

CITY COUNCIL
Alma Hernandez, Mayor
Jenalee Dawson, Mayor Pro Tem
Amit Pal, Councilmember
Parise Shepherd, Councilmember
Princess Washington, Councilmember



CITY COUNCIL MEETING

A G E N D A
REGULAR MEETING OF THE SUISUN CITY COUNCIL,
SUISUN CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY,
AND SUISUN CITY HOUSING AUTHORITY
TUESDAY, JUNE 10, 2025
6:30 PM

Suisun City Council Chambers - 701 Civic Center Boulevard - Suisun City, California

Additional Information for the June 10, 2025 Suisun City Council Meeting.

A full City Council agenda, including attachments, is available for review at Suisun City Hall, 701 Civic Center Blvd, Suisun City, CA 94585 (9:00am - 5:00pm) or online at suisun.com.

The City Council agenda is posted on the City website at www.suisun.com, and posted at the main entrance of City Hall among other city locations.

In Accordance with Government Code 54957.5 (b)(1), writings distributed to all or a majority of the Council within 72 hours of the posted City Council meeting are available for review at the at Suisun City Hall, 701 Civic Center Blvd, Suisun City, CA 94585 (9:00am - 5:00pm) or online at suisun.com.

All scheduled meetings of the City Council are recorded and posted on the City website.

In compliance with Brown Act regulations, this City Council meeting agenda was legally posted no later than 5:00pm on June 5, 2025, as listed above.

ADDITIONAL INFORMATION

Agenda Item 3

California Forever Reimbursement Agreement - Updated June 9, 2025- (Prebula: Bprebula@suisun.com).

REIMBURSEMENT AGREEMENT

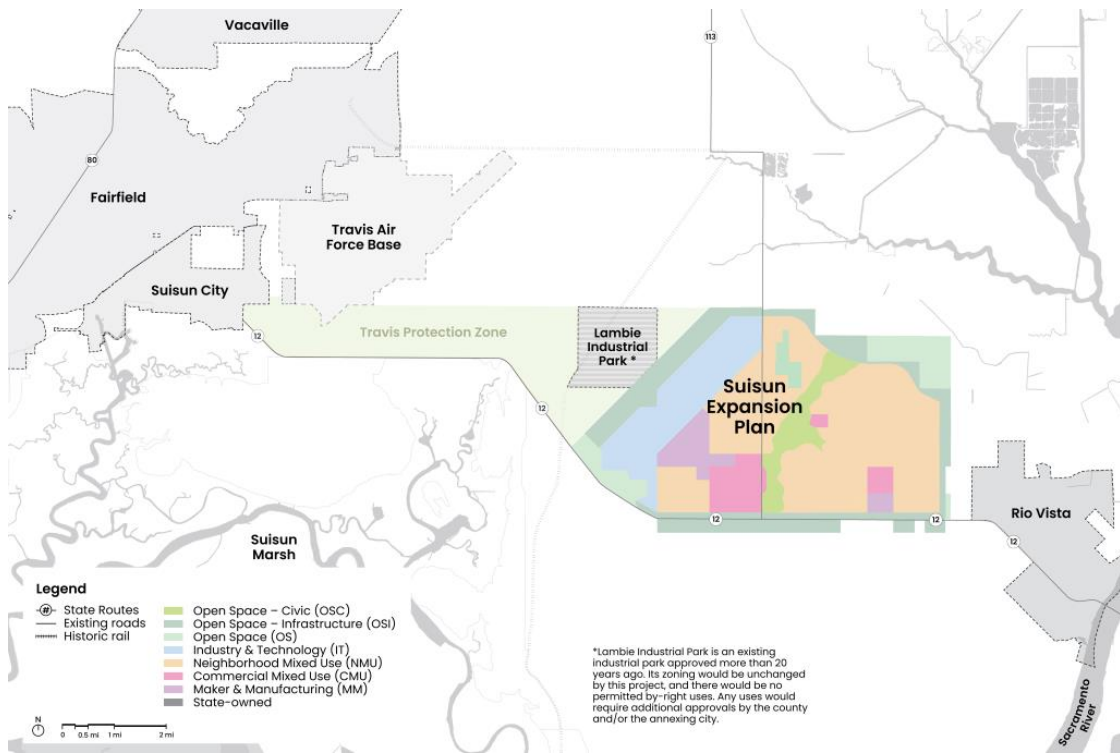
This REIMBURSEMENT AGREEMENT (“**Agreement**”) is dated as of June __, 2025 (“**Effective Date**”), and is entered into by and between the City of Suisun City, a California municipal corporation (the “**City**”) and California Forever LP, a Delaware limited partnership (“**Developer**”). The City and Developer are sometimes individually referred to herein as a “**Party**” and are sometimes collectively referred to herein as the “**Parties**.”

R E C I T A L S

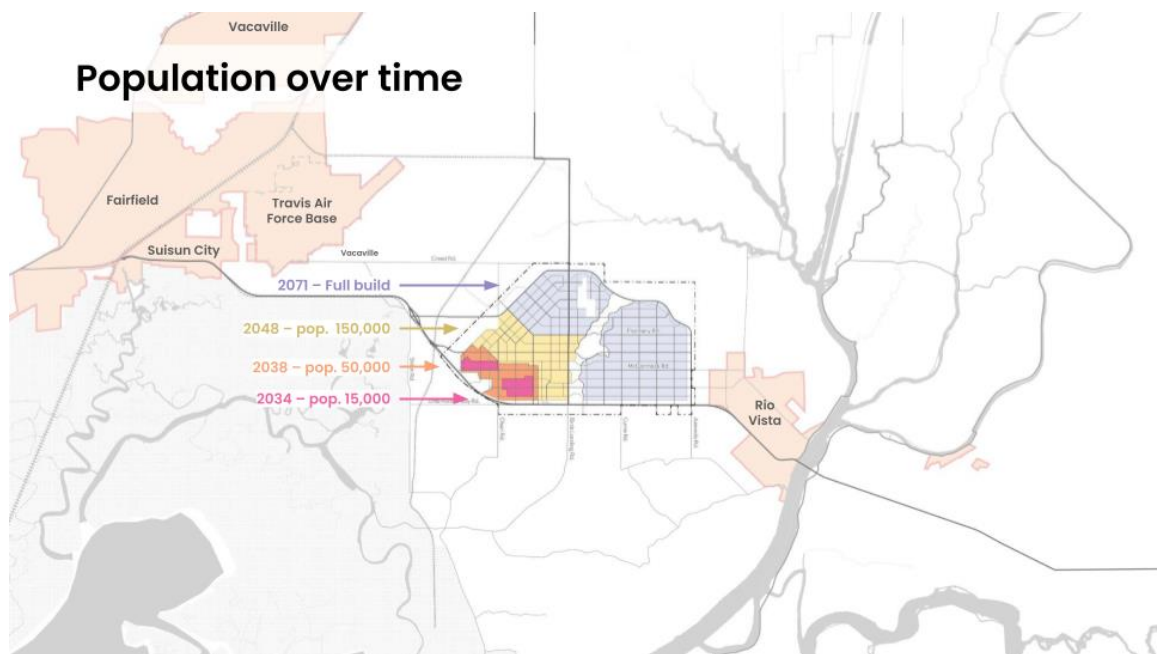
A. Developer has been in the process of planning and entitling a new community in east Solano County. On March 19, 2025, the City sent a letter to Developer inquiring about possible annexation and entitlement of Developer-owned lands in Solano County to the City, attached herein as Exhibit A. On April 1, 2025, Developer responded to confirm its interest, pursuant to letter attached herein as Exhibit B.

B. Developer and City now desire to enter an agreement to establish terms and conditions for the possible expansion of the City’s boundaries east of the City and the annexation of certain real property (the “**Property**”), including a portion of the Property for future development, as depicted below. The proposed development includes, but is not limited to, a new industry & technology zone, homes in safe, walkable neighborhoods, parks, open space, a buffer zone around Travis Air Base, transportation circulation (the “**Project**”). The Property to be considered for annexation consists of:

- 1) the Travis Protection Zone, consisting of approximately 5,726 acres, which would permit ongoing agricultural and habitat conservation uses; and
- 2) the Lambie Industrial Park, consisting of approximately 1,410 acres, an existing industrial park currently located in unincorporated Solano County; and
- 3) the Suisun Expansion Specific Plan, consisting of approximately 15,737 acres.



C. With regard to the growth of the proposed Suisun Expansion Specific Plan, the current phasing plan shows the expected growth of the new area as: (a) 15,000 residents by 2034, (b) 50,000 residents by 2038, (c) 150,000 residents by 2048, and (d) full build out not until 2071.



D. Exploring this annexation and entitlement process will require substantial investment of time and resources by the City. To this end, the City has asked Developer to agree to (a) an exclusive negotiating period, whereby during this City process Developer shall not negotiate or file an application seeking to annex or entitle the Project with any other City, except for the City of Rio Vista as described below in Section 3, and (b) requested that Developer enter a reimbursement agreement whereby Developer shall agree to reimburse the City for all reasonable out-of-pocket costs and expenses incurred in completion of the California Environmental Quality Act (“**CEQA**”) process, preparation and submission of a request for annexation of the Property to Solano County Local Agency Formation Commission (“**LAFCO**”), and consideration of and action on Project entitlements.

E. Pursuant to City Resolution 2025-25, approved by the City on April 15, 2025 and attached hereto as Exhibit C, the City and City of Rio Vista have agreed to work collaboratively regarding the potential annexation of different areas of the Property, as well as other properties owned by Developer (e.g. the Esperson Property discussed below) into the respective cities (the “**Suisun City-Rio Vista MOU**”). Developer and City recognize that the City of Rio Vista will be entering concurrent negotiations with the Developer about the potential annexation and entitlement of certain properties owned by Developer in proximity to Rio Vista, including the approximately 1,054 acres commonly known as the “**Esperson**” Property. Developer and City recognize that in connection with that potential annexation and entitlement process, the City of Rio Vista may desire to also expand further west and annex a portion of the proposed Project. Developer and City agree to work collaboratively and in good faith with the City of Rio Vista regarding the respective annexations and entitlement processes.

F. The City shall exercise its independent judgment in preparing and reviewing CEQA reports and supporting documentation, shall comply with CEQA notice, consultation and comment proceedings including with responsible agencies and others, will hold public hearings and consider public comments, and will certify an environmental impact report (“**EIR**”) and other required CEQA documentation (“**CEQA Documentation**”) through a resolution. The City will complete the CEQA process prior to making a decision on approving (or not) the Developer’s request to extend the City’s boundary through a Property annexation, and/or to approve a Project entitlement. Approval of the Project entitlements shall be at the City’s sole and absolute discretion.

G. Developer agrees that the City, through its staff and professional consultants, including but not limited to contract planners, engineers, environmental professionals, attorneys, and other consultants as the City shall deem necessary (“**Consultants**”), shall review and assist the City in completing such processing and other such actions as may be necessary to consider the annexation and entitlement processes.

H. Public Resources Code Section 21082.1 authorizes the City to contract for planning and environmental review services, including preparation of the environmental documents required by CEQA for the Project.

I. Government Code Section 66014 and Public Resources Code Section 21089 entitle the City to recover its reasonable costs of processing the applications for the land use

entitlements required by the Project, including but not limited to, costs required to complete an EIR, processes in compliance with CEQA, and completing the processes required for the City to take final action on the proposed Property annexation and Project following certification of the EIR.

J. This Agreement is intended to specify the terms of Developer's deposit and reimbursement for the City's planning and environmental review services, including a cash deposit to be made by Developer with on-going payments to City and deposit restoration provisions as provided in this Agreement, and to identify an initial range of potential near-term public benefits to be evaluated in a future development agreement to be considered upon completion of the CEQA process. Nothing in this Reimbursement Agreement in any way commits the City to approving a boundary expansion, Property annexation, or the Project.

K. The intent of the Parties in entering into this Agreement is to establish a specific, limited period of time to discuss the Property annexation and Project, and if the City wishes to proceed, to complete the steps necessary to take final action on the Project entitlement(s), and if approved, submit an annexation proposal to LAFCO.

NOW, THEREFORE, the Parties hereto agree as follows:

1. Shared Goals. In addition to those goals outlined in the Suisun City-Rio Vista MOU, the City and Developer jointly recognize the following shared goals specific to Suisun City:

(a) The City and Developer recognize that any development must be fiscally sound, designed and financed in a manner that it pays the cost of municipal services, and produces a net tax surplus for the City. The City and Developer shall engage a third-party fiscal consulting firm to prepare a fiscal impact report that shall be available to the public

(b) The Project shall be designed in a manner that provides residents of the City with the greatest possible level of certainty and clarity that: (i) the Project will not draw financial resources from existing City tax base, and (ii) the Project will provide a net fiscal benefit that will help improve the provision of services for existing Suisun City residents.

(c) The City and Developer are jointly committed to protecting and strengthening Travis Air Force Base ("**Travis AFB**"). The City and Developer shall jointly work with Travis AFB to ensure that (a) land uses around Travis AFB protect and strengthen the base, including necessary buffer areas where development is restricted to protect base operations, and (b) the Project supports the quality of life for Travis AFB personnel and their families, including housing, education, childcare, healthcare, and spousal employment.

(d) The Development Agreement shall be negotiated to provide the earliest possible public benefits to the City and its existing residents, as described in Section 4.

2. Term. The term of this Agreement shall commence on the Effective Date and shall end three (3) years thereafter (the "**Term**"), unless extended by a mutual written agreement of the Developer and the City. In addition to termination based on the expiration of the Term, either

the City or Developer may terminate this Agreement early, with or without cause, upon a thirty (30) day written notice to the other Party, consistent with Section 19, below.

3. Reimbursement & Exclusivity.

(a) The Parties agree that Developer shall reimburse the City for its costs in completing the CEQA, annexation and entitlement processes as set forth in this Agreement, including Section 5 below.

(b) Developer shall not negotiate with any city other than Rio Vista regarding the potential terms, conditions, covenants, restrictions, and agreements for the development of the Project and annexation of the Property into another city (provided that for the avoidance of doubt, the Developer may negotiate and file an application to entitle the Project in unincorporated Solano County). The foregoing period (“**Exclusive Negotiation Period**”) shall apply for a period of twelve (12) months from the Effective Date, which shall thereafter be renewed for successive periods of six (6) months as long as the Developer has delivered to the City, prior to the expiration of the then-current six (6) month period, a written confirmation that the Exclusive Negotiation Period shall be extended for another six (6) months. If the Developer fails to timely deliver such notice, then this Agreement shall continue, including the reimbursement provisions and obligations of the Developer, but this Section 3(b) and the exclusivity provisions of this Agreement shall cease to apply. If Solano County approves the Project and its entitlements substantially in its full-scale as currently proposed, after Developer has offered to the City to approve the Project on substantially similar terms and the City did not take such action, Developer shall pay the City \$1,000,000 as a termination fee no later than 60 days following certification of an EIR and execution of a Development Agreement with Solano County.

4. Early Public Benefits. The Parties agree that commencement of Project construction is contingent on approvals from the City as well as various local, regional, and state agencies that are not party to this Agreement. Since LAFCO and other responsible agencies, must withhold formal decision making until after the City certifies the EIR, and since certain entitlements can take effect only following annexation approvals and other actions by agencies not a party to this Agreement, the Parties agree that to take into account such potential delays, while providing for lawful public benefits to the City following the City’s certification of the EIR and approval of Project entitlements, the Developer hereby agrees that if the EIR is certified, and Property annexation actions and Project entitlements are approved by the City, then the Development Agreement shall include the following initial commitment of fiscal public benefits to the City, and to avoid delayed delivery of these public benefits, Developer agrees that these initial public benefits shall be due and paid at the milestones specified in subsections (a) and (b) below:

(a) After approval by City: The Development Agreement shall require the Developer to pay to the City \$3,500,000 towards goals specified in Section (c) below within thirty (30) days of certification of the EIR by the City and mutual execution of the Development Agreement. This payment shall be delivered in cash only and is not subject to in-kind conveyance or offset. The Developer acknowledges that while generally the Development Agreement’s effectiveness shall be conditional on LAFCO approval, the applicable section regarding payment

of this sum of \$3,500,000 shall not require approval by LAFCO or any other agency other than the City.

(b) After approval by LAFCO: The Development Agreement shall require the Developer to pay to the City \$6,500,000 towards goals specified in Section (c) below within thirty (30) days of approval of Property annexation by LAFCO. This payment shall be delivered in cash only and is not subject to in-kind conveyance or offset.

(c) Allocation: The City Council shall allocate early public benefits funds to enhance public services, infrastructure, and economic development, and shall report to the public on the use of these funds to ensure the effective and transparent use of resources. By way of example, possible uses of the funding include but are not limited to:

(1) Public Safety: Enhanced public safety services, including increased patrolling of the Downtown Waterfront Area and assistance with unhoused population issues.

(2) Roadway and Sidewalk Improvements: Funding for roadways, sidewalks, and other transportation infrastructure within existing Suisun City boundaries, including but not limited to equipment replacement, transportation management software, and other maintenance, management and improvement costs.

(3) City Parks: Enhanced maintenance and improvements for City Parks.

(4) Marina Improvements: Enhanced maintenance and boating / marina improvements including ancillary needs around the boating/marina facilities.

(5) Facade Enhancements: Funding for facade enhancement designed to improve the exterior appearances of buildings located within the current boundaries of the City.

5. Project Costs. All Project Costs, whether borne by the City or by Developer, shall be the sole responsibility of, and undertaken at the sole cost and expense of, the Developer. “**Project Costs**” shall mean the following fees, costs, or expenses, incurred on or after June 9, 2025 and during Term:

(a) All fees or expenses of Consultants retained by the City for any study, analysis, consultation, evaluation, report, schedule, estimate, environmental review, planning or design activities, drawings, specifications or other activity or matter relating to the Project or negotiation or documentation of agreements related to the Project, including but not limited to, a future Development Agreement, Specific Plan, Subdivision Map Act work, planning, environmental studies and public outreach that may be undertaken by City, pursuant to or in reliance upon this Agreement.

(b) Costs of preparing necessary documents pursuant to Planning and Zoning law (Government Code sections 65000 et seq.), Solano County Local Agency Formation

Commission, Solano County Airport Land Use Commission, County of Solano and any other governmental entities, CEQA Documentation and, as applicable, the National Environmental Policy Act, and additional supporting documentation, as legally required for the Property annexation, all Project entitlement(s), and development.

(c) Costs of distributing CEQA Documentation to responsible agencies and others; noticing and holding public hearings and considering public comments on the CEQA documents and reports, and considering approval or certification of CEQA Documentation and reports and other documentation through a resolution in accordance with CEQA.

(d) Costs of preparing, processing, and certifying the EIR and any additional necessary environmental review.

(e) Litigation and other legal costs associated with CEQA or other challenges, including challenges of any kind to the EIR, annexation, and Project entitlements.

(f) Fees and expenses of any Consultants including, without limitation, attorneys employed by City in connection with the Project, Property annexation, and Project entitlements.

(g) Studies, reports, and design services related to development of any Project-related infrastructure.

(h) Costs of all City personnel (full-time and part-time positions) expended on the Project in excess of Planning and Zoning fees paid by Developer, at their fully burdened rates (see rate schedule attached hereto as Exhibit D);

(i) All fees, charges and costs, including all deposits, bonds or other securities associated with the submission to and processing by the City of any and all applications and other documents and information submitted to the City by the Developer pursuant to this Agreement, and otherwise required for the City to take final action on the Property annexation and Project entitlements.

(j) Any and all other actions reasonably taken by City in connection with processing of application for the Project.

6. Deposit: Within 15 (fifteen) days of the Effective Date, Developer shall deposit the sum of \$400,000 into the City's escrow account ("**Initial Deposit**"). Thereafter, the City and Developer shall work together to establish an appropriate budget and schedule, and agree the same for the next 6 months. Notwithstanding anything else to the contrary in this Agreement, Developer's liability under this Agreement shall not exceed the Initial Deposit, plus any budget pre-approved in writing by Developer. The City and Developer shall update the budget and schedule on a quarterly basis. The City will provide Developer monthly with copies of non-privileged portions of invoices from City's Consultants, and reasonable itemized documentation regarding City staff time. The City shall monitor its expenses and the balance in the deposit account. Whenever City believes, in good faith, that there will be insufficient funds to pay all of its Project Costs for the next 90 days, City may make a written request to Developer for additional

funds (“**Additional Advance**”). City’s request for the Additional Advance shall state the existing balance and the additional amount requested. City may request the funds it reasonably believes necessary to cover a period not exceeding 90 days. The deposit account shall generally maintain a minimum balance of Four Hundred Thousand dollars (“\$400,000.00”). The Initial Deposit and Additional Advance funds are hereinafter collectively referred to as the “Deposit.” Developer shall make the Additional Advance within thirty (30) days of City’s written request therefor. If Developer fails to timely make the Additional Advance, City may cease all additional work by staff and consultants on the Project, until City receives the Additional Advance from Developer. The Deposit shall be managed in a separate account and not commingled with other funds of City. The Deposit shall not accrue interest. City shall administer the Deposit and use the Deposit to reimburse City for Project Costs. City shall maintain satisfactory accounting records as to the expenditure of the Deposit at all times.

7. Dispute Resolution: In the event of any disagreement between the City and Developer regarding Project Costs, the Parties shall first meet in good faith to try and resolve the issue. Developer reserves the right to reimburse costs under protest, and the Parties agree to submit the dispute to the dispute resolution procedures identified in Section 25.

8. Final Accounting: Within two (2) business days of termination of this Agreement (or in early case of early termination, within two (2) business days of receipt of the Developer’s early termination notice), the City shall instruct all parties whose services have been or are being reimbursed under this Agreement to immediately stop further work, and provide final invoices to the City. The City shall provide final accounting to Developer within thirty (30) days of the termination of this Agreement. Within ten (10) days thereof: (a) if there is excess of escrowed funds, the City shall refund the same to Developer; (b) if there is lack of escrowed funds, Developer shall pay the remaining final balance to the City. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

9. Conflicts of Interest.

(a) No Financial Relationship. During the term of the City’s contract with De Novo Planning Group (“**Environmental Consultant**”) to review and finalize the CEQA Documentation for the Project, and for a period of three months after certification of the EIR and the City’s action on the proposed Property annexation and Project entitlement(s), neither Developer nor its affiliates shall enter into any financial relationship with the Environmental Consultant or with any City official or employee. Nor, during such period, shall Developer propose to enter into any future relationship with the Environmental Consultant or with any City official or employee. The City retains the right to change its environmental consultant during the course of this Agreement. In such event, City will provide written notice to Developer and will manage the transition to avoid or minimize delays and additional costs resulting from any such transition.

(b) Developer’s Representations and Warranties. Developer represents and warrants to the City that during the 12-month period preceding the Effective Date, Developer has not entered into any arrangement to pay financial consideration to, and has not made any payment to, the Environmental Consultant. Developer further represents and warrants that it has not

entered into any arrangement to pay financial consideration to, and has not made any payment to, any City official or employee that would create a legally cognizable conflict of interest as defined in the Political Reform Act (Gov. Code § 87100 *et seq.*).

10. No Obligation To Approve.

(a) Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the City or Developer to accept, approve, or adopt the LAFCO Package, a Development Agreement, specific plan, or other approvals or entitlements for the Project. Nothing in this Agreement shall be interpreted or construed as a guaranty, warranty, or representation that the City Council of the City will approve any proposed Development Agreement negotiated by City staff and Developer for the Project. Further, nothing in this Agreement is or is intended to bind the City to taking any particular action on Property annexation or Project entitlement(s) before completing the required CEQA process, including but not limited to consideration of comments on the EIR, such that the City's consideration of final action on the Property annexation and Project entitlement(s) is first and fully informed by a certified EIR.

(b) Developer acknowledges and agrees that: (i) under this Agreement, City is not committing itself or agreeing to enter into an expansion of its boundaries or development, or to approving the Property annexation or any Project entitlements; (ii) no provision of this Agreement shall be deemed to be an offer by City, nor an acceptance by City of any offer or proposal from Developer, for City to convey any estate or interest in the Property to Developer or for City to provide any financial or other assistance to Developer for development of the Project or the Property; (iii) Developer has not acquired, nor will acquire, by virtue of the terms of this Agreement, any legal or equitable interest in real or personal property from City; (iv) any further efforts, after the completion of the term, by either Party to perform due diligence, arrange or obtain financing, or carry out other acts in contemplation of the possible acquisition, transfer or development of the Project shall not be deemed evidence of intent by either Party to be bound by any terms, conditions, covenants, restrictions or agreements relating to acquisition, transfer or development of the Project. Notwithstanding the foregoing and anything else in this Agreement, provided Developer fulfills its obligation to reimburse the City's costs and other obligations under this Agreement, the City agrees to complete the CEQA process, inclusive of certifying a final EIR for the Property annexation and Project entitlements, with both Parties recognizing that certification of the EIR is a separate action which does not, in any way, bind the City to thereafter approve the LAFCO Package or Project entitlements. Developer acknowledges and agrees that after the EIR certification, the City's consideration of the Property annexation and Project entitlements is subject to the sole and absolute discretion of the City Council.

(c) Subject to the reimbursement requirements set forth below, Developer further acknowledges and agrees as follows with respect to its request for Property annexation and Project entitlements:

(1) City has sole discretion to select which of its employees, Consultants, and Environmental Consultant are assigned to work on the application;

(2) City has sole discretion to direct the work and evaluate the performance of its employees, Consultants, and Environmental Consultant assigned to work on the application, and City retains the right to terminate or replace at any time any such person;

(3) City has sole discretion to determine the amount of compensation paid to its employees, Consultants, and Environmental Consultant assigned to work on the application; and

(4) City, not Developer, shall pay City's employees, Consultants, and Environmental Consultant assigned to work on the application from a City account. City employees and Consultant costs shall be paid by the City from the Deposit required by Section 6 of this Agreement.

(d) The Parties acknowledge and agree that the processing of Developer's request for annexation and Project entitlements is not contingent on the hiring of any specific consultants, Consultants, or Environmental Consultant.

(e) The Project remains subject to the City's full exercise of discretion as a lead agency to consider the EIR and to approve or disapprove the Project, including the authority to require the Project to undertake mitigation measures as may be set forth in the EIR. The City, at this time, is not committing to approve or undertake the Project. The City reserves all necessary discretionary authority to approve, deny, or condition the Project, including the authority to adopt any mitigation measures or alternatives necessary to avoid or substantially lessen the environmental impacts of the Project. Any approval of the Project itself is expressly conditioned on final CEQA review. The City's approval of this Agreement therefore does not constitute an approval of the Project and is not a decision subject to CEQA. (*Concerned McCloud Citizens v. McCloud Community Services Dist.* (2007) 147 Cal.App.4th 181; *Cedar Fair, L.P. v. City of Santa Clara* (2011) 194 Cal.App.4th 1150.)

11. Processing of Property Annexation and Project Entitlement Applications.

(a) The City shall accept for processing all application materials and related documentation for Property annexation and Project entitlements submitted by Developer. The City shall timely process and consider all applications and related documentation for City action that are necessary or desirable for the efficient and economical processing of the annexation and Project entitlement applications. Not later than sixty (60) calendar days following the Planning Commission's final recommendation of the Project, the City Council shall hold a duly noticed public hearing on the Project. The Parties intend that all discretionary entitlements, final legislative actions, and quasi-judicial approvals necessary to proceed with annexation of the Property with LAFCO and entitlement of the Project will be considered at the same public hearing. The parties acknowledge that some final legislative actions by the City require two (2) separate meetings at least five (5) calendar days apart under applicable state law.

12. Compliance with CEQA Guidelines: Independent Judgment. CEQA Guidelines Sections 15074 and 15090 require the lead agency to exercise its independent judgment in approving environmental documents. Payment of the cost of preparation of the environmental documents by Developer does not undermine the independent preparation of the environmental

documents by City so long as any consultant hired to review and finalize the environmental documents is under contract to and directed by City. (Pub. Res. Code § 21082.1(a)). It is understood that any such Consultant hired by City to review and finalize environmental documents, shall be under contract with and directed by City or City's authorized representative, and Developer shall not attempt to direct, influence, or otherwise control the consultant in the performance of the work. Developer shall direct any questions or concerns to City. City and Developer acknowledge that all applicable requirements of CEQA including the CEQA Documentation must be met in order for the City to pursue LAFCO approval for annexation, and for the City to approve any Project entitlement(s) including but not limited to General Plan amendments, Specific Plan and other rezoning, subdivision mapping, and approval of a Development Agreement. The Parties recognize that execution of this Agreement does not constitute "approval" of a "project," as those terms are defined by CEQA, and does not in any way limit the ability of City to consider alternatives or mitigation measures for any project as required to comply with CEQA. The City acknowledges that Developer has commenced analysis pursuant to CEQA in connection with the Project. Developer shall provide the City with all available CEQA Documentation as part of Developer application documents, including but not limited to studies, analyses, graphics, and draft documentation prepared by Developer.

Upon receipt of Developer's CEQA Documentation, the City shall conduct an independent review of these documents as required by CEQA. The City shall exercise its independent judgment in determining the adequacy of the submitted documentation, whether additional studies or supplemental analyses are required, and issue a Draft EIR for public review and thereafter complete the CEQA process and certify the EIR.

Developer acknowledges that, at the City's discretion, additional environmental and/or technical studies, revisions, or new analyses may be necessary for the City to complete its independent review and comply with CEQA. Any such additional work shall be conducted at the Developer's sole cost and expense. Developer agrees to cooperate with the City in providing any further information or documentation necessary to complete the CEQA review process in compliance with all applicable laws and regulations.

13. No Third-Party Beneficiary. Nothing in this Agreement is intended to benefit any person or entity other than City and Developer.

14. Assignment. Developer recognizes the importance of the development of the Project to the general welfare of the City, and the specific qualifications and identity of Developer and its principals are of particular concern to the City. The City acknowledges that Developer may intend to form one or more new entities to be the developer(s) that will be party to the Project that is controlled by the parties comprising Developer, as currently constituted. This Agreement may not be assigned by the Developer to an entity other than one that is controlled by Developer without the prior express written consent of the City in its sole discretion, which consent shall not be unreasonably withheld.

15. Indemnification and Hold Harmless.

(a) **Non-liability of City Concerning Entitlements.** The Parties acknowledge that there may be challenges to the legality, validity, and adequacy of the CEQA Documentation, Property annexation and Project entitlement(s), and/or this Agreement which, if successful, could delay or prevent the development of the Project. City shall have no liability under this Agreement for Developer's inability to develop the Project as a result of a judicial determination that the CEQA Documentation, Property annexation or Project entitlement is, or any portions thereof, are invalid, inadequate, or not made in compliance with law. In the event of an adverse judicial outcome, Developer may apply to the City to correct any identified legal deficiencies in the CEQA Documentation, annexation and/or entitlement process, at which time a new Deposit shall be required and this Agreement shall be reinstated as effective until such time as the City completes the required processing to correct any such deficiency or until this Agreement is terminated by mutual agreement or non-performance of the Developer.

(b) **Participation in Litigation; Indemnity.** Developer agrees to indemnify, protect, defend, and hold harmless City and its officials, officers, employees, agents, elected boards, commissions, departments, agencies, and instrumentalities thereof, from any and all actions, suits, claims, demands, writs of mandamus, liabilities, losses, damages, penalties, obligations, expenses, and any other actions or proceedings (whether legal, equitable, declaratory, administrative, or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to, arbitrations, mediations, and other such procedures), including, but not limited to, attorneys' fees and costs (herein the **"Claims and Liabilities"**), arising from or related to this Agreement, CEQA Documentation, Property annexation, or Project entitlement(s). Developer shall be fully responsible for any monetary judgment arising therefrom, whether such Claims and Liabilities are brought under CEQA, planning and zoning laws, the Subdivision Map Act, Code of Civil Procedure Sections 1085 or 1094.5, or any other federal, state, or local law, rule, regulation, or any applicable judicial decision. The Parties acknowledge and agree that Developer may be required to deposit funds to cover its indemnification obligation or to provide other security if any such litigation is commenced. If Developer fails to timely pay such funds, City may abandon the action without liability to Developer and may recover from Developer any attorneys' fees and other costs for which City may be liable for abandonment of the action. City shall provide Developer with notice of the pendency of such action and request that Developer pay for the costs to defend such action. Developer's obligation to pay the defense costs of City shall extend until final judgment, including any applicable appeal periods or appellate decisions.

(c) **Choice of Counsel.** It is expressly agreed that the Parties reserve the right to retain independent defense counsel of their choosing. Provided Developer is fulfilling its obligations to indemnify under Section 15(b) above, the Developer may, at its sole discretion, retain its own counsel and defend any such claim challenging CEQA, the Property annexation or Project entitlement(s), and the Parties shall cooperate with respect to such defense.

(d) **Exception.** The obligations of Developer under this Section shall not apply to any claims, actions, or proceedings arising through the gross negligence or willful misconduct of City, its members, officers, or employees.

(e) **Survival of Indemnity Obligations.** All indemnity provisions set forth in this Agreement shall survive the expiration or termination of this Agreement.

16. **Agreement Not a Financial Debt or Liability of City.** The Parties agree that this Agreement does not create a financial debt or liability of City. City shall not be obligated to advance any of its own funds with respect to the environmental documents. No City official, officer, employee, or agent shall be personally liable to Developer under this Agreement to any extent.

17. **Attorney-Client Privilege Not Waived.** Nothing in this Agreement shall be construed to abrogate or waive the City's or the Developer's attorney-client privileges.

18. **Qualification for Business; Authority to Sign.** Each person signing this Agreement on behalf of Developer represents and warrants that Developer has been and is qualified to do business in the State of California, that Developer has full right and authority to enter into this Agreement, and that all persons signing on behalf of Developer were authorized to do so by appropriate actions, that all signatures were duly delivered, and that this Agreement binds Developer.

19. **Notices.** Any notice, request, approval, or other communication to be provided by one Party to the other shall be in writing and by certified mail, return receipt requested, or a reputable overnight delivery service (such as Federal Express) addressed as follows, with a mandatory email copy to the email addresses specified below.

If to the Developer:

California Forever LP
2108 N ST # 9555
Sacramento, CA 95816
Attn: Jan Sramek
Email copy: legal@californiaforever.com
With required copy to:
Holland & Knight, LLP
560 Mission Street, Suite 1900
San Francisco, CA 94105
Attn: Jennifer Hernandez
Email copy: Jennifer.Hernandez@hklaw.com

If to the City:

City of Suisun City
701 Civic Center Blvd
Suisun City, CA 94585
Attn: City Manager

With required copies to:
Richards, Watson & Gershon
2300 N Street, Suite 3
Sacramento, CA 95816
Attn: Patrick Enright
Email copy: penright@rwglaw.com
Stoel Rives LLP
500 Capitol Mall, Suite 1600
Sacramento, CA 95814
Attn: Timothy Taylor
Email copy: tim.taylor@stoel.com

Notices shall be deemed delivered: (i) if sent by certified mail, then upon the date of delivery or attempted delivery shown on the return receipt; or (ii) if delivered by reputable overnight delivery service that provides a receipt with the time and date of delivery, then one (1) business day after delivery to the service as shown by records of the service.

20. Integration. This Agreement constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof. There are no agreements or understandings between the Parties and no representations by either Party to the other as an inducement to enter into this Agreement, except as may be expressly set forth herein, and this Agreement supersedes any and all prior discussions and negotiations between the Parties.

21. Exhibits. The Exhibits attached to this Agreement are each incorporated herein by this reference.

22. Amendments, Modification of Agreement. This Agreement may not be altered, amended, or modified except by a writing duly authorized and executed by all Parties. The City Manager shall have the authority to implement this Agreement, including, without limitation, to issue in writing waivers and/or approvals required to be obtained by the City hereunder, so long as those approvals are within the authority of the City Manager. Any amendments to this Agreement shall require the approval of the City Council.

23. Waiver. No provision of this Agreement may be waived except by an express written waiver duly authorized and executed by the waiving Party.

24. Choice of Law. This Agreement, and any dispute arising from the relationship between the Parties, shall be governed by, construed in accordance with, and interpreted under the laws of the State of California.

25. Dispute Resolution. Each Party agrees to provide the other Parties no fewer than thirty (30) calendar days' notice in accordance with the notice provisions in Section 19 of any dispute, claim, or disagreement arising out of or in connection with this Agreement. During the thirty-day notice period, the Parties agree to attempt in good faith to resolve the issue. If the Parties do not reach resolution of the issue, any dispute concerning this Agreement must be resolved first by participation in a mediation by a mediator mutually agreed upon by the Parties. If mediation is unsuccessful, the dispute may be resolved by arbitration in Solano County, California according to the JAMS Comprehensive Arbitration Rules and Procedures (the "**Rules**"), as such Rules may be amended or changed from time to time, except to the extent amendments to the Rules are agreed by the Parties in writing to effectuate a final arbitration decision within 60 days as required herein. There shall be one arbitrator, who shall be a retired federal judge, or to the extent that former federal judges are unavailable or the Parties agree, California state court judges with experience litigating commercial business disputes in California courts. The arbitrator shall be appointed by JAMS in accordance with its rules. In resolving the dispute, the Parties intend that the arbitrators shall apply the substantive laws of the State of California, without regard to any choice of law principles thereof that would mandate the application of the laws of another jurisdiction. The California Arbitration Act shall govern any arbitration brought under this Section. The Parties incorporate the entirety of Section 1283.05 of the California Code of Civil Procedure ("**Section 1283.05**") in this Section, such that discovery shall be conducted pursuant to and as allowed by Section 1283.05. The Parties intend that the provisions to arbitrate set forth herein be valid, enforceable and irrevocable, and any award rendered by the arbitrators shall be final and binding on the Parties. The Parties agree to comply with any award made in any such arbitration proceedings and agree to enforcement of or entry of judgment upon such award in a court of competent jurisdiction in Solano County, California. Notwithstanding the foregoing, either Party may seek preliminary injunctive relief in emergent circumstances involving the risk of irreparable harm in a court of competent jurisdiction simultaneously with following the procedures set forth above.

26. Ambiguities. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in interpreting this Agreement.

27. Time of Essence. Time is of the essence of each and every provision hereof in which time is a factor.

28. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute the same Agreement.

[signature page follows]

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

CITY:
CITY OF SUISUN CITY

DEVELOPER:
CALIFORNIA FOREVER LP

By: _____
Alma Hernandez, Mayor
Attest:

By: _____
Name: Jan Sramek
Title: Founder & CEO

Anita Skinner, City Clerk
APPROVED AS TO FORM:

Patrick Enright, City Attorney

EXHIBIT “A” – INVITATION FROM SUISUN CITY



CITY OF SUISUN CITY

701 Civic Center Blvd.
Suisun City, California 94585
Incorporated October 9, 1868

Date: March 19, 2025

To: Flannery Associates, LLC

Address: 2108 N Street #6499, Sacramento, CA 95816

Subject: Suisun City Boundary Expansion

Dear Flannery Associates, LLC,

The City of Suisun City is exploring the possibility of expanding its boundaries, and your property (APN: 0042-100-150... [including additional APNs]) is currently in unincorporated Solano County, in proximity to the city, and outside of the Suisun Marsh. We are reaching out to gauge your interest and willingness to explore annexation into the City.

Annexation would bring several benefits, including but not limited to:

- Enhanced police and fire protection
- Inclusion in our in-depth Parks and Recreation services
- Access to other municipal services
- Eligibility for city infrastructure improvements

City Council will continue to go through a planning process around its interest in any newly annexed land, but its initial considerations are:

- Travis Protection Zone; establishing a buffer zone (Suisun Greenbelt) around Travis Air Force Base to permanently protect Travis AFB.
- Increase well-paying jobs to allow people to live and work with far less commute.
- Increase commercial zones around essential day-to-day retail and specific high-quality consumer retail.
- Diversity in housing type and affordability levels
- Net fiscal benefit to support ongoing operational and capital service needs citywide

We understand that annexation is an important decision, and we want to ensure you have all the necessary information. To that end, we invite you to email Development Director Jim Bermudez at jbermudez@suisun.com to schedule an appointment to discuss this possibility in more detail.

Our goal is for staff to bring back any interested parties for City Council consideration on April 15th, so we would appreciate it if you could let us know if you have any interest before that deadline.

We appreciate your time and look forward to your engagement in this critical community discussion.

Sincerely,

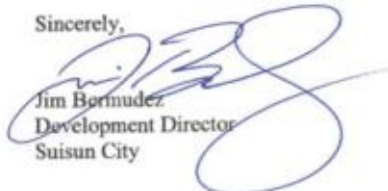

Jim Bermudez
Development Director
Suisun City

EXHIBIT “B” – RESPONSE FROM DEVELOPER



via Email Only

City of Suisun City
701 Civic Center Blvd
Suisun City, CA 94585
Attn: Jim Bermudez
Development Director

April 1, 2025

Dear Mr. Bermudez,

Thank you for your letter dated March 19, 2025, where you asked us to clarify *"your interest and willingness to explore annexation into the City"*.

California Forever is interested in exploring the possibility of annexation into Suisun City. If you could please let us know regarding any proposed next steps, we would appreciate it.

Sincerely,

A handwritten signature in black ink that reads "Jan Sramek".

Jan Sramek
Founder & CEO

EXHIBIT “C” – Suisun City-Rio Vista MOU

RESOLUTION NO. 2025-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY
APPROVING A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE
CITIES OF SUISUN CITY AND RIO VISTA FOR COLLABORATIVE EXPLORATION OF
ANNEXATION AND REGIONAL PLANNING RELATED TO THE PROPERTY OWNED
BY FLANNERY AND ASSOCIATES**

WHEREAS, the Suisun City Council authorized the exploration of annexation of properties beyond its sphere of influence at its meeting on January 21, 2025 and provided authorization to engage in direct discussions with the property owners on March 18, 2025; and

WHEREAS, the Rio Vista City Council at its March 4, 2025 directed the exploration of annexation of lands owned by Flannery and Associates including but not limited to, lands known as the East Solano Plan and property located within the Montezuma Hills; and

WHEREAS, the Rio Vista City Council and the Suisun City Council recognize that the legal processes for annexation may be separate, but the collective impacts and benefits cross each other's borders; and

WHEREAS, due to these regional impacts, Rio Vista and Suisun City desire to negotiate in collaboration recognizing each city benefits from a unified approach; and

WHEREAS, representatives from the City of Suisun and Rio Vista agree to meet on an at least monthly basis to facilitate communication and collaboration; and

WHEREAS, the Rio Vista City Council and the Suisun City Council, agree to publicly meet at least bi-annually.

NOW THEREFORE BE IT RESOLVED, the cities of Rio Vista and Suisun City agree to negotiate in good faith to:

1. Protect and enhance operations at Travis Air Force Base;
2. Ensure long-term sustainability of regional ground and surface water supplies;
3. Ensure traffic impacts associated with the proposed annexation projects are thoroughly studied and mitigated;
4. Ensure the investment in education is prioritized; and
5. Long-term economic sustainability is achieved as a result of annexation, including the ability to address long term maintenance needs of infrastructure and operations.

PASSED AND ADOPTED at a Regular Meeting of said City Council of the City of Suisun City duly held on Tuesday, the 15th day of April 2025, by the following vote:

AYES:	Councilmembers:	<u>Dawson, Pal, Shepherd, Mayor Hernandez</u>
NOES:	Councilmembers:	<u>Washington</u>
ABSENT:	Councilmembers:	<u>None</u>
ABSTAIN:	Councilmembers:	<u>None</u>

WITNESS my hand and the seal of said City this 15th day of April 2025.



Anita Skinner, City Clerk

EXHIBIT “D” – SCHEDULE RATES FOR CITY EMPLOYEES

Position	Fully Burdened Hourly Rate (\$)
City Manager	185
Deputy City Manager	146
City Attorney	350
Public Works Director	122
Finance Director	127
Public Works Engineer	97
Police Chief	183
Fire Chief	140
Parks and Rec Director	114
Management Analyst	74
Principal Planner	94