



CITY OF WHEATLAND

CITY COUNCIL MEETING STAFF REPORT

October 10, 2017

SUBJECT: Johnson Rancho Funding, Credit, and Reimbursement Agreement for Planning Documents and the Annexation Area Costs

PREPARED BY: Tim Raney, Community Development Director

Recommendation

The City of Wheatland staff recommends that the City Council approve the proposed Johnson Rancho Funding, Credit, and Reimbursement Agreement.

Discussion

In 2013, the City of Wheatland and the land-owners representing portions of the Johnson Rancho Annexation Area entered into development agreements. These development agreements included two provisions relevant to the proposed Johnson Rancho Funding, Credit, and Reimbursement Agreement. First, the development agreement required the City of Wheatland to prepare and adopt a mechanism that will assist the funding parties of the Johnson Rancho Annexation Area the ability to recover the portion of their funding above their pro rata share. The Johnson Rancho Funding, Credit, and Reimbursement Agreement would be followed by the preparation and adoption of an Annexation Fee Program that will require all land within the Johnson Rancho Annexation Area to pay a fee to the city at the time of development application. Credits against this fee would be provided to those individuals that funded the cost of the city processing of the annexation. For any individual that paid more than their fair share of the funding costs of the annexation, reimbursements would be paid from those future developments required to pay the fee.

Additionally, the Johnson Rancho development agreements required that the land-owners of the Johnson Rancho project area provide \$50,000 to the City of Wheatland once the Johnson Rancho Funding, Credit, and Reimbursement Agreement has been adopted. At the time the development agreement was approved, the City of Wheatland had identified that the \$50,000 would be allocated to the preparation of a Housing Element; however, the Housing Element has been recently completed through a grant from the Sacramento Area Council of Governments (SACOG). Therefore, the proposed Johnson Rancho Funding, Credit, and Reimbursement Agreement has reallocated the \$50,000 to the preparation of other planning documents; it is anticipated that the development agreements will also be amended to conform to these changed circumstances. The provision of the \$50,000 would be also be subject to credits and

reimbursements under the proposed Johnson Rancho Funding, Credits, and Reimbursements Agreement.

Alternatives

The City Council could deny the proposed Johnson Rancho Funding, Credit, and Reimbursement Agreement. The City Council could also continue the agenda item to a future meeting date and direct staff to further revise the Johnson Rancho Funding, Credit, and Reimbursement Agreement.

Fiscal Impact

The approval of the Johnson Rancho Funding, Credit, and Reimbursement Agreement will require the land-owner representatives to deposit \$50,000 toward the cost of the preparation of future planning documents.

Attachments

1. Draft City of Wheatland Johnson Rancho Funding, Credit, and Reimbursement Agreement for Planning Documents, Housing Element Costs, and Annexation Area Costs.

CITY OF WHEATLAND
JOHNSON RANCHO FUNDING, CREDIT AND REIMBURSEMENT AGREEMENT
FOR PLANNING DOCUMENTS, HOUSING ELEMENT COSTS AND ANNEXATION
AREA COSTS

THIS AGREEMENT is made between the City of Wheatland, a general law city (“City”), and Gibson Ranch, LLC, a California limited liability company (“Funding Developer”), who agree as follows:

1. Recitals. This Agreement is made with reference to the following background recitals:

1.1. In 2012 and 2013, various landowners (the “Johnson Rancho Owners”) and City entered into eight tier 1 development agreements concerning the Johnson Rancho Project; however, one of the agreements (between the City of Wheatland David J. Saca and Spenceville 25, LLC) was never recorded. Section 3.1 of each of the development agreements requires the Johnson Rancho Owners to provide advance funding (subject to reimbursement) (the “Funding Obligation”) for City to evaluate, research and prepare the following planning, land use and development-related City documents: (a) a comprehensive City zoning code update; (b) City residential and commercial land use design standards; (c) a City parks master plan; (d) a planning fee study, ordinance and related documents as described in section 3.1.6 of the development agreements (items (a) – (d) are referred to collectively as the “Planning Documents”); and (e) an updated housing element of the City General Plan (the “Housing Element”). The Planning Documents and Housing Element are sometimes collectively referred to as the “Funded Studies.”

1.2. At this time, it does not appear that the City will need the Johnson Rancho Owners to contribute to the funding of the preparation of the Housing Element. Therefore, the Johnson Rancho Owners and the City wish to transfer the amount of the Funding Obligation for the Housing Element to the Planning Documents. It is anticipated that the Johnson Rancho Owners will seek amendment of their development agreements to reflect the removal of the fifty thousand dollar (\$50,000) Funding Obligation for the Housing Element and the increase of the Funding Obligation for the Planning Documents by fifty thousand dollars (\$50,000). The total amount of the Funding Obligation will remain the same.

1.3. While each of the Johnson Rancho Owners is subject to the Funding Obligation, Funding Developer has agreed to assume the full Funding Obligation for the Funded Studies on behalf of all Johnson Rancho Owners subject to the terms and conditions of this Agreement. Therefore, Funding Developer will be entitled to the fee credits and reimbursement as contemplated by section 3.1 of the development agreements.

1.4. While Funding Developer has not yet requested that City commence preparation of the Planning Documents, the parties desire to establish the procedures for Funding Developer’s funding of the costs of preparing and adopting the Planning Documents and administering the fee credit and reimbursements to which Funding Developer is entitled pursuant to section 3.1 of the development agreements.

1.5. Funding Developer agrees to fund the City's actual and reasonable costs of preparing the Planning Documents subject to fee credit and reimbursement of the costs of the Planning Documents, on and subject to the terms and conditions of this Agreement.

1.6. Funding Developer also has incurred substantial planning costs associated with the annexation to the City of the Johnson Rancho Project, which annexation area is depicted in Exhibit A attached hereto (the "**Annexation Area**"). These costs include, without limitation, City staff and consultant costs relating to the preparation of environmental documents, the development agreements, the Johnson Rancho Stage 1 Development Plan, associated technical studies, and the rezoning of the Annexation Area (the "**Annexation Costs**"), the funding of which is subject to fee credit and reimbursements pursuant to section 4.3 of the development agreements. Consequently, the parties also desire to establish the procedures for administering the fee credit and reimbursements for the Annexation Costs.

2. Funding by Funding Developer

2.1. Within thirty (30) days after the Effective Date defined in section 7.8 below, Funding Developer will deposit Fifty Thousand Dollars (\$50,000) (the "**Initial Deposit**") with City. In the event that the development agreements are not amended as currently contemplated by the Johnson Rancho Owners and the City as described in Section 1.2 above, the payment of the Initial Deposit shall fully satisfy the Funding Obligation for the Housing Element as specified in the development agreements.

2.2. Following the Effective Date, City and Funding Developer shall periodically meet and confer to evaluate the appropriate timing for City to commence preparation and adoption of the Planning Documents. At such time as Funding Developer and City agree that it is appropriate for City to initiate such work, City will prepare a budget and cost estimate for the preparation and adoption of the Planning Documents (the "**Planning Document Budget**") and a schedule for completion of the work and for funding of the costs by Funding Developer through regular payments during the course of the work (the "**Planning Document Deposit Schedule**"). The Planning Document Budget shall include estimates of City staff time, materials, and consultant costs associated with preparing the Planning Documents, and must reflect prices that are reasonable and competitive with the cost of similar services performed by other cities and planning consulting firms that ordinarily provide such services in the greater Sacramento metropolitan market area. To the extent that any grant funding received by City may be used to pay for the preparation and adoption of the Planning Documents, the Planning Document Budget shall be reduced by any applicable grant funding so received. City shall use its best efforts to obtain such grant funding. City shall provide Funding Developer with the Planning Document Budget and Planning Document Deposit Schedule for Funding Developer's review and approval, which approval shall not be unreasonably withheld. For purposes of this Agreement, any deposit payment made by Funding Developer for Planning Document costs, other than the Initial Deposit, shall be referenced herein as a "**Planning Document Deposit.**" Following approval by Funding Developer of the Planning Document Budget and the Planning Document Deposit Schedule, Funding Developer will deposit the first Planning Document Deposit with City as called for under the Planning Document Deposit Schedule to fund the Planning Documents costs and thereafter will deposit subsequent Planning Document Deposits with City pursuant to the Planning Document Deposit Schedule. If any Planning

Document Deposit is not timely made, then City may suspend all work on the Funded Studies pending receipt of the deposit.

2.3. City will draw on the Planning Document Deposit made pursuant to section 2.2 to pay or reimburse periodic invoices from the City consultants and to reimburse the City for the costs of City staff time and materials in preparing and adopting the Planning Documents. If, before completion of the Planning Documents, City determines that its Planning Document costs will exceed the amount of the Planning Document Deposit, then City will notify Funding Developer and the parties shall meet and confer to address the funding shortfall. If City and Funding Developer are unable to reach agreement on the provision of additional deposits and a schedule for the delivery of such deposits, Funding Developer shall have no obligation to provide any such additional deposits and City: (i) may cease work on the Funded Studies to the extent such work cannot be covered by the Planning Document Deposits described in the Planning Document Deposit Schedule, and (ii) may also terminate this Agreement by giving notice of termination to the Funding Developer. Any termination of this Agreement pursuant to this Section 2.3 shall not affect Funding Developer's fee credit and reimbursement rights with respect to components of the Funded Studies that already have been completed. City acknowledges that its sole and exclusive rights in the event of any funding shortfall described in this Section 2.3 shall be limited to its right to cease work on the Funded Studies and/or terminate this Agreement as provided in this Section 2.3.

2.4. City will deposit the Planning Document Deposit into a special fund (i.e., the Planning Documents fund) for the purpose of paying and reimbursing City costs on the preparation and adoption of the Planning Documents. City will keep and maintain accurate bookkeeping records documenting in detail all invoices and costs paid or reimbursed from the special funds and all deposits into the funds. City shall provide to Funding Developer a monthly statement of the monies deposited and all City costs paid or reimbursed from the funds. Funding Developer and its employees, accountants, attorneys and agents may review, inspect, copy and audit these records, including all source documents. Notwithstanding the foregoing, Funding Developer acknowledges that City may, in its discretion, utilize the Initial Deposit for the preparation and adoption of the Planning Documents, provided that, in such a circumstance, such use shall not invalidate or interfere with Funding Developer's fee credit and reimbursement rights as provided in this Agreement.

2.5. Upon completion of the preparation and adoption of the Planning Documents, City will promptly prepare and provide to Funding Developer a final statement of the monies deposited and all City costs paid or reimbursed from the special funds. Any portions of the Planning Document Deposit(s) remaining upon completion of the Planning Documents will be refunded to Funding Developer within ninety (90) days after the completion of the Planning Documents.

3. City Preparation and Adoption of Funded Studies and Planning Fee

3.1. Upon receipt of the first Planning Document Deposit under section 2.2, City will proceed diligently to prepare and adopt the Planning Documents.

3.2. Concurrently with the adoption of the Planning Documents, City will adopt and implement a City-wide regulatory fee (the “**Planning Fee**”) to be charged against all development projects that will be governed by or subject to the Funded Studies, including the development projects proposed by the Funding Developer, in order for those development projects to share in the costs to prepare and adopt the Funded Studies. The purpose of the Planning Fee is to reimburse Funding Developer for its costs incurred in funding the Funded Studies. City will begin collecting the Planning Fee immediately upon adoption of the Planning Fee ordinance. The Planning Fee study and ordinance will comply with and implement the following principles:

a. The Planning Fee will be imposed and collected at the time of submittal to City of the first application for discretionary approval of a development project (including, without limitation, submittal of a final subdivision map application or building permit application if the Planning Fee had not been previously paid in connection with the development for which the final subdivision map or building permit was submitted) or such later time as allowed by state law if the time of fee collection is restricted by applicable state law.

b. The ordinance will include an annual Planning Fee increase according to a generally-accepted inflation rate (such as the Engineering News-Record index), but not less than 2% per annum.

c. The Planning Fee ordinance may exempt certain in-fill development in the City from payment of the Planning Fee; however, such in-fill development shall not include any building permit issued for construction on a parcel created by a final map or parcel map recorded after August 28, 2012.

d. City shall to the extent allowed by law require, as a condition of approval for any development project approved by City prior to the adoption of the Planning Fee ordinance, that the project applicant pay the Planning Fee for its development upon the subsequent adoption of the ordinance. (For example, if City approves a tentative subdivision map prior to adopting the Planning Fee ordinance, City shall to the extent allowed by law include payment of the Planning Fee as a condition of tentative map approval.)

4. Funding Developer Credit and Reimbursement

4.1. Funding Developer shall be entitled to a credit against payment of the Planning Fee and reimbursement in accordance with this section 4. The “**Fee Credit Amount**” will be a sum equal to Funding Developer’s total actual advance funding under section 2 as accounted for by City under sections 2.4 and 2.5. The Fee Credit Amount will be owned personally by Funding Developer and will not run with or otherwise be attached to any real property in City owned by Funding Developer. Funding Developer’s real property within City boundaries will be subject to payment of the Planning Fee, subject to the rights, at Funding Developer’s discretion, to apply any portion of the Fee Credit Amount against such Planning Fee as provided herein. Commencing upon the date the Initial Deposit is delivered to City by Funding Developer, and annually thereafter during the term of this Agreement, interest will accrue on the remaining balance of the Fee Credit Amount at the Local Agency Investment Fund quarterly interest rate published by the State Treasurer’s Office .

4.2. Funding Developer may apply the Fee Credit Amount as payment of the Planning Fee on any development project within City that is subject to the fee (including, but not limited to, development on real property owned by Funding Developer). In order to apply the Fee Credit Amount, Funding Developer must prepare, sign and deliver to City a Notice of Application of Fee Credit in substantially the form attached as Exhibit B (or in such other form containing comparable information as may be accepted by City). The application of any Fee Credit Amount must be accepted in writing by the developer/assignee receiving the benefit of the fee credit. Upon receipt of a complete, accurate and signed Notice of Application of Fee Credit, City will apply the Fee Credit Amount toward payment of the Planning Fee as instructed in the notice and the remaining available Fee Credit Amount will be reduced accordingly by a like sum. Prior to any delivery of a Notice of Application of Fee Credit, Funding Developer shall provide City with a notice pursuant to section 7.7 below which shall contain a list of Funding Developer's authorized representatives (each a "**Funding Developer Authorized Representative**"). Funding Developer may elect to update its list of Funding Developer Authorized Representatives from time to time by providing subsequent notices to City pursuant to section 7.7 below. City will be entitled to rely upon and accept any completed Notice of Application of Fee Credit that, on its face, appears to be completed and signed by any Funding Developer Authorized Representative listed on the then-current list.

4.3. City will reimburse Funding Developer from Planning Fees paid in cash by other developers. City will remit 98% of the money received in payment of the Planning Fee by developers. Two percent (2%) of the amount paid will be retained by City and transferred to the City general fund to cover and fund City's administrative costs and expenses to charge and collect the Planning Fee; implement, administer and account for the Planning Fee ordinance and credit/reimbursement program; and prepare periodic reports. Reimbursement, if any, shall be calculated and paid by City to Funding Developer on a semi-annual basis. At the end of each six-month period, City shall calculate and pay to Funding Developer any reimbursement from City's receipt of any Planning Fees during that period. As part of the semi-annual calculation, Funding Developer shall provide to City an updated accounting of the then-current outstanding Fee Credit Amount (to reflect the then-accrued interest and reductions based on prior reimbursements paid and any prior application of the Fee Credit Amount against the Planning Fee). City will pay reimbursement, if any, to Funding Developer solely from cash payments of the Planning Fee received by City from developers if and when property develops. City will have no obligation to pay or reimburse Funding Developer from any other City revenue source or fund.

4.4. Fee credits and reimbursement to Funding Developer will continue until the earlier of (a) the Fee Credit Amount (including accrued interest) is exhausted through a combination of fee credits applied under section 4.2 and reimbursement paid under section 4.3, or (b) termination of the fee credit/reimbursement rights and obligation.

4.5. The right to apply fee credits and receive reimbursement under this Agreement with respect to the Planning Fee will terminate 20 years after the Effective Date of this Agreement. Upon mutual agreement by the parties, this term may be extended for an additional 10-year period (the "**Renewal Term**") on the same terms and conditions as set forth in this Agreement. In the event either party desires to extend the right to apply fee credits and receive reimbursement under this Agreement with respect to the Planning Fee,

the requesting party shall provide the other party with written notice of such intent at least 90 days prior to the expiration of the initial 20-year term. City will not accept or acknowledge fee credits from or pay reimbursement with respect to the Planning Fee to Funding Developer after the initial 20-year period or, if the parties agree to extend the Agreement, after the Renewal Term.

4.6. The credit and reimbursement rights under this Agreement are personal to Funding Developer. Funding Developer may assign the right to apply credits and receive reimbursement by providing City with the form of certificate of assignment attached as Exhibit C. Assignment by Funding Developer shall be effective upon delivery to and acceptance by City of such certificate. Any assignment of the fee credits and reimbursement rights under this Agreement may be a full or partial assignment of the entire remaining Fee Credit Amount.

5. Determination of Annexation Costs; Adoption and Implementation of Annexation Fee

5.1. City previously has agreed to impose an annexation processing fee on the development of all properties located within the Annexation Area (the "**Annexation Fee**") pursuant to section 4.3 of the development agreements concerning the Johnson Rancho Project. The purpose of the Annexation Fee is to reimburse Funding Developer for the pro rata cost of the Annexation Costs it has incurred for the non-participating properties located within the Annexation Area as noted in section 1.5 above. Following the Effective Date, City and Funding Developer shall meet and confer concerning the total Annexation Costs associated with the Annexation Area. Funding Developer shall provide City with evidence of the Annexation Costs that Funding Developer has incurred to date, and City and its fee consultant shall evaluate the cost data provided by Funding Developer and determine the appropriate costs to utilize for the Annexation Fee calculation.

5.2. City shall prepare the Annexation Fee ordinance and related fee study for adoption by the City Council. The Annexation Fee shall be based on the calculations described in section 5.1 above, shall embody the principles described in section 4.3 of the tier 1 development agreements concerning the Johnson Rancho Project, and shall be implemented as set forth in section 5.4 below. The cost to adopt the Annexation Fee ordinance and related fee study shall be paid by Funding Developer and shall be calculated as part of the Annexation Costs for which Funding Developer may be reimbursed pursuant to this Agreement.

5.3. Funding Developer shall be entitled to a credit against payment of the Annexation Fee and reimbursement in accordance with this section 5. The "**Annexation Fee Credit Amount**" will be a sum equal to the Annexation Costs paid for by Funding Developer and described in section 5.1 above. The Annexation Fee Credit Amount will be owned personally by Funding Developer and will not run or otherwise be attached to any real property in City owned by Funding Developer. Commencing on August 14, 2014 (the effective date of the Annexation of the Johnson Rancho property) and annually thereafter during the term of this Agreement, interest will accrue on the Annexation Fee Credit Amount at the same rate as the inflation rate provided for in section 3.2(b).

5.4. The fee credit and reimbursement rights associated with the Annexation Fee shall be subject to the same principles and procedures set forth in sections 4.2, 4.3, 4.4 and 4.6 of this Agreement (for the Planning Fee), except that all references to “Planning Fee” and “Fee Credit Amount” in those sections shall instead reference “Annexation Fee” and “Annexation Fee Credit Amount,” respectively. The right to apply fee credits and receive reimbursement under this Agreement with respect to the Annexation Fee will terminate 30 years after the effective date of the Annexation, which was August 14, 2014. City will not accept or acknowledge fee credits from or pay reimbursement to Funding Developer with respect to the Annexation Fee after the 30-year period.

6. Indemnification. Funding Developer shall, to the fullest extent permitted by law, indemnify, defend, protect, and hold harmless City, and its officers, employees, and agents from and against any and all liability, losses, claims, damages, expenses, demands, and costs (including, but not limited to, attorney, expert witness and consultant fees, and litigation costs) of every nature arising out of or relating to City’s implementation, administration or accounting of the Planning Fee and Annexation Fee ordinances, Planning Fee and Annexation Fee levy and collection, and Fee Credit Amount and Annexation Fee Credit Amount credit/reimbursement programs (including, without limitation, any claims associated with any assignment or purported assignment of the rights of Funding Developer hereunder), except where caused by the sole negligence or willful misconduct of City or as otherwise provided or limited by law. If Funding Developer fails to comply with its obligation under this section, then City may, without notice to Funding Developer, set off the amount of any costs incurred by City as a result of Funding Developer’s failure against any reimbursement amount that may be owed and payable to Funding Developer under this Agreement. In the event the City submits an indemnity claim to Funding Developer as provided in this section, City agrees to reasonably cooperate with Funding Developer in connection with the defense of such action or claim. Funding Developer’s obligations under this indemnification provision shall survive the termination of this Agreement.

7. General Provisions

7.1. Entire Agreement. The parties intend this document to be the sole, final, complete, exclusive and integrated expression and statement of the terms of their contract concerning the subject matter of this document. This Agreement supersedes all prior oral or written negotiations, representations, contracts or other documents that may be related to the subject matter of this Agreement, except those other documents that may be expressly referenced in this Agreement.

7.2. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

7.3. Waiver. The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

7.4. Amendment. This Agreement may be modified or amended only by a subsequent written agreement approved and executed by all parties. Amendment by City requires approval by its City Council at a noticed public meeting.

7.5. Governing Law and Venue. This Agreement shall be interpreted, governed by, and construed under the laws of the State of California. To the extent permitted by law, the parties agree that County of Yuba will be venue for any state court litigation and the Eastern District of California will be venue for any federal court litigation concerning the enforcement or construction of this Agreement.

7.6. Assignment. Funding Developer may not assign or transfer any of its rights, obligations or other interests in this Agreement without City's prior written consent, except that Funding Developer may assign its right to future fee credits and reimbursement consistent with the terms of this Agreement.

7.7. Notices. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement must be in writing and delivered either (a) in person, (b) by prepaid, first class U.S. mail, (c) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt, or (d) by email with confirmed receipt. Such notices, etc. shall be addressed as follows:

City: City Manager City of Wheatland 111 C Street Wheatland, CA 95692 ggreeson@wheatland.ca.gov	Funding Developer: [Address to be filled in]
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Notice given as above will be deemed given (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, (c) on the date of delivery as shown on the overnight courier service receipt, or (d) upon the sender's receipt of an email from the other party confirming the delivery of the notice. Any party may change its contact information by notifying the other party of the change in the manner provided above.

7.8. **Effective Date.** This Agreement will become effective when all parties have signed it. The effective date of this Agreement will be the date that it is signed by the last party to sign (the "**Effective Date**"). This Agreement will terminate 20 years after the Effective Date, unless extended by mutual agreement of the parties as provided in section 4.5 above.

Each party is signing this Agreement on the date stated above the party's signature.

CITY OF WHEATLAND

GIBSON RANCH, LLC

Dated: _____, 2016

Dated: _____, 2016

By: _____
Rick West
Mayor, City of Wheatland

By: _____

[name]

[title]

EXHIBIT A
Map Depicting Annexation Area

EXHIBIT B
Notice of Application of Fee Credit

This notice is given with reference to the City of Wheatland Johnson Rancho Funding, Credit and Reimbursement Agreement for Planning Documents, Housing Element Costs and Annexation Area Costs dated _____, 2016 (the "Agreement") between the City of Wheatland ("City") and Gibson Ranch, LLC ("Assignor"). Assignor applies, assigns and transfers \$_____ (the "Assignment Sum") of the [Fee Credit Amount] / [Supplemental Annexation Fee Credit Amount] (as defined in the Agreement) as payment of all or a portion of the [Planning Fee] / [Supplemental Annexation Fee] (as defined in the Agreement) / payable by _____, a _____ ("Assignee") to the City for the following development project:

Assignee Name and Address	
Development Project Description	
Description of Assignee Property	

Assignor authorizes and directs the City to apply the Assignment Sum toward Assignee's payment of the [Planning Fee] [Supplemental Annexation Fee] for the project and property described above. The following table confirms the current [Fee Credit Amount] [Supplemental Annexation Fee Credit Amount], the Assignment Sum applied and assigned by this notice, and the remaining [Fee Credit Amount] [Supplemental Annexation Fee Credit Amount]:

Starting [Fee Credit Amount] [Supplemental Annexation Fee Credit Amount] at the date of this notice:	\$xxx
Assignment Sum applied and assigned by this notice:	\$xxx
Remaining [Fee Credit Amount] [Supplemental Annexation Fee Credit Amount]:	\$xxx

This notice will be applied and construed in accordance with the Agreement. Assignor and Assignee each agree to hold City harmless from and against any and all liability, losses, claims, damages, expenses, demands, and costs (including, but not limited to, attorney, expert witness and consultant fees, and litigation costs) of every nature arising out of or relating to the City's application, assignment and transfer of the Assignment Sum as authorized and directed by this notice (except where caused by the sole negligence or willful misconduct of the City or as otherwise provided or limited by law).

Assignment made by Gibson Ranch, LLC:	Assignment accepted by Assignee:1
Dated: _____, 20__	Dated: _____, 20__

1 No Assignee is required to sign where the Assignor elects to apply the Fee Credits to its own Project.

By: _____ _____ <i>[name]</i> _____ <i>[title]</i>	By: _____ _____ <i>[name]</i> _____ <i>[title]</i>
Acknowledged and accepted by the City of Wheatland: Dated: _____, 20____ By: _____ Greg Greeson City Manager	

EXHIBIT C
Form of Certificate of Assignment and Transfer of
Fee Credits

The undersigned, as the holder of certain [Fee Credits] [Annexation Fee Credits] pursuant to the City of Wheatland Johnson Rancho Funding, Credit and Reimbursement Agreement for Planning Documents, Housing Element Costs and Annexation Area Costs, dated _____, 2016 between City of Wheatland ("City") and Gibson Ranch, LLC ("Assignor") ("Agreement"), hereby assigns, transfers and conveys to the undersigned Assignee the [Fee] [Annexation Fee] Credit Amount (as defined in the Agreement) as indicated below:

Assignor's Legal Name: _____

Assignee's Legal Name: _____

Amount of Assigned [Fee] [Annexation Fee] Credit Amount: \$ _____

Balance of [Fee] [Annexation Fee] Credit Amount Available to Assignor Before Transfer:
\$ _____

Balance of [Fee] [Annexation Fee] Credit Amount Available to Assignor After Transfer:
\$ _____

ACKNOWLEDGED: Administrator: _____

Assignor:

GIBSON RANCH, LLC,
a _____ limited liability company

By: _____
Name: _____
Title: _____
Date: _____

Assignor Contact:

Name: _____
Address: _____

Telephone: _____
Facsimile: _____
E-Mail: _____

Assignee:

a _____

By: _____
Name: _____
Title: _____
Date: _____

Assignee Contact:

Name: _____
Address: _____

Telephone: _____
Facsimile: _____
E-Mail: _____

