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DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF COLUSA

AND

AMARJIT CHEEMA

RELATING TO THE DEVELOPMENT COMMONLY KNOWN AS

COLUSA TOWN CENTER

RECEIVED

MAY 10 2021

CITY OF COLUSA

**DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF COLUSA AND AMARJIT CHEEMA,
RELATING TO THE DEVELOPMENT COMMONLY KNOWN AS
COLUSA TOWN CENTER**

This Development Agreement ("**Agreement**") is entered into as of **February 2, 2021** by and between the City of Colusa, a municipal corporation ("**City**"), and **Amarjit Cheema** ("**Developer**"). City and Developer are sometimes referred to individually herein as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California enacted Government Code section 65864 *et seq.* ("**Development Agreement Statute**"), which authorizes a city to enter into a development agreement with any person having a legal or equitable interest in real property regarding the development of such property and establishing certain development rights therein.

B. This Agreement has been processed, considered, and executed in accordance with the Development Agreement Statute.

C. Developer has (1) a legal interest in approximately 4.66 acres [APN:002-120-025] of real property located at 1601 State Highway 20, Colusa, California 95932, as more particularly described in attached Exhibit A-1 and shown on the map set forth in attached Exhibit A-2 ("**Highway 20 Property**"), and an equitable interest in approximately 1.26 acres [APN:002-011-004] of real property located at 1301 Wescott Road, Colusa, California 95932, as more particularly described in attached Exhibit B-1 and shown on the map set forth in attached Exhibit B-2 ("**Wescott Property**"). Collectively, the Highway 20 Property and the Wescott Property shall be referred to herein as the "**Subject Property**".

D. Developer desires to develop the Subject Property with the Project (as that term is defined below), which will provide benefits to City and to the Colusa community generally, including all of the following (collectively, the "**Public Benefits**"):

- Contribution of land, and the construction thereon, at no out of pocket cost to the City, of a certain planned roadway, intersection and related infrastructure improvements on adjacent portions of State Route 20, as described more fully in Section 3.01 below, which will alleviate an existing queuing issue at Westcott Road and State Route 20.
- Generation of a significant additional amount of sales tax from the proposed commercial retail uses.
- Enhanced commercial retail amenities to serve the community which could potentially include, among others, a grocery store, coffee shop, gas station/car-wash, and other mixed commercial, retail uses offering a wide range of products and services, depending on market and other considerations.

E. By this Agreement, Developer will receive assurance that it may proceed with the development of the Project on the Subject Property in accordance with the Applicable Law (as that term is defined below).

F. Consistent with Government Code section 65867, the City Planning Commission held a duly noticed public hearing on an application for this Agreement on April 22, 2020. The City Planning Commission adopted Resolution No. 2020-04 to recommend that the City Council approve this Agreement and the related discretionary entitlements for the Project set forth below.

G. The City Council held a duly noticed public hearing on August 18, 2020, on an application for an Amendment to the City of Colusa 2007 General Plan ("**General Plan**") to change the land use designations of the Subject Property from High Density Residential and Mixed Use to Commercial/Professional (collectively, "**GPA**") by introducing and approving Resolution 20-32 ("**GPA Resolution**").

H. The City Council held a duly noticed public hearing on August 18, 2020, on an application for a rezoning of the Subject Property from General Apartment (R-4) District, General Apartment (R-4-HD) High Density District, and Bridge Street Mixed Use (M-U-B) District to General Commercial (C-G-PD) Planned Development District (collectively, "**Rezoning**") by introducing and approving Ordinance No. 542 ("**Rezoning Ordinance**").

I. To comply with the California Environmental Quality Act (Cal. Pub. Res. Code § 21000 *et seq.* and 14 Cal. Code Regs. § 15000 *et seq.*; collectively, "**CEQA**"), on August 18, 2020, at a duly-noticed public hearing, the City Council considered and adopted the Initial Study/Mitigated Negative Declaration for the Project ("**IS/MND**"), as described more fully in Resolution 20-31, adopted a mitigation monitoring and reporting plan ("**MMRP**") for the Project, and made the required findings.

J. Consistent with Government Code section 65867, the City Council held a duly noticed public hearing on an application for this Agreement on December 15, 2020, and after taking testimony and closing the public hearing, deliberated and approved this Agreement and introduced Ordinance No. 543 ("**DA Ordinance**").

K. Consistent with Government Code Section 65867, on February 2, 2021 at a duly noticed public meeting the City Council adopted the DA Ordinance.

L. Concurrent with and/or subsequent to approval of this Agreement, the Parties will cooperatively and expeditiously pursue other discretionary approvals for the Project, including:

1. An approval for a General Development Plan by introducing and approving an appropriate Ordinance;
2. Tentative parcel map approval, as needed by Developer, consistent with City Codes and the California Subdivision Map Act for the creation of up to five (5) separate legal parcels on the Highway 20 Property by introducing and approving an appropriate Resolution;

3. The City shall vacate and Developer shall dedicate (and/or exchange for said vacated land) portions of Wescott Road ("**Westcott Road Vacation**") as shown on Exhibit E attached hereto, for the purpose of constructing needed intersection improvements, consistent with the *City of Colusa Streets and Roadway Master Plan* ("**Wescott Road Realignment**") by introducing and approving an appropriate Resolution.
4. Architectural & Site Design approval for each retail, office, and service-related use of Property through major conditional use permit review and approval by the City.

Each said approval shall be referred to individually as a "**Discretionary Entitlement**" and, collectively as "**Discretionary Entitlements**". Discretionary Entitlements will comply with the California Environmental Quality Act (Cal. Pub. Res. Code § 21000 *et seq.* and 14 Cal. Code Regs. § 15000 *et seq.*; collectively, "**CEQA**").

M. City anticipates that during the Term (as that term is defined below) of this Agreement and subsequent to the Effective Date, Developer will seek from City as well as other public agencies certain additional approvals, entitlements, and permits that are necessary or desirable for the Project, which may include, without limitation, approval of various agreements to allow for utility service and the dedication of land and improvements; ministerial design review; tree removal permit(s); lot line adjustment(s); final or parcel map(s); sign permit(s); encroachment permit(s); demolition permit(s); grading permit(s); site development permit(s); building permit(s); certificate(s) of occupancy; and any amendments to the foregoing (each a "**Subsequent Approval**" and, collectively, the "**Subsequent Approvals**").

N. The terms and conditions of this Agreement have undergone review by City staff, the Planning Commission, and the City Council at duly noticed public meetings and hearings and have been found to be fair, just, and reasonable, and in conformance with the applicable provisions of City's General Plan and City's Municipal Code, both as amended as set forth in Recitals G and H above; and further, that the City Council finds that the interests of the citizens of Colusa and their public health, safety, and welfare will best be served by entering into this Agreement.

O. City and Developer have reached mutual agreement and desire to voluntarily enter into this Agreement to vest specified development rights, and facilitate development of the Project subject to the conditions, terms and requirements set forth herein.

NOW, THEREFORE, in consideration of the promises, covenants, and provisions set forth herein, the receipt and adequacy of which consideration is acknowledged, City and Developer agree as follows.

AGREEMENT

ARTICLE I DESCRIPTION OF SUBJECT PROPERTY, PROPOSED DEVELOPMENT, EFFECTIVE DATE, AND TERM.

Section 1.01 Description of Subject Property. This Agreement vests laws applicable to development of the Project on the Subject Property more particularly described and depicted in attached Exhibits A-1 and A-2 and Exhibits B-1 and B-2.

Section 1.02 Proposed Development. For purposes of this Agreement, the "**Project**" shall be defined to consist of a commercial retail development with the following components, as may be further refined during the Current Discretionary Entitlement process and the Subsequent Approvals process: (1) an approximately 3,588-square-foot gas station/convenience store with a drive-through car wash; (2) an approximately 1,748-square-foot commercial building; (3) an approximately 18,000-square-foot commercial building with a pylon sign up to forty (40) feet in height; (4) an approximately 2,950-square-foot commercial building; (5) an approximately 2,745-square-foot commercial building; (6) an approximately 1,633-square-foot restaurant; and (7) ancillary on-site and off-site improvements including parking, utility, landscaping, and roadways. Certain of the anticipated uses that will be located in the foregoing structures (e.g., a fast-food restaurant use, pharmacy, and/or a coffee shop) may also require drive-through facilities. Collectively, the Discretionary Entitlements, DA Ordinance, GPA Ordinance, Rezoning Ordinance, IS/MND, MMRP, and the Subsequent Approvals, once they are granted and become effective, shall be referred to herein as the "**Project Approvals**".

Section 1.03 Effective Date. The rights, duties, and obligations hereunder shall be effective and the Term shall commence on the "**Effective Date**," which shall mean the date that is thirty (30) days following the adoption of the DA Ordinance by the City Council as set forth in Recital K above.

Section 1.04 Initial Term. The term of this Agreement shall commence on the Effective Date and shall expire ten (10) years thereafter ("**Initial Term**"), unless it is sooner terminated or extended as provided in Section 1.05 below.

Section 1.05 Extended Term. The Term of this Agreement may be extended beyond the Initial Term only in the manner provided in this Section 1.05. The Initial Term, together with any extensions of the Initial Term under this Section 1.05, are collectively referred to as the "**Term**".

(a) First Term Extension. If Developer is in compliance with the terms and conditions of this Agreement, and has with diligence and good faith pursued development of the Project, then Developer shall, at its request, have the right to extend the Initial Term by one (1) additional period of five (5) years, provided such request is delivered to the City at least ninety (90) days prior to the end of the Initial Term.

(b) Additional Extensions; Tolling. In addition to the First Term Extension under Section 1.05(a) above, the Term may be further extended or tolled as provided in this Section 1.05(b).

(i) Extension for Enforced Delay. If Developer encounters an Enforced Delay (as defined in this Section 1.05(b)(i)) and desires to extend the Term because of that delay, Developer shall give City written notice of the Enforced Delay. If that written notice does not state the duration of the Enforced Delay because the delay remains ongoing, Developer shall give City written notice of the date the Enforced Delay ends within ninety (90) days after the end of the delay. Following the end of the Enforced Delay, City shall provide Developer written notice to confirm the extension of the Term, which shall be extended for as many days as the Enforced Delay occurs, as reasonably determined by the City Manager. "**Enforced Delay**" means a delay arising from one or more of the following: (A) a natural disaster or other force majeure event; (B) an accident that requires development activities to stop; (C) the interruption of services by suppliers for a substantial period of time when no alternative suppliers are available; (D) the unavailability of construction materials for a

substantial period of time when no substitute materials are available and feasible to incorporate; (E) war, civil disturbance, or riot where martial law is declared; or (F) any other severe occurrence (economic or otherwise) that is beyond Developer's reasonable control.

(ii) *Tolling for Third-Party Lawsuit.* If any third party files a lawsuit to challenge this Agreement, City's adoption of the Initial Study/Mitigated Negative Declaration, the other Project Approvals, or any action taken or finding made by City in connection with the Project Approvals (each, a "**Third-Party Lawsuit**"), Developer may request that the Term be tolled during the pendency of the Third-Party Lawsuit by providing a written notice ("**Tolling Notice**") to City within thirty (30) days after the commencement of said lawsuit, and any such request shall be granted by City. The tolling of the Term shall automatically begin upon City's receipt of the Tolling Notice, and it shall end on the earliest of the following to occur: (A) the date on which a court issues a final judgment in the Third-Party Lawsuit and the expiration of all appeal periods following that judgment; or (B) the date the Third-Party Lawsuit is dismissed. If, in a Third-Party Lawsuit, the court issues a temporary restraining order or injunction prohibiting Developer from taking action(s) to proceed with the Project, the Term also shall automatically be tolled beginning on the date the temporary restraining order or injunction is issued, and ending on the date the temporary restraining order or injunction is lifted or vacated.

(iii) *Tolling for Initiative or Referendum.* If the subject of an initiative petition or referendum petition would overturn, set aside, or substantially modify this Agreement, the other Project Approvals, or otherwise substantially impair development of the Project, the Term of this Agreement shall be tolled under this Section 1.05(c)(iii). The Term shall be automatically tolled beginning on the date that the initiative or referendum petition is submitted to the County elections official for signature verification, and ending on the date the last of the following that occurs: (A) the date the County elections official determines the petition does not include a sufficient number of signatures; (B) the date the measure is voted on by the City Council; or (C) the date of the election on the measure, if placed on the ballot.

ARTICLE II STANDARDS, LAWS, AND PROCEDURES GOVERNING DEVELOPMENT OF THE PROJECT.

Section 2.01. Vested Right to Develop. In recognition of the extraordinary, long-term investment in planning, engineering, design, entitlement, permitting, as well as in technical and legal resources necessary to pursue and implement the Project on the Subject Property, Developer shall have the vested right to pursue the Project in accordance with the Applicable Law (as that term is defined below), including, among other things, this Agreement and the other Project Approvals. Notwithstanding the foregoing or anything to the contrary in this Agreement, City shall apply to the Project the then-current California Building Standards Codes (including the California Fire Code), and all local amendments to those uniform codes, to the extent that the codes have been adopted by City or the Colusa Fire Department and are then in effect on a Citywide basis. If there is any conflict or inconsistency between this Agreement and the Applicable Law, or between this Agreement and any other Project Approvals, to the fullest extent legally possible, this Agreement shall prevail and control.

Section 2.02. Development Standards. The permitted uses of the Subject Property, the density and intensity of uses, the maximum height, bulk, and size of the proposed buildings, provisions for reservation or dedication of land for public purposes and the location of public improvements, the general location of public utilities, and other terms and conditions of

development applicable to the Project shall be as set forth in the Applicable Law, and the Project Approvals (collectively, "**Development Standards**").

Section 2.03. Applicable Law. "**Applicable Law**" shall mean all applicable federal, state, County, and City laws, statutes, ordinances, governmental rules, regulations, official policies, entitlements, orders, permits, licenses, approvals and authorizations that govern permitted uses of land; the design, improvement and construction standards and specifications; and that are otherwise applicable to the condition, development, use, occupancy, or operation of the Project on the Subject Property that exist and are in place as of the Effective Date, as supplemented and modified by the Project Approvals once they are granted and become effective, and Later Enactments (as that term is defined below), all except as otherwise expressly provided in this Agreement.

Section 2.04. Development Impact Fees/Exactions. During the Term of this Agreement, Developer shall pay all Impact Fees for the Project at the rate in effect on the Effective Date. For purposes of this Agreement, "**Impact Fees**" shall mean those fees, both in type and amount, set forth on attached Exhibit C. Developer shall pay all Processing Fees in connection with development of the Subject Property with the Project that are then in effect when Developer processes applications for Subsequent Approval(s). "**Processing Fees**" shall mean all lawfully adopted fees for processing development project applications imposed by City on a citywide basis, including any required supplemental or other further environmental review, plan checking (time and materials) and inspection, in connection with the processing and consideration of any Project Approvals, which are intended to cover the actual costs of processing and consideration of the foregoing.

Section 2.05. No Conflicting Enactments. Subject to the limitations set forth in this Section 2.05, City, or the City electorate through the adoption of referenda and initiatives, may enact new or modified rules, regulations, or official policies after the Effective Date (each a "**Later Enactment**" and, collectively, "**Later Enactments**"). All Later Enactments shall be applicable to the Project if and only to the extent that application of any Later Enactment does not modify the Project; does not prevent or impede development of the Project; and does not conflict with this Agreement. Any Later Enactment shall be deemed to conflict with this Agreement if the enactment seeks to accomplish any one or more of the following results, either with specific reference to the Project or the development of the Subject Property, or as part of a general enactment that would otherwise apply to the Subject Property:

- (a) Reduce the density or intensity of the Project under the Applicable Law;
- (b) Change any land use designation or permitted use of the Subject Property for the Project as described in the Applicable Law;
- (c) Require, for any work necessary to develop the Project on the Subject Property, the issuance of permits, approvals, or entitlements by City other than those required by Applicable Law; or
- (d) Materially limit the processing of, the procuring of applications for, or approval of the Subsequent Approval(s).

Notwithstanding the foregoing, City shall not be precluded from applying a Later Enactment to the Project where the Later Enactment is: (a) specifically mandated by changes in state or federal laws or regulations adopted after the Effective Date, as provided in Government

Code section 65869.5 and Section 2.06 below; (b) specifically mandated by a court of competent jurisdiction; or (c) required by changes to the California Building Standards Codes (including the California Fire Code), and similar life safety regulations that may change from time to time, including all local amendments adopted by City or the Colusa Fire Department on a citywide basis. Except as expressly provided herein, particularly with respect to Developer's rights granted hereunder, this Agreement does not restrict City's exercise of its police powers, and City reserves those powers to itself.

Section 2.06. Conflict of State or Federal Laws. In the event that state and/or federal law(s) and/or regulation(s) enacted after the Effective Date prevent or preclude compliance with one or more provisions of this Agreement, the Party identifying the conflict shall provide the other Party, as soon as practicable after the conflict becomes known to the notifying Party, written notice of the conflict, a copy of the law(s) and/or regulation(s) that give rise to the conflict, and a statement explaining the nature of the conflict. Within thirty (30) days after that notice is given, the Parties shall meet and confer in good faith in a reasonable attempt to modify this Agreement so as to comply with the state and/or federal law(s) and/or regulation(s) giving rise to the conflict, pursuant to Government Code section 65869.5. If Developer does not consent to an amendment that is required to make this Agreement consistent with state and/or federal law(s) and/or regulation(s) in accordance with Government Code section 65869.5, City shall provide Developer written notice of the immediate suspension of this Agreement, and the Agreement shall remain suspended until the date the Agreement is so amended. The Term shall not be tolled or extended for any period of suspension under this Section 2.06.

Section 2.07. Life of Approvals. The term of each current Discretionary Entitlement, as well as each Subsequent Approval (e.g., for a Tentative Map) once it is granted and becomes effective, shall be deemed extended for the longer of the Term of this Agreement or the term otherwise applicable to such Current Discretionary Entitlement(s) or Subsequent Approval(s).

Section 2.08. Timing of Construction and Completion. The Parties acknowledge that Developer cannot, at this time, predict when, if or at what rate the Project will be constructed. The Parties agree there is no requirement herein that Developer commence or complete construction of the Project at all or within any particular period of time during the Term. Therefore, notwithstanding anything to the contrary in the City's Municipal Code, City has ordained by adopting the DA Ordinance that Developer may, in its sole discretion, commence construction at any time (or at no time) during the Term of this Agreement. The Parties acknowledge that construction may be delayed by litigation, by other public agencies' approval process in connection with Subsequent Approvals, market factors, or other reasons, which may or may not be within Developer's control. In light of the foregoing, the Parties agree that Developer may construct the Project (if at all) at the rate and time Developer deems appropriate within the exercise of its sole subjective business judgment, subject only to the provisions of this Agreement and other Project Approvals, as and when they are granted and become effective.

Section 2.09. Processing Subsequent Approvals. The Subsequent Approvals shall be deemed mechanisms to implement those final policy decisions reflected by this Agreement, the other Project Approvals, and other provisions of Applicable Law. Upon submission by Developer to City of an application for a Subsequent Approval, City shall cooperate and diligently and expeditiously work to promptly process and consider approving that application. Subject to the terms and conditions of this Agreement and Developer's vested rights hereunder, City shall retain its discretionary authority in its consideration of any and all Subsequent Approvals that involve discretion in the decision-making process. City shall consider an

application for a Subsequent Approval with reference to the Applicable Law, Later Enactments, and this Agreement. City shall ensure that adequate staff is available to expeditiously process all applications for Subsequent Approval(s).

Section 2.10. Actions by Other Public Agencies Necessary to Implement the Approvals.

In Developer's sole discretion, but consistent with the Discretionary Entitlements, Developer may apply for Subsequent Approvals from other non-City public agencies, including, without limitation, the United States Fish and Wildlife Service ("**USFWS**"), United States Army Corps of Engineers ("**ACOE**"), California Department of Fish and Wildlife ("**CDFW**"), Central Valley Regional Water Quality Control Board ("**RWQCB**"), Colusa County Airport Land Use Commission ("**ALUC**"), and the California Department of Transportation ("**Caltrans**") as may be necessary or desirable to implement the Project. City shall, at no material cost, cooperate with Developer in its efforts to obtain any such Subsequent Approval(s), including, without limitation, coordinating with Caltrans in connection with the anticipated Wescott Road/Highway 20 traffic signal improvements.

Section 2.11. No Limitation on Future Discretionary Actions. Except to the extent this Agreement expressly provides otherwise, particularly with respect to the vested rights granted hereunder, nothing in this Agreement requires City, its legislative body, or any of its boards or commissions, to adopt any future ordinances or resolutions, to enter into any other agreements with Developer, or to exercise its discretion in any particular manner in the future.

ARTICLE III DEVELOPER OBLIGATIONS FOR COMMUNITY BENEFITS.

Section 3.01. Contribution of Land and Improvements to Facilitate Planned Regional Transportation Improvements. Subject to Developer's receipt of the Project Approvals including certain Subsequent Approvals, including, without limitation, City's approval of the anticipated vacation of specified public rights of way described in Section 3.03 below, Developer shall: (a) offer to dedicate to City approximately 0.27 acre(s) of land, which is a portion of the Wescott Property ("**Offer of Dedication**") and (b) design and construct, subject to reimbursement as provided for in Section 3.02 below, certain regional public transportation improvements consisting of the New Wescott Road Realignment and the related four-way traffic signal (as further described on attached Exhibit D-1) (collectively, "**Wescott Road Improvements**"), built to applicable Caltrans and City standards. The Wescott Road Improvements shall be constructed by Developer to City as warranted by traffic analyses and mitigation prepared for said improvements.

Section 3.02. Reimbursement and Impact Fee Credit.

A. Reimbursement. As a result of Developer's contribution of the Westcott Road Improvements, Developer shall have the right to reimbursement from the City for Developer's out-of-pocket costs (hard and soft) for the design, construction and approvals of the Westcott Road Improvements ("WRI Costs"). The Parties acknowledge and agree as follows;

1. The parties estimate that the total WRI Costs, if the Westcott Road Improvements were built on or about the Effective Date pursuant to the building standards and specifications used to determine such estimate, is \$1,672,208 as set forth in the Preliminary Budget for the WRI Costs set forth in Exhibit D-2 attached hereto.
2. Though the WRI Costs to be reimbursed to Developer would normally be reduced by Developer's proportionate fair share of such costs, the City acknowledges that the

Westcott Road Improvements are a benefit to the entire City, and that the size of the Project is approximately 5.92 acres, thereby Developer's proportionate share of the WRI Costs would be nominal, and undoubtedly less than the cost that would be expended by the Parties to determine and agree upon the actual size of such proportionate share. Therefore, the Parties shall not make such determinations, and the City shall not reduce the reimbursement of WRI Costs to Developer by the amount of such proportionate share.

3. Developer shall submit its designs for the Westcott Road Improvements to the City for its approval (which shall not be unreasonably withheld or conditioned, and which shall be approved or rejected with written reasons therefor, which shall be delivered to Developer within ten [10] days of the City's receipt of such designs). Developer shall obtain construction bids for such approved designs and submit such bids to the City for approval. The reimbursable amount of WRI Costs to Developer under this Section 3.02 shall be based upon City's written acceptance (not to be unreasonably withheld or delayed, however the City may base its decision on the estimate of the WRI Costs as set forth in the Exhibit D-2, provided City also considers any change in design and construction costs since the date of the estimate, and any changes in the building standards on which the estimates were based) of design costs and construction bids (plus ten percent [10%] thereof for overruns), sufficient to complete the Westcott Road Improvements, and any change orders affecting said costs arising from a construction contract entered into by Developer based on a construction bid approved by the City. City shall provide Developer written notice of its approval, or written reasons of its disapproval, of such design costs and construction bids (and said change orders) within ten (10) days of City's receipt of same from Developer. If City and Developer cannot reach an agreement as to the reimbursable amount of said design costs and construction bids they shall resolve such disagreement as set forth in Section 3.02.C below.
4. Developer's reimbursement right under this Section 3.02 shall be funded solely from eighty percent (80%) of the impact fees for "streets" ("Traffic Fund") held by the City pursuant to City Council Resolution 11-18, as of the Effective Date of this Agreement, and thereafter, fifty percent (50%) of all such fees collected by the City for the Traffic Fund. Said eighty percent (80%) amount and fifty percent (50%) amount (collectively the "Earmarked Funds") shall be held by the City exclusively for said reimbursement to Developer as provided in this Section 3.02. The initial reimbursement payment shall be made by the City to Developer within thirty (30) days after completion of the Westcott Road Vacation and City's receipt from Developer of paid invoices for any of the WRI Costs identified as "Payments Made to Date" in the Cost Schedule for Colusa Town Center Intersection set forth on Exhibit D-3 attached hereto ("Cost Schedule"), which are hereby approved by the City. Thereafter, to the extent the City has Earmarked Funds in said Traffic Fund, upon completion of the work identified in each time period set forth under the "Date" column in the Cost Schedule, and within (30) days after Developer submits to City copies of the paid invoices for such work, the City shall make reimbursements to Developer for these WRI Costs for said work that has been approved by the City as set forth hereinabove. If there are no Earmarked Funds in the Traffic Fund to make all or a portion of such reimbursements within said 30-day period, the City will pay out to Developer any existing Earmarked Funds and shall then determine on a quarterly basis (on March 31, June 30, September 30, and December 31 of each year) if any Earmarked Funds are in the Traffic Fund to make any outstanding

reimbursements to Developer, and if so, make payment to Developer of such available Earmarked Funds within fifteen (15) days after such quarter, until all of the City's outstanding reimbursement obligations to Developer are paid in full. Furthermore, the Parties agree that City shall have no obligation to reimburse Developer pursuant to this Section 3.02 from monies from City's general fund.

B. Credit. The City shall waive Developer's obligation to pay all the Traffic Impact Fees for the development of the Subject Property, as contemplated hereunder and as set forth in Exhibit C attached to this Agreement, which amount shall be credited against the amount the City is required to reimburse Developers as set forth hereinabove.

C. Dispute Resolution. If the Parties cannot agree upon a design cost or construction bid (or change order to a construction contract entered into by Developer resulting from a construction bid approved by City) then upon receipt of at least five (5) days' notice from one Party to the other party, the Parties shall make good faith efforts to meet and confer to attempt to resolve the dispute which can include, among other things, agreement to the amount of the reimbursement of the disputed WRI Cost item or agreement that City shall undertake the construction of the disputed WRI Cost item at cost less than the amount in dispute with the Developer paying City such reduced cost (which cost shall be an approved WRI Cost reimbursed to Developer as set forth hereinabove). If the Parties cannot reach agreement as to the disputed cost within 15 days after the day the Parties first meet and confer, then at any time thereafter, a Party may deliver written notice to the other that it desires to have the dispute resolved by binding arbitration to be conducted by the American Arbitration Association using the commercial rules established by such organization. Each Party hereto agrees to have any dispute described in this subsection C to be decided by neutral arbitration and that such Party is giving up any rights it may possess to have the dispute litigated in a court or jury trial, and is giving up judicial rights to discovery and appeal, and that its agreement to this arbitration provision is voluntary.

Section 3.03. Vacation of Land. City shall expeditiously process the vacation of the public rights of way (as generally shown on attached Exhibit E) ("**Wescott Road Vacation**"), prior to construction of the Wescott Road Improvements. So long as Developer makes the Offer of Dedication as provided for in Section 3.01 above, then City shall convey said land to Developer at no cost in accordance with the Applicable Law, which provides for the automatic transfer of said lands to the adjacent property owner.

ARTICLE IV AMENDMENTS.

Section 4.01. Amendment of this Agreement.

(a) Substantive changes to this Agreement or the other Project Approvals shall necessitate an amendment to this Agreement to incorporate the applicable changes to the terms and conditions of this Agreement and/or the other Project Approvals at issue and related documents and agreements. A "**substantive change**" to this Agreement is one that changes the Term of this Agreement or for which an application is made to modify any of the following: the permitted uses; density or intensity of use; height or size of buildings; provisions for reservation and dedication of land; conditions, terms, restrictions and requirements relating to Subsequent Approvals that are discretionary in nature; monetary contributions by Developer; or any other material term or condition of this Agreement. If either Party notifies the other Party that an amendment is needed or desirable due to the proposed substantive changes to this Agreement or the other Project Approvals, the Parties shall meet

and confer in good faith to establish the terms of an amendment to this Agreement. The scope of good faith negotiation shall be limited to such good faith amendment(s) necessary to effectuate the substantive changes to this Agreement or the other Project Approval(s) contemplated in this Section 4.01(a), and shall not reopen other provisions of this Agreement not affected by the proposed amendment(s). City may temporarily suspend consideration of a Subsequent Approval that is discretionary in nature if reasonably required by the circumstances then existing at the time of the proposed change in this Agreement or the other Project Approval(s) until the Parties can come to an agreement on the terms of such an amendment or mutually agree to the termination of this Agreement. Amendments for substantive changes shall be made in accordance with the provisions of the Development Agreement Statute.

(b) This Agreement need not be amended to allow for changes to this Agreement or the other Project Approvals that are not substantive, as described in Section 4.01(a) above, but rather minor in nature. The Parties acknowledge that refinement and further implementation of the Project Approvals may demonstrate that certain minor changes may be appropriate with respect to the Project details and performance of the Parties under this Agreement, and the Parties desire to retain a certain degree of flexibility with respect to such details and performances. If and when the Parties find and mutually agree that clarifications, minor changes, or minor adjustments are necessary or appropriate, they shall effectuate such clarifications, changes or adjustments through an operating written memorandum approved by the Parties, with the City Manager acting on behalf of City. After execution, the operating memorandum shall be attached to this Agreement. Further minor changes as necessary from time to time may be agreed upon by the Parties by written approval of the Parties. Unless required by the Development Agreement Statute, no operating memorandum shall require prior notice or public hearing, nor shall it constitute an amendment to or termination for convenience in whole or in part of this Agreement.

Section 4.02. Amendments of Project Approvals or Subsequent Approvals. No Subsequent Approval that is granted pursuant to this Agreement, or the amendment of any other Project Approvals (other than this Agreement) that is consented to by Developer, shall require an amendment to this Agreement, and the Subsequent Approval or amendment of any other said Project Approvals shall be deemed to be incorporated into this Agreement as of the date the approval or amendment is effective.

ARTICLE V DEFAULTS; PERIODIC REVIEW.

Section 5.01. Default and Litigation.

(a) Default. Any failure by either Party to perform any material term or condition of this Agreement, which failure continues uncured for a period of ninety (90) days following written notice of such failure from the non-defaulting Party (unless such period is extended by written mutual consent), shall constitute a default under this Agreement. Written notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure may be cured. Provided, however, if the nature of the alleged failure is such that it cannot reasonably be cured within such ninety (90) day period, then, within that ninety (90) day period, the defaulting Party shall begin acting to cure the default and shall continue acting diligently to complete the cure. If the default is not cured as required by this Section 5.01(a), the non-defaulting Party may pursue legal action in accordance with Section 5.01(b).

(b) Litigation. If a default is not cured in the manner required by Section 5.01(a), the non-defaulting Party shall provide the defaulting Party written notice ("**Dispute Notice**") that specifies, in reasonable detail, the reasons that a default and dispute exist, and what, if any, reasonable actions may be taken to cure the default and resolve the dispute. Within thirty (30) days after the Dispute Notice is given (or such other time frame as may be mutually agreed to by the Parties), the Parties shall meet in person and confer in good faith in an attempt to resolve the dispute. If, following this meet and confer process, the non-defaulting Party determines that the dispute cannot be resolved informally, the non-defaulting Party may institute legal action to cure, correct, or remedy the default, enforce any covenant or agreement herein, enforce by specific performance the obligations and rights of the Parties hereto, or obtain any other remedy consistent with this Agreement and available under law or equity.

Section 5.02. Periodic Review. No later than ten (10) months after the Effective Date, and no later than every twelve (12) months thereafter, Developer and the City Manager, or his or her designee, shall meet and review this Agreement annually to ascertain the good faith compliance by Developer with the Agreement's terms pursuant to the Development Agreement Statute. Such periodic review shall be limited in scope to compliance with the terms and provisions of this Agreement pursuant to California Government Code Section 65865.1 and the monitoring of mitigation in accordance with California Public Resources Code Section 21081.6. Additionally, the City Council shall review this Agreement annually in accordance with the Development Agreement Statute. If, as a result of City's periodic review of this Agreement, City determines, on the basis of substantial evidence, that Developer has not complied in good faith with the terms of this Agreement, City may terminate or modify this Agreement in accordance with the Development Agreement Statute as well as Section 5.03 below. If City has not performed a periodic review within ninety (90) days following the relevant 12-month period, Developer shall be deemed to be in substantial compliance with the terms and provisions of this Agreement.

Section 5.03. Termination.

(a) Termination by City. If City elects to consider terminating this Agreement due to a material default by Developer, then City shall give a notice of intent to terminate this Agreement and the matter shall be scheduled for consideration and review by the City Council in the manner set forth in the Development Agreement Statute. If the City Council, in its reasonable discretion and based on substantial evidence in the record, determines that a material default has occurred and elects to terminate this Agreement, City shall give Developer, by certified mail, written notice of termination of this Agreement under this Section 5.03(a) and this Agreement shall be terminated on the date that notice of termination is given. Notwithstanding anything to the contrary in the foregoing, Developer reserves any and all rights it may have to challenge in court City's termination of this Agreement and the basis therefor.

(b) Termination by Developer. Developer may terminate this Agreement in its sole discretion at any time, subject to Developer's obligations set forth in Section 3.01 above, Article VI below and Section 10.010 below, which shall survive any such termination. If Developer determines, in its sole discretion, to terminate this Agreement pursuant to this subsection (b), then Developer shall give City, by certified mail, written notice of termination of this Agreement under this Section 5.03(b) and this Agreement shall be terminated thirty (30) days after that notice is given.

Section 5.04. Attorney's Fees. In the event of any litigation by either Party pertaining to this Agreement, the prevailing Party in such litigation, in addition to any other relief which may be granted, shall be entitled to its litigation costs and expenses, including, without limitation, reasonable attorneys' fees.

Section 5.05. Notice of Compliance. Within sixty (60) days after Developer's written request, but no more often than once per calendar year, City shall execute and deliver to Developer a written "**Notice of Compliance**" in recordable form, duly executed and acknowledged by City, that certifies the following, but only if City, in its reasonable discretion, determines the following to be true based on City's actual knowledge as of the date the notice is given:

(a) This Agreement is unmodified and in full force and effect, or, if there have been modification(s) to this Agreement, this Agreement is in full force and effect as modified and stating the date and nature of such modification(s);

(b) There are no known current uncured defaults under this Agreement or, in the alternative, specifying the dates and nature of any such default.

Developer may, in its sole discretion, record any such City Notice(s) of Compliance.

ARTICLE VI INDEMNITY.

Except as expressly limited in this Article VI, Developer shall indemnify, defend (with counsel reasonably acceptable to City), and hold harmless City and its legislative body, boards, commissions, officers, employees, and agents from all liabilities, claims, demands, and losses, including for personal injury, death, and property damage, costs and expenses, including attorney's and expert's fees (collectively, "**Liabilities**") that arise from the approval of this Agreement or the other Project Approval(s) except in the event and to the extent caused by City's gross negligence or willful misconduct. Developer's obligations under this Article VI apply to all Liabilities suffered or alleged to have been suffered, regardless of whether City prepared, supplied, or approved plans or specifications for the Project. However, the obligations of this Article VI do not apply to any Liabilities that arise solely from the operation of public improvements and facilities following City's acceptance of those improvements and facilities.

ARTICLE VII NO AGENCY, JOINT VENTURE, OR PARTNERSHIP.

The Project is a private undertaking of Developer. Neither Party is acting as the agent of the other in any respect hereunder. Each Party is an independent contracting entity with respect to the terms and conditions contained in this Agreement. None of the terms or conditions of this Agreement shall be deemed to create a partnership, joint venture, or joint enterprise between or among the Parties to this Agreement.

ARTICLE VIII SALE, ASSIGNMENT, OR TRANSFER.

Developer shall have the right to sell, assign, or transfer this Agreement (collectively, "**Assignment**"), and all of its rights, duties, and obligations hereunder, to any person or entity ("**Assignee**") at any time during the Term, in connection with the transfer of all

or a portion of the Subject Property, without obtaining City consent. Provided, however, that Developer shall notify City of any such Assignment, and shall also provide to City a copy of a fully executed Assignment and Assumption Agreement for the Assignment at issue, wherein the Assignee expressly assumes the rights and obligations of Developer hereunder as it relates to all or a portion of the Subject Property so Assigned. So long as Developer provides the foregoing notice along with said Assignment and Assumption Agreement, then Developer shall be released by City of any further obligations so assumed under said Assignment and Assumption Agreement.

ARTICLE IX NOTICES.

Unless this Agreement expressly provides otherwise, any notice, demand, or communication required hereunder between City and Developer shall be in writing, and may be given either personally, by overnight delivery, or by registered or certified mail (return receipt requested), to the address specified below:

City:
City of Colusa
Attn: Planning Department
425 Webster Street,
Colusa, CA 95392
With a copy to:
Ryan R. Jones
Colusa City Attorney
6349 Auburn Blvd.
Citrus Heights, CA 95621

Developer:

Amar Cheema
1110 Civic Center, Suite 106D
Yuba City, CA 95993

With a copy to:
The Law Offices of Stephen Stwora-Hail
3626 Fair Oaks Boulevard, Ste. 100
Sacramento, CA 95864

A Party may change its address listed above by giving the other Party written notice in accordance with this Article IX at least (ten) 10 days before the change in address becomes effective. A notice shall be deemed effective on the day it is given if given personally, on the next business day following the date of deposit for overnight delivery, and three (3) business days following the date of mailing if given by registered or certified mail (return receipt requested).

ARTICLE IX MISCELLANEOUS.

Section 10.01. Capitalized Terms. The capitalized terms used throughout this Agreement shall have the meaning assigned to them herein or as otherwise apparent from the context in which they are used.

Section 10.02. No Third Party Beneficiary Rights. This Agreement is not intended nor shall it be construed to create any third party beneficiary rights in any person or entity that is not a Party to this Agreement

Section 10.03. Governing Law. Interpretation of Agreement. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California. Any action to enforce or interpret this Agreement shall be brought in the Superior Court of California, Colusa County or, in the case of any federal claims, in the United States District Court, Eastern District of California.

Section 10.04. Severability. If any term of this Agreement, or its application to any situation, is held invalid or unenforceable in whole or in part for any reason, in a final judgment that is no longer subject to rehearing, review or appeal by a court of competent jurisdiction, then the invalid term shall be severed, and the remaining parts of this Agreement, and the application of any part of this Agreement to other situations, shall continue in full force and effect unless an essential purpose of this Agreement would be defeated by the loss of the invalid or unenforceable provisions, in which case either Party may terminate this Agreement by providing written notice thereof to the other.

Section 10.05. Covenants Running with the Land. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, successors, and assigns (including any person or entity acquiring an interest in any portion of the Subject Property or Project as an Assignee). All of the terms and provisions contained in this Agreement shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to California law including, without limitation, California Civil Code section 1468.

Section 10.06. Further Acts. Each Party shall execute and deliver any and all additional documents and instruments, and perform such further acts, that the executing, delivering, or performing Party determines, in its sole discretion, to be necessary or proper to achieve the purposes of this Agreement.

Section 10.07. Counterparts. This Agreement, and any and all amendments and supplements to it, may be executed in counterparts, and all counterparts together shall be construed as one document.

Section 10.08. Recordation of Agreement. Not later than ten (10) days after the Parties enter into this Agreement, the Clerk of the City Council shall cause this Agreement to be recorded in the Official Records of Colusa County. Developer shall reimburse City for the cost to record this Agreement within thirty (30) days after Developer receives City's written request for reimbursement of same.

Section 10.09. Appeals. Decisions made by the City Manager pursuant to this Agreement may be appealed by Developer, in its sole discretion, to the City Council, wherein it shall be the final decision maker on the matter.

Section 10.010. Cooperation in the Event of Legal Challenge.

(a) In General. In the event of any Third-Party Lawsuit challenging the validity of any provision of this Agreement; the procedures leading to its adoption; the issuance of any or all of the Project Approvals; or any CEQA document(s) approved in connection

therewith, the Parties agree to cooperate in defending the Third-Party in accordance with the terms of this Section 10.010. The Parties shall keep each other informed of all developments relating to such defense, subject only to confidentiality requirements that may prevent the communication of such information. The obligations of this Section 10.010 shall survive the expiration or termination of this Agreement.

(b) Meet and Confer. If a Third-Party Lawsuit is filed, upon receipt of the petition or complaint, the Parties shall have twenty (20) days to meet and confer regarding the merits of such Lawsuit to determine whether they will jointly defend against it, which period may be extended by the Parties' mutual agreement so long as it does not adversely and materially impact any litigation deadlines. City and Developer shall mutually commit to meet all required litigation timelines and deadlines. If City and Developer agree jointly to defend the Third-Party Lawsuit, they shall expeditiously enter a joint defense agreement, which shall include, among other things, provisions regarding the preservation of confidential communications. The City Manager is authorized to negotiate and enter into such joint defense agreement in a form reasonably acceptable to the City Attorney and Developer's attorney. Such joint defense agreement shall also provide that any proposed settlement of a Third-Party Lawsuit shall be subject to City's and Developer's approval, each in its reasonable discretion. If the terms of the proposed settlement would constitute an amendment or modification of this Agreement, the settlement shall not become effective unless such amendment or modification is approved by the Parties in accordance with Applicable Laws, and City reserves its full legislative discretion with respect thereto.

(c) Defense Election. If, after meeting and conferring, the Parties mutually agree (each in its sole discretion) to defend against the Third-Party Lawsuit, then the following shall apply:

(i) For the purposes of cost-efficiency and coordination, the Parties shall first consider defending the Third-Party Lawsuit with common counsel and under terms of a joint representation agreement mutually acceptable to City and Developer (each in its sole discretion), at Developer's sole cost and expense.

(ii) If the Parties cannot reach timely and mutual agreement on a joint counsel, and Developer continues to elect (in its sole discretion) to defend against the Third-Party Lawsuit, then:

(A) Developer shall take the lead role defending such Third-Party Lawsuit and may, in its sole discretion, elect to be represented by the legal counsel of its choice;

(B) City may, in its sole discretion, elect to be separately represented by the City Attorney (and/or outside legal counsel of its choice) in any such action or proceeding with the reasonable costs of such representation to be paid by Developer;

(C) Subject to Section 10.010(e) below, Developer shall reimburse City, within twenty (20) business days following City's written demand therefor, which may be made from time to time during the course of such litigation, all necessary and reasonable costs incurred by City in connection with the Third-Party Lawsuit, including City's administrative, outside legal fees and costs, and court costs.

Notwithstanding anything to the contrary in the foregoing, the Parties intend that City's role under subsection (c)(ii)(B) shall be primarily oversight although City reserves its right to protect City's interests, and City shall make good faith efforts to maximize coordination and minimize its City Attorney and any outside legal costs (for example, minimizing filing separate briefs, and duplication of effort to the extent feasible).

For any Third-Party Lawsuit that Developer has elected to defend under this Section 10.010(c), Developer shall indemnify, and hold harmless City pursuant to Developer's indemnity obligations under Article VI.

(d) Developer Election Not To Defend. If, after meeting and conferring, Developer elects, in its sole and absolute discretion, not to defend against the Third-Party Lawsuit, it shall deliver written Notice to City regarding such decision. If Developer elects not to defend, City has the right, but not the obligation, in its sole discretion to proceed to defend against the Third-Party Lawsuit at its sole cost and expense and shall take the lead role defending such Third-Party Lawsuit and may, in its sole discretion, elect to be represented by the legal counsel of its choice. In the alternative, if Developer and City both elect not to defend against the Third-Party Lawsuit, Developer shall remain obligated to indemnify and hold City harmless from and against any Liabilities that are actually awarded. If, following receipt of Developer's Notice of election not to defend, City opts to take the lead role defending such Third-Party Lawsuit and terminate this Agreement, then City shall be solely responsible for all Liabilities, if any, which are actually awarded from and after such time City has taken such lead role.

Section 10.011. Waiver. Waiver of a default under this Agreement shall not constitute a continuing waiver or waiver of a subsequent breach of the same or any other provision of this Agreement.

Section 10.012. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the representative legal entities of Developer and City.

In witness whereof, the Parties have entered into this Agreement as of the Effective Date.

DEVELOPER:

AMARJIT CHEEMA

By: _____

Print: _____

Title: _____

Amarjit Cheema
Developer
4/28/2021

CITY:

City of Colusa

By: _____

Print: _____

Title: _____

Jesse Cain
City Manager
4/28/2021

Exhibits

Exhibits A-1 and A-2 – Legal Description and Map of the Highway 20 Property

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

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.

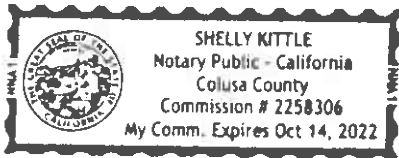
State of California)

County of ColusaOn April 28, 2021 before me, Shelly Kittle, Notary Public,
Date Here Insert Name and Title of the Officerpersonally appeared Jesse Cain
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature Shelly Kittle
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

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

Signer Is Representing: _____

Signer's Name: _____

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

Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

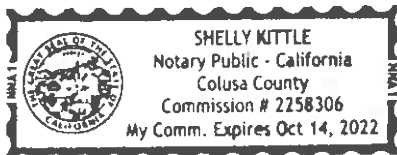
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Colusa)
On April 28, 2021 before me, Shelly Kittle Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Amarjit Cheema
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Shelly Kittle
Signature of Notary Public

Place Notary Seal Above

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☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

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

Signer Is Representing: _____

Exhibits B-1 and B-2 – Legal Description and Map of the Wescott Property

Exhibit C – Impact Fees

Exhibit D-1 – Wescott Road Improvements Map

Exhibit D-2 – Wescott Road Improvements Cost Estimate

Exhibit D-3 – Cost Schedule For Colusa Town Center Intersection

Exhibit E – Wescott Road Vacation

EXHIBIT A-1

Legal Description of the Highway 20 Property.

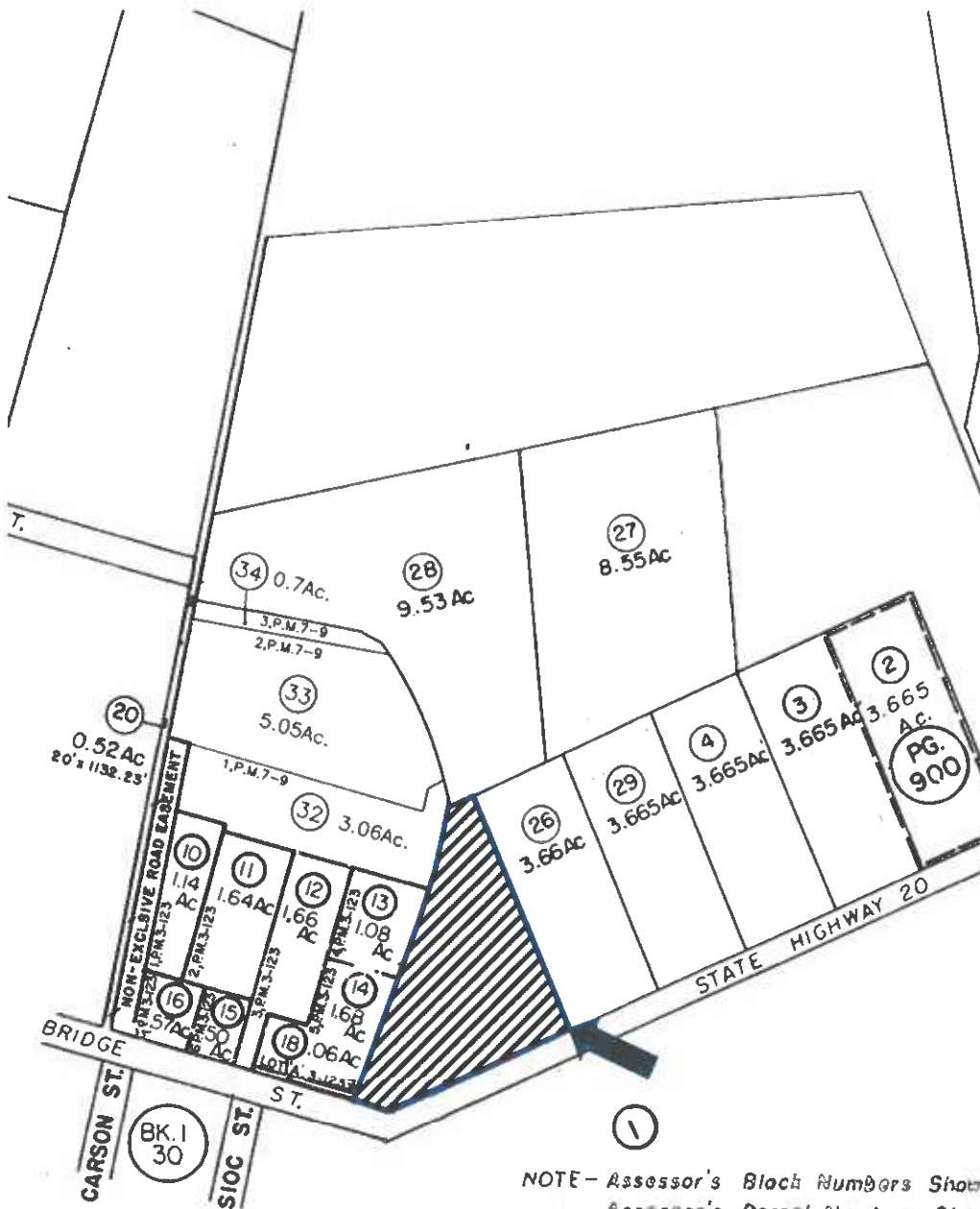
The land referred to is situated in the County of Colusa, City of Colusa, State of California, and is described as follows:

BEGINNING at a point on the Easterly right of way line of the State Highway for Colusa to Meridian and the Northerly property line of the Colusa Irrigation Company's main canal, and from which point of beginning, the Northeasterly corner of the Bedell Tract bears North 72° 54' 19" West, 118.15 feet distant, and running thence from said point of beginning the following courses and distances along the Easterly right of way line of said highway, South 04° 07' 20" West, 52.32 feet, South 06° 59' 00" East, 88.93 feet; thence South 23° 40' 00" East, 433.80 feet to a 3/4 inch iron pipe on said right of way; thence leaving said right of way, North 69° 15' 00" East, 648.90 feet; thence North 23° 40' 00" West, 10.43 feet to a point on the Southerly property line of the Colusa Irrigation Company's property; thence North 34° 10' 42" West, 54.83 feet to a point on the Northerly property line of said Company's property; thence running on and along said Northerly property line of the Colusa Irrigation Company, the following courses and distances: North 75° 54' 36" West, 193.66 feet; thence North 71° 15' 33" West, 302.22 feet; and thence North 68° 42' 36" West, 299.41 feet to the point of beginning.

APN: 002-120-025

EXHIBIT A-2

Map of the Highway 20 Property.



NOTE - Assessor's Block Numbers Show
Assessor's Parcel Numbers

EXHIBIT B-1

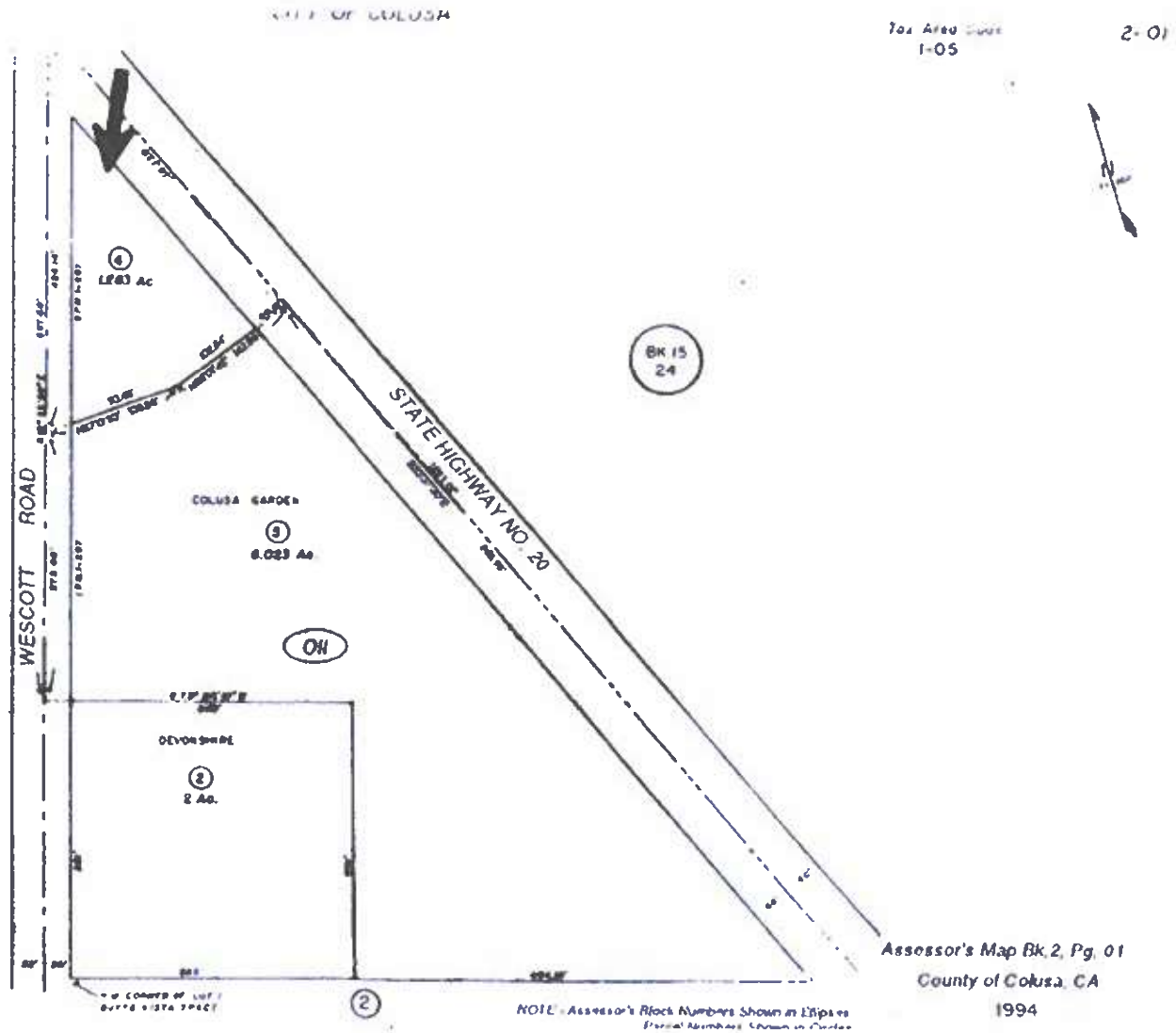
Legal Description of the Wescott Property

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

Parcel No. 2 as shown on that certain Parcel Map for Clarence W. Hebert, filed in the Office of the Recorder of Colusa County on August 8, 1977 in Book 1 of Parcel Maps, at Page 207.

APN: 002-011-004

Map of the Wescott Property.



Impact Fees

* The City does not expect any industrial development in the Western Corridor

EXHIBIT D-1

Wescott Road Improvements Map

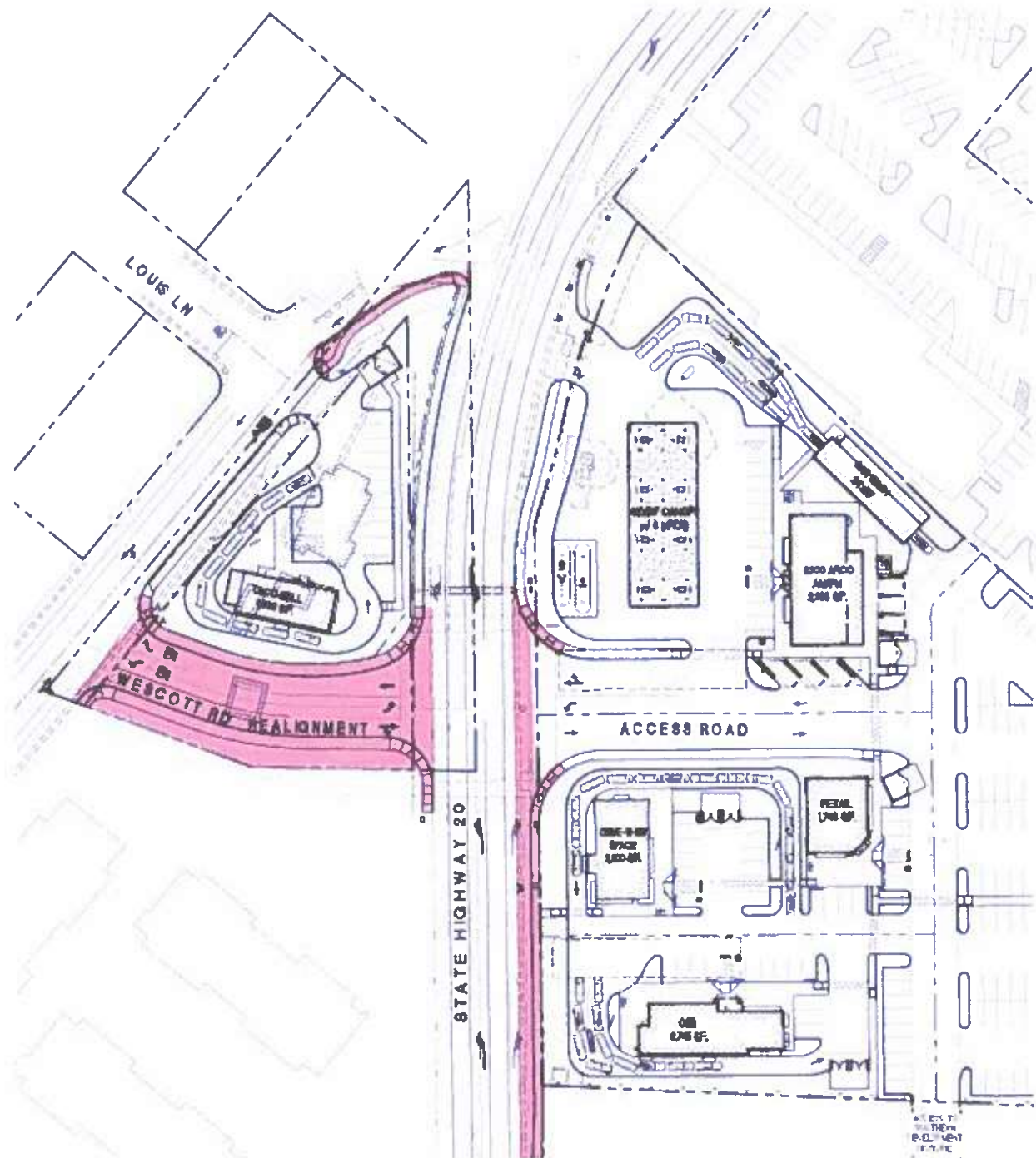


EXHIBIT D-2

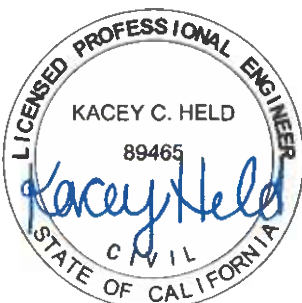
**Wescott Road Improvements Cost Estimate
(attached)**

COST ESTIMATE FORM

Project Name: Colusa Town Center
Street Location: 1601 State Highway 20
Municipality: Colusa, California
Developer: Sutter Equities
Engineer: Kacey Held, PE
Contractor: To be Determined

Date: 11/20/20
No. of Lots: 1
Acreage: 5.93
Sales Tax Rate: 7.3%
Our Job No.: 17828

HARD COSTS	
ITEM DESCRIPTION	ESTIMATED BUDGET
A. CLEARING/GRADING/EARTHWORK	\$221,077
B. EROSION CONTROL	\$20,000
C. FRONTAGE OR OTHER OFF-SITE ROAD IMPROVEMENTS IN PUBLIC RIGHT-OF-WAY	\$405,152
D. LANDSCAPING/FENCING/PARKS/OPEN SPACE	\$28,805
E. SIGNALIZED INTERSECTION	\$416,350
Subtotal Hard Costs	\$1,091,384
SALES TAX ON MATERIALS (7.25% OF 40% OF HARD COSTS)	\$31,650
20% CONTINGENCY	\$218,277
GRAND TOTAL HARD COSTS	\$1,341,311
SOFT COSTS	
ITEM DESCRIPTION	ESTIMATED BUDGET
A. REPORT INVESTIGATION AND DESIGN FEES	\$260,897
B. CONSTRUCTION RELATED SOFT COSTS	\$70,000
Subtotal Soft Costs	\$330,897
GRAND TOTAL HARD COSTS + SOFT COSTS	\$1,672,208



HARD COSTS				
A. CLEARING/GRADING/EARTHWORK				
DESCRIPTION	UNIT	UNIT COST	BUDGET	
			QTY	TOTAL
Mobilization	LS	\$63,183.00	1	\$63,183
Clearing and Grubbing	AC	\$16,500.00	0.6	\$10,671
Concrete Curb Demolition and Disposal	LF	\$5.00	650	\$3,250
AC Removal/Demolition	SF	\$3.00	2,869	\$8,607
Sidewalk Demolition and Disposal	SF	\$3.00	2,778	\$8,334
Mass Excavation and Export	BCY	\$25.00	2,035	\$50,875
Import Structural Fill and Compact	CY	\$30.00	2,035	\$61,050
Demolish Catch Basin	EA	\$920.00	4	\$3,680
Remove Existing Traffic Striping	LF	\$1.00	1,131	\$1,131
Demolish Existing Fence	LF	\$5.00	372	\$1,860
Demolish Existing AC Dike	LF	\$3.00	312	\$936
Demolish Existing Structure	EA	\$5,000.00	1	\$5,000
Remove Existing Pavement Marking	LS	\$2,500.00	1	\$2,500
TOTAL SECTION A				\$221,077
B. EROSION CONTROL				
DESCRIPTION	UNIT	UNIT COST	BUDGET	
			QTY	TOTAL
Erosion Control (includes mirafi silt fence, construction entrance, temporary inlet protection, temporary staging area with concrete washout, street cleaning)	LS	\$20,000.00	1	\$20,000
TOTAL SECTION B				\$20,000
C. FRONTAGE OR OTHER OFF-SITE ROAD IMPROVEMENTS IN PUBLIC RIGHT-OF-WAY				
DESCRIPTION	UNIT	UNIT COST	BUDGET	
			QTY	TOTAL
2-Foot Concrete Curb and Gutter (vertical)	LF	\$30.00	1,166	\$34,980
Concrete Sidewalk (4-inch thick)	SF	\$8.00	7,370	\$58,960
ADA Curb Ramps (with truncated domes)	EA	\$3,500.00	12	\$42,000
HMA Paving	TON	\$180.00	453	\$81,540
Class 2 Aggregate Base	CY	\$90.00	788	\$70,920
Adjust Existing Utility Cover to Grade	LS	\$7,500.00	2	\$15,000
Adjust Existing Utility Pole(s)	EA	\$30,000.00	1	\$30,000
Striping/Channelization Marking	LF	\$2.00	2,271	\$4,542
Pavement Marking	EA	\$20.00	23	\$460
Street Signs - Salvage and relocate existing signs	EA	\$350.00	5	\$1,750
Street Signs - Installed including Posts	EA	\$500.00	10	\$5,000
Traffic Control	LS	\$60,000.00	1	\$60,000
TOTAL SECTION C				\$405,152
D. LANDSCAPING/FENCING/PARKS/OPEN SPACE				
DESCRIPTION	UNIT	UNIT COST	BUDGET	
			QTY	TOTAL
Landscaping (shrubs, plants, irrigation)	SF	\$7.00	2,565	\$17,955
Landscaping Trees	EA	\$350.00	31	\$10,850
TOTAL SECTION D				\$28,805
E. SIGNALIZED INTERSECTION				
DESCRIPTION	UNIT	UNIT COST	BUDGET	
			QTY	TOTAL
Signalized Intersection (includes relocating flashing beacon and interconnection to Sioc)	LS	\$400,000.00	1	\$400,000
Connectivity and power conduit installed during Caltrans widening project	LS	\$16,350.00	1	\$16,350
TOTAL SECTION E				\$416,350

GENERAL NOTES/ASSUMPTION AND QUALIFICATIONS:

1. Engineer cannot and does not guarantee or warrant the accuracy of the unit prices as indicated. These unit prices are based upon engineer's general experience and may be subject to significant variations at the time actual bids are received.
2. This estimate has been prepared for the purpose of giving the client and engineer an approximate understanding of the general range of construction costs that may be expected for this project, based upon the information that the engineer had available at the time this estimate was completed.
3. Engineer makes no guarantee or warranty, expressed or implied, that ALL aspects of the construction effort expected for the project have been included, and the client is advised to budget appropriately for contingencies and items not covered or included in this preliminary summary.
4. Engineer makes no guarantee or warranty, expressed or implied, as to the accuracy of the quantities outlined. If the client desires a more definitive cost estimate, actual construction bids and/or the services of a qualified construction estimator should be utilized by the client.
5. Costs associated with building (vertical) construction.
6. The earthwork quantity is approximate only, and should be verified at the time of bid preparation, based on approved final construction plans.
7. This estimate does NOT include any costs associated with the purchase of off-site slope or utility easements unless noted.
8. This estimate is based on the following exhibit titled "Colusa Town Center Improvement Extents"
9. The unit prices listed are based on the 2020 *BNI Building News General Construction Costbook; 30th edition* and Caltrans Bid Summary Results dated 10/07/2020. The unit prices have been adjusted to reflect the associated construction costs of the Colusa area.
10. The estimated cost associated with signaling the proposed intersection at Highway State 20 and the Westcott Road realignment is approximate only. This estimate was provided by traffic engineer Ken Anderson at KD Anderson & Associates, Inc. If the client desires a more definitive cost estimate, actual construction bids and/or the services of a qualified construction estimator should be utilized by the client.
11. No geotechnical report is available at this time. Structural sections for the Wescott Road Retrofit and Wescott Road Realignment were assumed to be 0.35 feet HMA over 1.15 feet AB using the Public Works Department Improvement Standards dated November 2007. Structural sections along State Highway 20 were assumed to be 0.45 feet HMA over 1.5 feet AB to match the average structural section indicated in Caltrans project plans contract no. 03-2F9804.
12. Listed soft costs were approximated by previously mentioned Caltrans Bid Summary Results and current design proposals by KD Anderson & Associates, Inc., Sunshine Design/IUCG, and Barghausen Consulting Engineers, Inc. and Salem Engineering Group, Inc.
13. Cost opinion does not include costs associated with permit fees, impact fees or inspection fees incurred by the local agency.

EXHIBIT D-3

**Cost Schedule For Colusa Town Center Intersection
(attached)**

COST SCHEDULE FOR COLUSA TOWN CENTER INTERSECTION

Project Name:	Colusa Town Center	Date:	11/20/20
Street Location:	1601 State Highway 20	No. of Lots:	1
Municipality:	Colusa, California	Acreage:	5.93
Developer:	Sutter Equities	Sales Tax Rate:	7.25%
Engineer:	Kacey Held, PE	Our Job No.:	17828
Contractor:	To be Determined		
Total estimated cost:	\$1,672,208		

PAYMENTS MADE TO DATE				
INVOICING PARTY	DESCRIPTION	COST INCURRED	TOTAL COST INCURRED	TOTAL ESTIMATE REMAINING
Barghausen	Preliminary site design and Entitlement submittal preparation.	\$38,311		
Bob Summerville	CEQA analysis	\$3,479		
E Corp Consulting, Inc.	Air Quality Study/GHG Emissions	\$806		
KD Anderson	ICE Study, Traffic Study	\$23,543		
Keys Associates	Preliminary Land survey	\$1,308		
MHM Incorporated	ALTA Survey	\$3,825		
Pacific Excavation Inc. (Teichert Construction)	Connectivity and power conduit installed at intersection	\$16,350		
Miller Starr Regalia	Preliminary Attorney fees	\$2,272		
Salem Engineering	Geotechnical Investigation and Testing	\$1,496		
Scott Gibson - Architect, Inc.	Preliminary Site Design	\$1,681		
Young, Mohan, Cohen, Durrett/ Law Offices of Stephen Stwora-Hail	Land Use Attorney, Development Agreement	\$18,726		
			\$111,797	\$1,560,411

FUTURE ANTICIPATED PAYMENTS					
Jan 2021 - March 2022 (PERMIT OBTAINMENT EFFORT)					
DATE	INVOICING PARTY	DESCRIPTION	ANTICIPATED COST	TOTAL COST INCURRED	TOTAL ESTIMATE REMAINING
Jan 2021-March 2021 (Q1)	Barghausen	Civil Engineering Design Fees	\$15,000	\$143,307	\$1,528,901
	Sunshine Design	Dry Utility Design Fees	\$9,400		
	KD Anderson	Traffic Engineering Design Fees	\$3,110		
	Law Offices of Stephen Stwora-Hail	Land Use Attorney	\$4,000		
	Total		\$31,510		
April 2021-June 2021 (Q2)	Barghausen	Civil Engineering Design Fees	\$15,000	\$182,717	\$1,489,491
	MHM Incorporated	Survey Work (ROW Dedications)	\$7,900		
	Sunshine Design	Dry Utility Design Fees	\$9,400		
	KD Anderson	Traffic Engineering Design Fees	\$3,110		
	Law Offices of Stephen Stwora-Hail	Land Use Attorney	\$4,000		
	Total		\$39,410		
July 2021-Sept 2021 (Q3)	Barghausen	Civil Engineering Design Fees	\$15,000	\$214,227	\$1,457,981
	Sunshine Design	Dry Utility Design Fees	\$9,400		
	KD Anderson	Traffic Engineering Design Fees	\$3,110		
	Law Offices of Stephen Stwora-Hail	Land Use Attorney	\$4,000		
	Total		\$31,510		
Sept 2021-Dec 2021 (Q4)	Barghausen	Civil Engineering Design Fees	\$15,000	\$245,737	\$1,426,471
	Sunshine Design	Dry Utility Design Fees	\$9,400		
	KD Anderson	Traffic Engineering Design Fees	\$3,110		
	Law Offices of Stephen Stwora-Hail	Land Use Attorney	\$4,000		
	Total		\$31,510		
Jan 2022-March 2022 (Q5)	Barghausen	Civil Engineering Design Fees	\$15,000	\$277,247	\$1,394,961
	Sunshine Design	Dry Utility Design Fees	\$9,400		
	KD Anderson	Traffic Engineering Design Fees	\$3,110		
	Law Offices of Stephen Stwora-Hail	Land Use Attorney	\$4,000		
	Total		\$31,510		

April 2022 - September 2022 (ANTICIPATED CONSTRUCTION DURATION)					
DATE	INVOICING PARTY	DESCRIPTION	ANTICIPATED COST	TOTAL COST INCURRED	TOTAL ESTIMATE REMAINING
April 2022-	Contractor	Construction related soft costs	\$11,667	\$509,741	\$1,162,467
		Hard costs including 7.25% sales tax on materials and 20% contingency	\$220,827		
		Total	\$232,494		
May 2022-	Contractor	Construction related soft costs	\$11,667	\$742,235	\$929,973
		Hard costs including 7.25% sales tax on materials and 20% contingency	\$220,827		
		Total	\$232,494		
June 2022-	Contractor	Construction related soft costs	\$11,667	\$974,729	\$697,479
		Hard costs including 7.25% sales tax on materials and 20% contingency	\$220,827		
		Total	\$232,494		
July 2022-	Contractor	Construction related soft costs	\$11,667	\$1,207,223	\$464,985
		Hard costs including 7.25% sales tax on materials and 20% contingency	\$220,827		
		Total	\$232,494		
August 2022-	Contractor	Construction related soft costs	\$11,667	\$1,439,717	\$232,491
		Hard costs including 7.25% sales tax on materials and 20% contingency	\$220,827		
		Total	\$232,494		
September 2022-	Contractor	Construction related soft costs	\$11,665	\$1,672,208	\$0
		Hard costs including 7.25% sales tax on materials and 20% contingency	\$220,826		
		Total	\$232,491		

EXHIBIT E

Wescott Road Vacation

