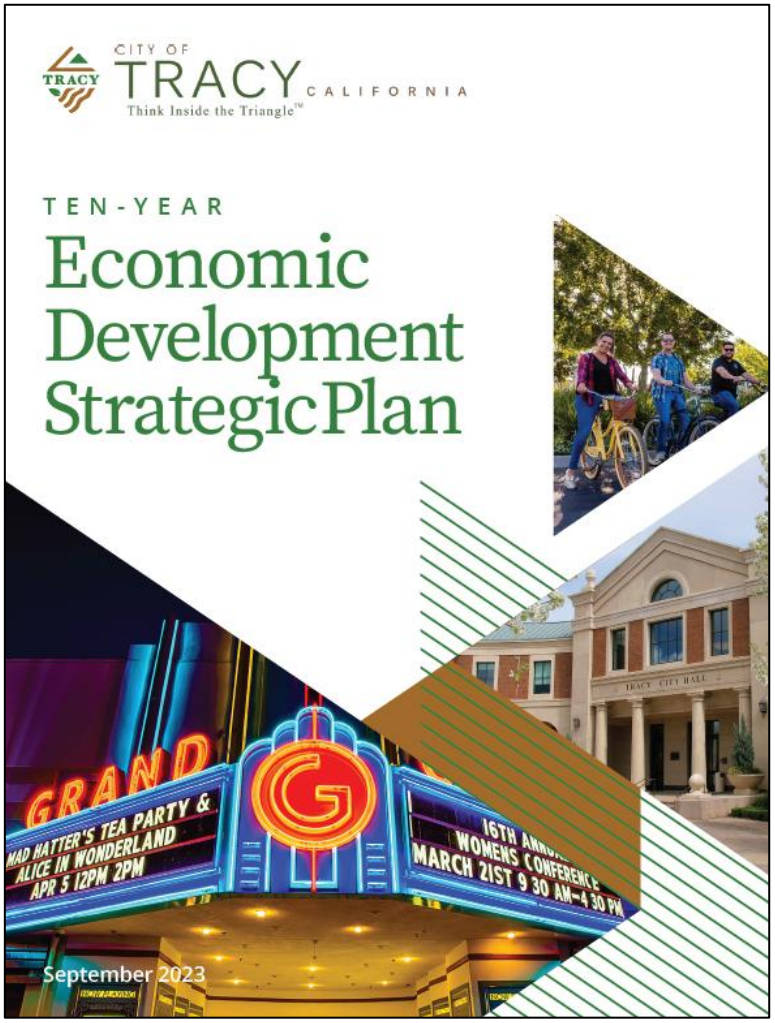


TRADER JOE'S





A Vision for Economic Development



KEY STRATEGIES

- Organizational Capacity
- Diverse & Resilient Economy
- Real Estate Development
- Quality of Life & Place

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Organizational Capacity

Strengthen organizational capacity to enhance economic resilience, expand market access, and enhance regional collaboration



GOAL 1 Increase capacity to deliver economic development services within Tracy.

GOAL 2 Increase workforce development capacity in collaboration with regional partners to support business growth and expansion.

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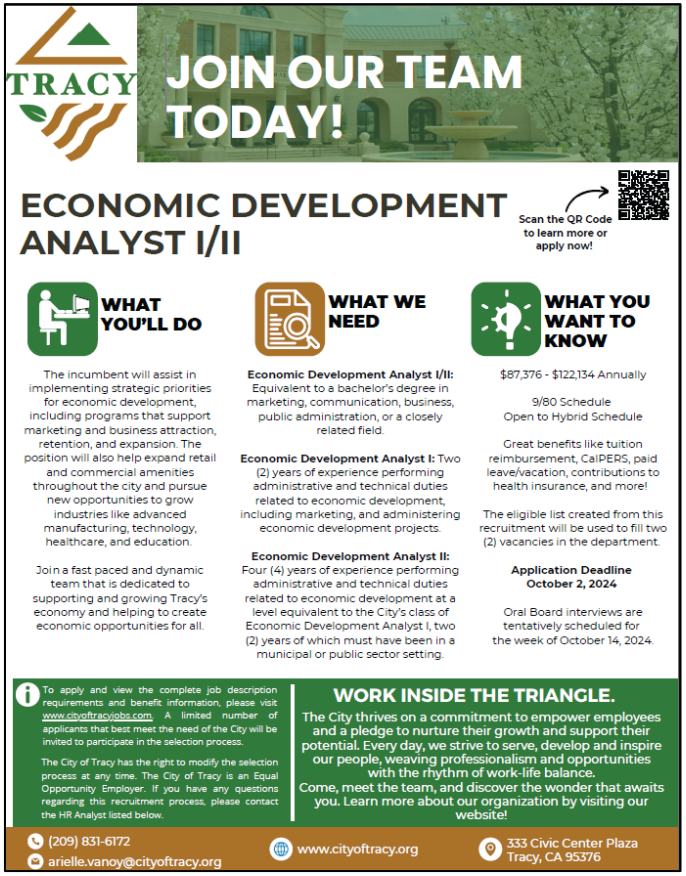
Organizational Capacity

Accomplished:

- Key recruitments
  - Two Economic Development Analysts I/II
  - Administrative Technician
- Customer Relationship Management (CRM) Software
- Increased collaboration with State, regional, and local partners

Underway:

- Program development
- Existing vacancy under review



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State, Regional & Local Partners

































Think Inside the Triangle™

Diverse & Resilient Economy

Foster resilience through strategies which encourage economic inclusion and diversification



GOAL 1 Reignite conversations with healthcare providers and stakeholders in Northern CA to expand healthcare services and workforce opportunities in Tracy.

GOAL 2 Leverage the City's "Inside the Triangle" brand to expand regional and national awareness of Tracy's value proposition.

GOAL 3 Encourage policies which enable entrepreneurship and innovation among small businesses in Tracy.

Expanding Access to Healthcare

Tracy Healthcare Overview

- Parts of Tracy are identified as Priority Neighborhoods with higher poverty and mortality rates
- Gaps: Behavioral health, emergency, and specialty care access

City and Sutter Partnership

- CED serving as Sector Champion
- Reengaged Sutter Health (July 2025) to advance a new facility at Lammers Road
- City evaluated infrastructure and zoning
- City committed to streamlined review and permitting process

Next Steps

- Continue collaboration with Sutter and other providers
- Explore incentives to attract medical specialists and expand care access



Sutter Health's Chief Medical Officer and Vice President of Strategy discuss Tracy's healthcare needs with Jorge Barrera, Tracy's Economic Development Manager

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Conferences, Trade Shows & Events

- Entertainment Experience Evolution 2025 Conference
- Site Selection Guild Annual Conference 2025
- 23rd World Korean Business Convention
- 2025 Select USA Investment Summit
- 2025 Main Street Conference Now
- Regional and Community Events
- CALED Annual Conference 2025
- IMAC 2025 Spring Forum
- 2025 ICSC Las Vegas
- 2025 State of the City

2025 State of the City







Mayor Dan Arriola and
NBC's "The Voice" Contestant
Ricardo Moreno

Marketing & Branding

Marketing Baseline – Early 2024

- Limited engagement
- Posts reached 700-1,800 people
- Fewer than 20 interactions
- Minimal visibility and impact

Social Media Highlights - 2025

- Trader Joe's
  - Reached 19,000+ people
  - 430+ engagements
- Sprouts Groundbreaking
  - Reached 44,000+ people
  - 450+ engagements



Sprouts Farmers Market Groundbreaking 2025

Marketing & Branding



Website Analytics – Q2 2025

- 12,000 users
- 20,000+ pageviews
- 31.6% engagement
- Key Pages
  - Permits & Licenses
  - New Development activity (65%+ engagement)

Newsletter Performance

- Q1 2025: 36% open, 1.7% click
- Q2 2025: 38.3% open, 5.2% click

External Placements

- Celebrate Tracy
  - 10,000+ reach
- SJ Livability Magazine
  - National audience

TRACY

Think Inside the Triangle™

City of Tracy Community & Economic Development Delivers Business-Friendly Services

The City of Tracy's Community and Economic Development Department is dedicated to serving our business community more effectively with a convenient one-stop shop for local businesses. Visit CityOfTracy.org to learn more about our services.

ECONOMIC DEVELOPMENT

The Economic Development Division promotes commercial, industrial, and office development within the City to create a diversified and sustainable economic base for the community. Centrally located with access to major markets, our area offers a skilled workforce, business incentives, and a vibrant quality of life. For friendly and expert-level support, visit ThinkInsideTheTriangle.com.





PLANNING & ZONING

Tracy's Planning Division is responsible for implementing policies that affect the City's physical development and community character. The Planning Division provides front counter service for drop-ins and meetings and is available by phone and email to assist you with any planning and zoning-related questions.

BUILDING SAFETY

The Building Safety Division is committed to enhancing the safety of Tracy's residents through our professional and technical services. We've adopted a digital approach to reviewing plans and issuing building permits, making the process more efficient. We're proud to offer our community the best customer service.





NEW! DEVELOPMENT ENGINEERING

Tracy's Development Engineering Division streamlines private and public development by providing plan reviews and permit processing for residential, commercial, and industrial developments to ensure projects meet City standards. The Division enables the safe, responsible, and timely construction of new projects.

CITY OF TRACY
333 Civic Center Plaza, Tracy, CA 95376
CityOfTracy.org • (209) 831-6000

Discover Tracy today — live, play, work, and think inside the triangle!



CITY OF TRACY CALIFORNIA
Think Inside the Triangle™

Consider a city that works with you! Tracy's Community and Economic Development team is your partner, offering exceptional customer service and a business-friendly environment that helps your projects succeed. We'll help you streamline every step — from navigating the plan review and permit process to leveraging our skilled workforce and business incentives. We're here to help you build, develop, and invest with confidence.



Tracy is more than just a place to do business. Our central location and vibrant quality of life make Tracy an ideal place for your next project. Let's grow, work, live, learn, and think inside the triangle, together.

Cheers to a season of collaboration and success!

let's talk!

Contact us at EconDev@CityOfTracy.org or visit ThinkInsideTheTriangle.com to learn more about our services.

Business Attraction Highlights

Strong momentum in Tracy

- Solid retail trade area demographics
- Thriving market area
- Business-friendly – get to yes mindset
- Residents are seeing results

Expanded national outreach

- Partnership with TeamCA & The Retail Coach
- National brands are noticing
- ICSC Las Vegas

Focus Areas

- Retail, dining, and family entertainment
  - 2 entertainment operators identified Tracy as a target market
  - City connecting operators with brokers to advance site evaluations
  - Aligns with community interest for family-oriented destinations



Alexandra Pineda, Tracy Economic Development Analyst, at ICSC Las Vegas 2025

Business Attraction Prospects

Active discussions with over 30 retailers

- 7 active prospects
- 4 deferred expansion
- Multiple pending responses



Brand examples

- Dutch Bros. – site under review
- Raising Cane's – active discussions
- Chick-fil-A – Tracy targeted market and site under review
- Farmer Boys – Franchisee engaged

Foreign Direct Investment Global Partnerships

- Korean Customs and Trade Development Institute Delegation 2024
- Metropolitan & Provincial Council Chairs Association of Korea Delegation 2025
- 23rd World Korean Business Convention 2025
- Speaking engagement at Startup Pitch & VC Investment Forum
- Korean Logistics Robotic Companies Delegation

Odyssey Ventures

ROgistics Co., Ltd.

MDX MOST REASONABLE SERVICE ROBOT SYSTEM

Intelligent Automation for all Industries
JUWON ROBOTICS

KIRO KOREA INSTITUTE OF ROBOTICS & TECHNOLOGY CONVERGENCE



Former Cost-Plus World Market

- 2530 Naglee Road
- West Valley Mall
- Building Size: 17,000 sq. ft.
- ED Attraction Effort





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Former Rite Aid







SOLD

Sutter Health

- 599 E. Valpico Road
- Land Size: 1.80 Acres
- Building Size: 17,272 sf

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Former Orchard Supply Hardware

- 1975 W. Eleventh Street
- Corral Hollow Shopping Center
- Land Size: 1.80 Acres
- Building Size: 49,553 sf/divisable
- Parking: 100 parking spaces





Business Retention & Expansion

Small Business Incentive Programs – Under Development

- Grow Tracy Fund
- VOLT: On the GO - Cohort (pending confirmation)

Tracy Small Business Survey

- 2 surveys – Citywide and Downtown
- Identify business needs to inform the development of future programs

Business Retention Visits

- Increased Economic Development team visibility in the community
- Improves the relationship and trust between the City and the businesses
- 350+ in-person visits

West Valley Mall

- Mall tenant business retention visits
- Courtesy inspection
- Mall owner engagement



Tracy Small Business Survey

Business Survey Goal

Engage business owners to understand their challenges and priorities and use their insights to inform the development of new incentive programs

Marketing and Outreach Efforts

- 4 social media posts
- 3 email blasts
- 1 mailer
- 10 in-person canvassing efforts
- 5 community events attended
- 179 total responses collected



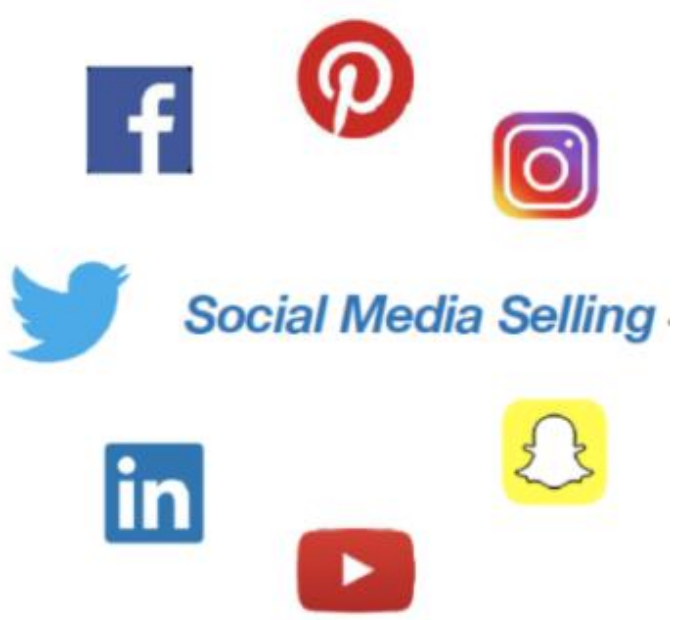
Identified Business Challenges

Top Challenges Citywide

- Marketing and visibility (58%)
- Managing and maintaining cash flow (30%)
- Access to capital and funding (24%)
- Workforce recruitment and retention (24%)

Top Challenges for Downtown Businesses

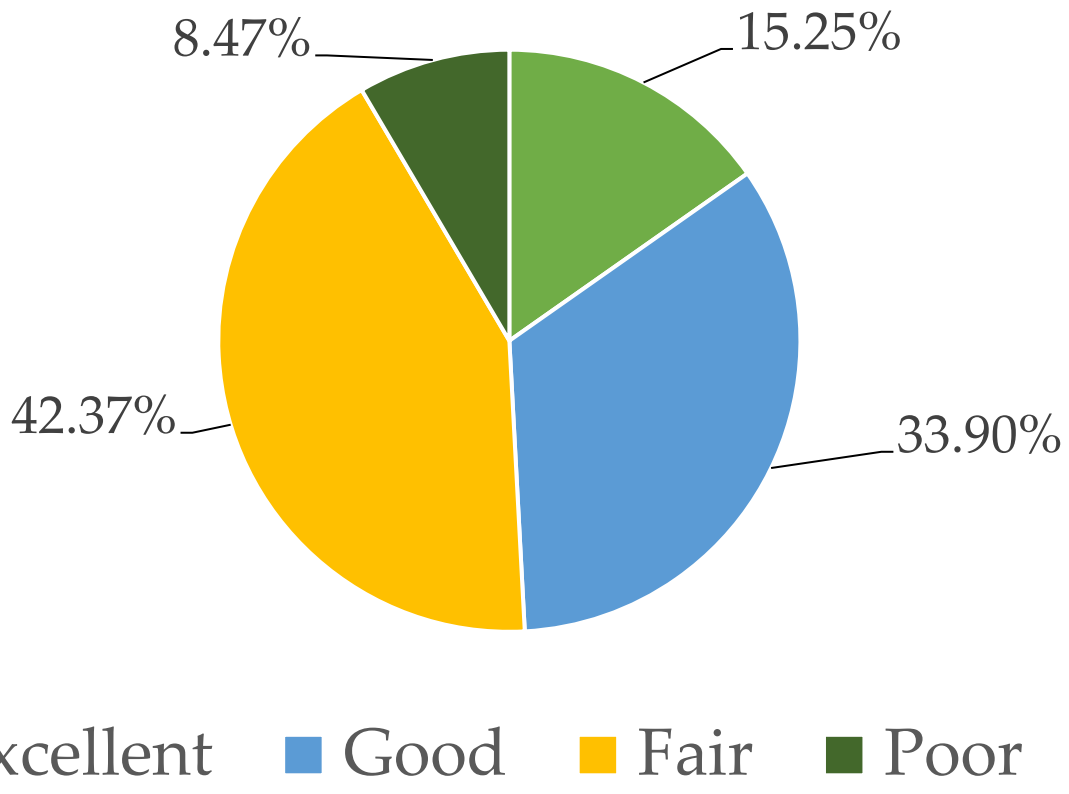
- Marketing and customer acquisition (58%)
- Managing and maintaining cash flow (44%)
- Access to capital and funding (24%)
- Workforce recruitment and retention (22%)



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Downtown Storefront Conditions

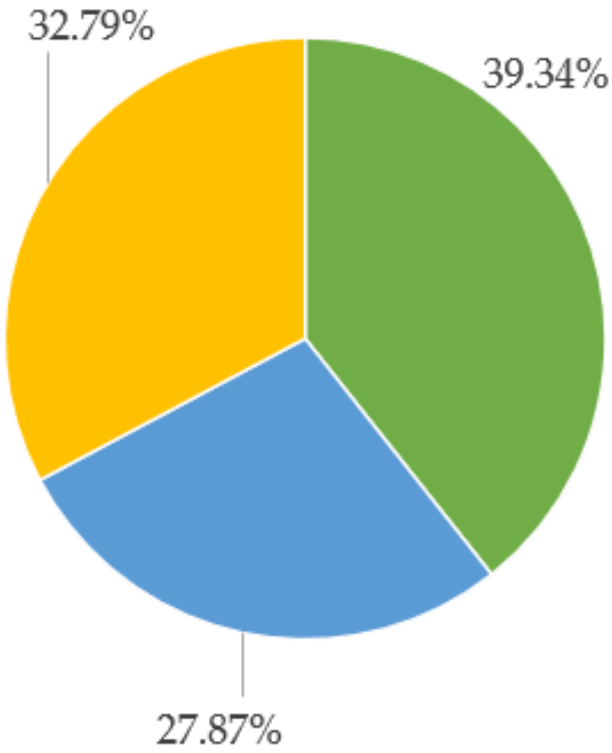
- Nearly 51% of businesses Downtown identify their storefronts as being in a condition requiring improvement.



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Downtown EV Chargers

- Yes, I do support.
- No, I do not support.
- I would need more information before deciding.



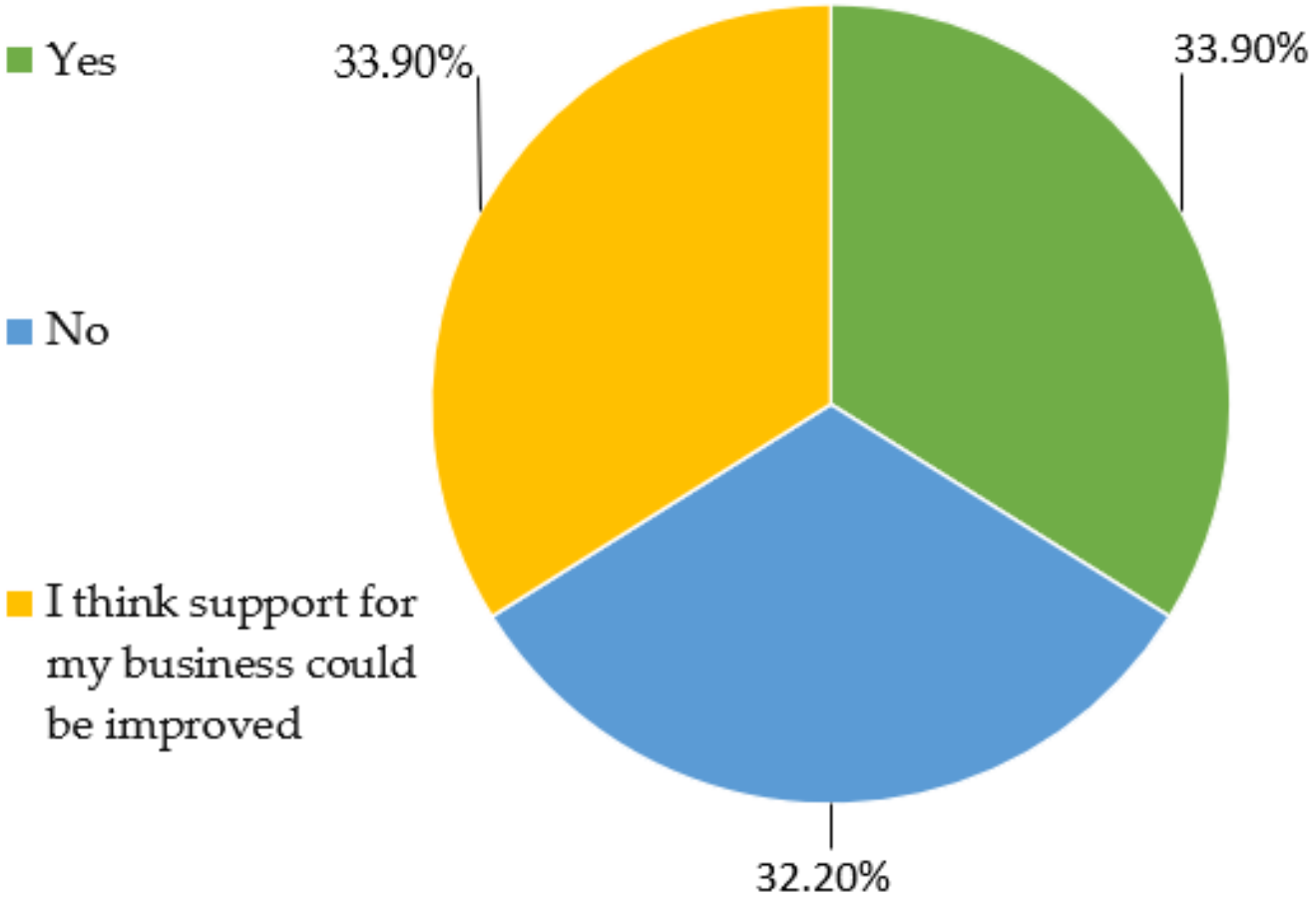


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Impact of Downtown Events

Question:

Do you feel your business benefits from Downtown Tracy events?



City Customer Service Perception



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Small Business Needs & Next Steps

Identified Needs

- Greater City engagement
- Visible investment in Downtown
- More tailored resources
- Opportunities for access to capital



Next Steps

- Identify potential incentive programs that align with business needs
- Research best practices from similar incentive programs
- Develop and define clear guidelines for the incentive program
- Present proposed program to City Council for consideration

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Real Estate & Development

Encourage investment in "catalytic" opportunity areas through targeted infrastructure investments which build on Tracy's competitive strengths



GOAL 1 Optimize underperforming, underdeveloped, and underutilized properties in need of development/redevelopment.

GOAL 2 Ensure city capital improvement projects have a high impact on the local economy by incorporating Smart City infrastructure elements.

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Real Estate & Development

Underway:

- City-Owned Property List
- Telecommunication Lease Negotiations
  - AT&T
  - T Mobile
  - Verizon
- Westside Market Disposition
- Surplus property disposition
- Policies and Procedures



Quality of Life & Place

Encourage quality of life and place improvements through placemaking enhancements and cultural amenities

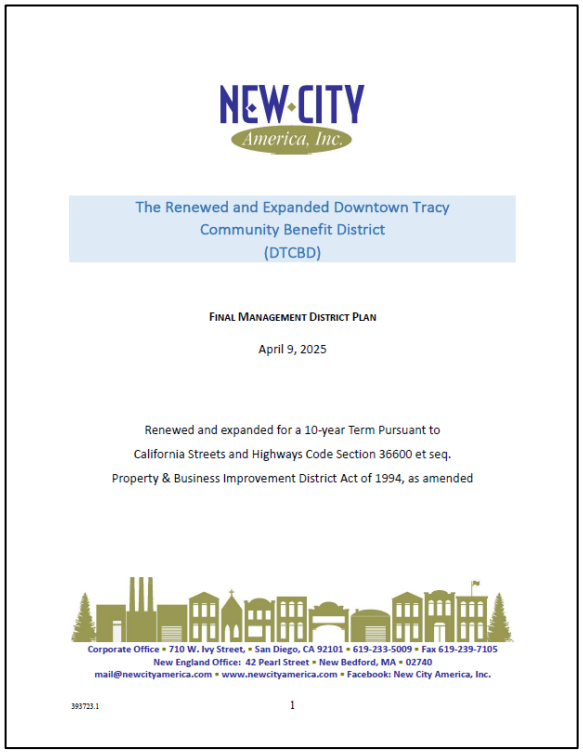


GOAL 1 Improve the aesthetic appearance of Tracy's main entrances by commissioning a gateway master improvements plan.

GOAL 2 Strengthen Tracy's tourism by continuing to promote the arts, music, festivals, and sports and leisure activities.

Downtown Tracy Community Benefit District

- Promotes downtown economic revitalization
- 118 parcels and 70 owners
- 10-year renewal
- Expanded boundary
- Assessment revenue: $295,786.35
- Special Benefit Categories
  - District Identity
  - Civil Sidewalks
  - Administration
  - Contingency



NEW CITY America, Inc.

The Renewed and Expanded Downtown Tracy Community Benefit District (DTCBD)

FINAL MANAGEMENT DISTRICT PLAN

April 9, 2025

Renewed and expanded for a 10-year Term Pursuant to California Streets and Highways Code Section 36600 et seq. Property & Business Improvement District Act of 1994, as amended

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CDBG & HOME Grant Programs

Accomplished:

- Award of FY2024-25 grant funds
- Conducted a community needs survey
- Established FY2025-26 to FY2030-31 local funding priorities
- Release of FY2025-26 NOFA
  - Conducted training workshop
  - Managed solicitation process
  - Award of grant funds

Underway:

- HACSJ loan agreement processing
- Release of FY2026-27 NOFA*



*Pending the reopening of the U.S. Government

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Visit ThinkInsideTheTriangle.com to learn more about services the Economic Development Division offers.

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