



ORANGE COVE CITY COUNCIL AGENDA

Victor P. Lopez, Mayor

Diana Guerra Silva, Mayor Pro Tem

Roy Rodriguez, Council Member

Josie Cervantes, Council Member

Esperanza Rodriguez, Council Member

WEDNESDAY, FEBRUARY 23, 2022 - 6:30 P.M.

TELECONFERENCE ONLY

(CALL 1-720-740-9780 ACCESS CODE 1060550#)

A. Call to Order/Welcome

Roll Call

B. Confirmation of Agenda

C. Consent Calendar

1. Council Minutes of January 26, 2022

D. Administration

City Engineer

2. **SUBJECT:** Resolution Accepting an Access Easement from Yanez Construction, Inc.

Recommendation: Staff recommends that City Council adopt Resolution No. 2022-09 accepting the dedication of an access easement from Yanez Construction, Inc. and authorize the Interim City Manager to record acceptance with the Fresno County Recorder's Office

3. **SUBJECT:** Cost Proposal from Collins and Schoettler Planning Consultants Update the City's Zoning Ordinance

Recommendation: Staff recommends that City Council approve Resolution No. 2022-10 cost proposals from Collins and Schoettler Planning Consultants to conduct a comprehensive update on the City's Zoning Ordinance and to authorize the City Manager to sign a contract with Collins and Schoettler Planning Consultants on behalf of the City

4. **SUBJECT:** Cost Proposals from Morris Levin and Sons, Inc. for the Replacement of the Existing Plumbing System at the Victor P. Lopez Community Center

Recommendation: Staff recommends that City Council approve Resolution No. 2022-11 cost proposals from Morris Levin & Sons, Inc. for the replacement of the existing water pipes at the Victor P. Lopez Community Center and authorize the Interim City Manager to use revenue received for the use of the Community Center from the State (fire services) and the sale of City owned land for the construction of the Project.

Interim City Manager:

5. **SUBJECT:** Financial Updates

Recommendation: Informational Item Only

6. **SUBJECT:** Memorandum of Understanding between the County of Fresno and The City of Orange Cove "Annexation and Tax Sharing Agreement"

Recommendation: City Council to approve the amended Memorandum of Understanding (MOU) regarding Annexation and Tax Sharing Agreement with Fresno County

7. **SUBJECT:** Review and Discussion regarding the Personnel Attorney

Recommendation: Informational Item Only

E. Public Forum

Members of the public wishing to address the City Council on an item that is not on the agenda may do so now. No action will be taken by the City Council this evening. But items presented may be referred to the City Manager for follow up and a report. In order to allow time for all comments, each individual is limited to three minutes. When addressing the Council, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your comments.

- F. City Manager's Report**
- G. City Attorney's Report**
- H. City Council Communications**
- I. Adjournment**

ADA Notice: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (559) 626-4488 ext. 214. Notification 48 hours prior to the meeting will enable the city to make arrangements to ensure accessibility to this meeting.

Documents: Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at front counter at City Hall and at the Orange Cove Library located at 815 Park Blvd., Orange Cove, CA during normal business hours. In addition, most documents are posted on City's website at cityoforange Cove.com.

STATEMENT ON RULES OF DECORUM AND ENFORCEMENT

The Brown Act provides that members of the public have a right to attend public meetings, to provide public comment on action items and under the public forum section of the agenda, and to criticize the policies, procedures, or services of the city or of the acts or omissions of the city council. The Brown Act also provides that the City Council has the right to exclude all persons who willfully cause a disruption of a meeting so that it cannot be conducted in an orderly fashion.

During a meeting of the Orange Cove City Council, there is a need for civility and expedition in the carrying out of public business in order to ensure that the public has a full opportunity to be heard and that the Council has an opportunity to conduct business in an orderly manner. The following is provided to place everyone on notice of the rules of decorum and enforcement.

GENERAL RULES OF DECORUM

While any meeting of the City Council is in session, the following rules of decorum shall be observed:

1. All remarks shall be addressed to the City Council as a whole and not to any single member, unless in response to a question from a member of the City Council.
2. A person who addresses the City Council under public comment for a specific agenda item or under the Public Forum section of the agenda may not engage in speech or conduct (i) which is likely to provoke others to violent or riotous behavior, (ii) which disturbs the peace of the meeting by loud and unreasonable noise, (iii) which is irrelevant or repetitive, or (iv) which disrupts, disturbs, or otherwise impedes the orderly conduct of any City Council meeting.

3. A person, other than members of the Council and the person, who has the floor, shall not be permitted to enter into the discussion unless requested by the mayor to speak.
4. Members of the City Council may not interrupt a person who has the floor and is making public comments. Members of the City Council shall wait until a person completes his or her public comments before asking questions or commenting. The mayor shall then ask Councilmembers if they have comments or questions.
5. No person in the audience at a Council meeting shall engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, whistling, stamping of feet or other acts which disturb, disrupt or otherwise impede the orderly conduct of any Council meeting.

ENFORCEMENT OF DECORUM RULES (Resolution No. 2012-16)

While the City Council is in session, all persons must preserve order and decorum. A person who addresses the city council under public comment for a specific agenda item or under the Public Forum section of the agenda may not engage in speech or conduct which is likely to provoke others to violent or riotous behavior, which disturbs the peace of the meeting by loud and unreasonable noise, which is irrelevant or repetitive, or which disrupts, disturbs, or otherwise impedes the orderly conduct of any City Council meeting.

The mayor or other presiding officer shall request that a person who is breaching the rules of decorum cease such conduct. If after receiving such a warning, the person persists in breaching the rules of decorum, the mayor or other presiding officer may order the person to leave the City Council meeting. If such person does not leave, the mayor or presiding officer may request any law enforcement officer who is on duty at the meeting as sergeant-at-arms to remove the person from the Council Chambers. In the event there is no one from law enforcement present, the mayor or presiding officer may direct the City Manager to contact law enforcement.

In accordance with the Point of Order Rule 4.6, the majority of the Council may overrule the mayor if the majority of the Council believes the mayor or other presiding officer is not applying the rules of decorum appropriately.



MINUTES

Victor P. Lopez, Mayor

Diana Guerra Silva, Mayor Pro Tem

Roy Rodriguez, Council Member

Josie Cervantes, Council Member

Esperanza Rodriguez, Council Member

WEDNESDAY, JANUARY 26, 2022 - 6:30 P.M.

TELECONFERENCE ONLY

(CALL 1-720-740-9780 ACCESS CODE 1060550#)

A. Call to Order/Welcome

COUNCIL PRESENT: Mayor Victor P. Lopez
Mayor Pro Tem Diana Guerra Silva
Councilmember Roy Rodriguez
Councilmember Josie Cervantes (Absent)
Councilmember Esperanza Rodriguez

STAFF PRESENT: Financial Consultant/Interim City Manager Rudy Hernandez
City Attorney Dan McCloskey
Chief of Police, Marty Rivera
City Clerk June V. Bracamontes

Invocation Mayor Pro Tem Silva

Flag Salute Mayor Lopez

B. Confirmation of Agenda

No changes

C. Administration

City Engineer

1. **SUBJECT:** Monthly update report on City Projects Presented by City Engineer Alfonso Manrique.

Recommendation: Informational item Only

*FHWA Projects a. Adams Avenue Reconstruction Between Center Avenue to 4th Street

b. CMAQ Ally Paving Project

c. E. Railroad Ave Culvert Replacement

*American Rescue Plan

a. Water Treatment Plant Booster Pump Station

b. Wastewater Treatment Plant RAS Pump Station

c. City Hall Front Office and Flooring Remodel

*EDA Off-site Improvements at Northwest Corner of Park Blvd and Anchor Ave

*No Kid Hungry Grant

*2021 Small Community Drought Relief Program

*Proposition 68 Grant Applications

*Proposition 68 Per Capita Grant

*Clean California Local Grant Program

*Victor P. Lopez Community Center Repairs

Mayor Pro Tem Silva asked about the quotes for community center and where is the money going to come from.

Per Rudy Hernandez \$131,000 from the Fire usage of center, land sale \$140,000

2. **SUBJECT:** Cost Proposal from Burke Construction for the Construction of the City Hall Remodel Project

Recommendation: Council to approve Resolution No. 2022-04 Cost Proposal from Burke Construction dated December 18, 2021

Upon the motion by Councilman Rodriguez and seconded by Councilwoman Rodriguez, Council approved Resolution No. 2022-04 Cost Proposal from Burke Construction dated December 18, 2021

Yes: Lopez, Silva, Rodriguez, Rodriguez

No: None

Absent: Cervantes

Abstain: None

3. **SUBJECT:** Receive Input from City Council for Potential Beautification Projects for the Clean California Local Grant Program

Recommendation: Staff is seeking input from City Council regarding potential beautification projects that the city can apply for through the Clean California Local Grant Program.

Mayor Lopez the Welcome Sign to upgrade them they are all Faded.

Councilwoman Rodriguez would like to have lighting on the Welcoming sign.

Councilman Roy Rodriguez the existing walk trail are losing trees need to be replanted. Watering System is not working, and make sure the lighting is working.

Per Andy Valencia will need to send someone during the night time to check out the lighting on the Trail to see what is not working.

4. **SUBJECT:** Receive Input from City Council Regarding Additional Recreation Features to Include in the Eaton Park Rehabilitation Project

Recommendation: Staff is seeking input from City Council regarding what additional recreation features should be included in the Eaton Park Rehabilitation Project that is to be funding through Proposition 68 Per Capita grant funds.

Councilwoman Hope Rodriguez would like fencing around the basketball court area.

Replacing the lighting and bathroom.

Councilman Roy Rodriguez lighting for the veteran's memorial.

Chief of Police:

5. **SUBJECT:** Monthly Activity Report by Police Chief Marty Rivera

Recommendation: Informational Item Only

- Monthly Report Staff report
- Animal Shelter
- Covid cases going up
- Monthly Activity Report
- Mayor Lopez happy with officers and proud of them
- Mayor Pro Tem Silva thanked the officers

Public Works Department

6. **SUBJECT:** Monthly update report on Public Works Department by Interim Public Works Superintendent Andy Valencia

Recommendation: Informational Item Only

- 4 employees out
- Keeping busy and low in staff right now
- Water Treatment plant 78-acre feet Friant Kern Canal increased 45% 864 thousand gallons a day.
- Waste Water Plant running good operation maintenance
- Public Works working on pot holes weed control, cutting lawns,
- Street Sweeper doing good

Planning Department

7. **SUBJECT:** Monthly update report on City Projects Presented by Planner Shun Patlan

Recommendation: Informational Item Only

Martinez Tentative Track map

Grading plans once approve then they will start grading for the 18 lots. Yanez going to start construction in April and finish by end of this year.

Blossoms Estates sent out 20-day comment City Staff has not received any comments. Sent out Public Notice and bringing to Orange Cove Planning Commission on February 15, 2022 then to Council on February 23, 2022. Begin October 2022 156 single lots South and Orange Avenue.

Macias Project Yanez construction Yanez construction on the Summer Avenue.

Orange Blossom Heights 20-day review period scheduling planning commission February 15, 2022 public hearing notice and re-notice to 300 feet. Jacob and Adams Avenue.

494 Park Blvd. 5th and Park looking at a drive through coffee shop. By the Orange Cove Christian Center. Mayor Pro Tem Silva concern about the contamination that use to be a Gas Station.

8. **SUBJECT:** Update Report on the Orange Blossom Heights Project on the corner of Adams and Jacobs

Recommendation: Council to give staff direction

Mayor Lopez is against the apartments because the city is planning on building high residential. Take it to the industrial park and change the zoning. Would like to ask Council trying to be protected in their property value. Residents had concerns.

Councilwoman Hope Rodriguez thought we had discussed about this issue in not having apartments on that corner. Opposing this project.

Per Shun Patlan Currently Zoned R16 to R3. This item will go before the Planning Commission on February 15, 2022.

Mayor asking Council to deny this project and move it to the industrial park.

Per Attorney have to follow the process to go to Planning then go to Council for final approval.

Open to the public:

Resident Glenda Hill listening to the whole conversation. When the planning commission was to meet there was a lack of quorum so there was no meeting and Council has every right to make a decision tonight.

Resident Joan Conner Buller resolution Council tonight, due to the impact in traffic and higher homes project. 5 existing high density apartment units less than a mile. This is impacting our neighborhood. Over crowded impact on our schools and police. Presented concern from other residents who cannot attend. Asking to deny the zone change. Vote tonight and end it.

Resident Glenda Hill safety issues, many young children and Senior Citizen apartments are in their wheel chairs. More traffic of diesel. Take into consideration and they have the quality of life. Case Law violating the general welfare.

Mayor ask take it to Council tonight take action and take it to Planning.

Resident Gilbert Garcia thanked Mayor and Council.

Upon the motion Mayor and seconded by Roy Rodriguez denied the project and let the Planning Commission know how the Council feels about this project.

Yes: Lopez, Silva, Rodriguez, Rodriguez
No: None
Absent: Cervantes
Abstain: None

Interim City Manager:

9. **SUBJECT: Public Hearing** regarding the Energy Service Contract for Energy Related Improvements to City Facilities with SITELOGIQ

Recommendation: Council to approve Sitelogiq's Construction Agreement and Operations & Maintenance Agreement and to approve the attached 4217, CEQA exemption and CEC resolutions which authorizes the City Manager and Sitelogiq to submit the loan documents to the CEC

- a. **Resolution No. 2022-02** RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE COVE AUTHORIZING SITELOGIQ AND CITY MANAGER TO COMPLETE AND SUBMIT ALL NECESSARY DOCUMENTS AND APPLICATION FOR THE CEC ECAA LOAN PROGRAM AND FINDING THE ACTIVITY FUNDED BY SUCH LOAN TO BE EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT
- b. **Resolution No. 2022- 03** APPROVAL OF FINDINGS FOR GOVERNMENT CODE SECTION 4217.10-4217.18, APPROVAL OF FACILITY SOLUTIONS AGREEMENT BETWEEN CITY OF ORANGE COVE "CITY" FOR THE PURPOSE OF CONSTRUCTION, INSTALLATION OF ENERGY EFFICIENCY AND RENEWABLE GENERATION MEASURES ON SELECTED CITY SITES,

Mayor opened the public hearing meeting no comments

Upon the motion by Mayor Pro Tem Silva and seconded by Councilwoman Rodriguez,

Council approved the above-mentioned Resolution No. 2022-02 and Resolution No. 2022-03 as presented.

Yes: Lopez, Silva, Rodriguez, Rodriguez
No: None
Absent: Cervantes
Abstain: None

10. **SUBJECT:** Financial Updates

Recommendation: Informational Item Only

Revenues coming in with the housing projects. Will bring in \$500,000-600,000 in the next 2-3 years.

3-5% Parcel Utility User Tax and a sunset clause

The approved court services in Orange Cove on Mondays only 1 person attends once a month.

Old Files Retention Act in the Train have a lot of garbage for 30 years old files
Will be working on the Retention Act

Proteus trying to get direction asking to use the Senior Center there is no rental fees

Mayor Proteus services into the Council Chambers per Rudy will work with Andy.
The Chamber stairway not ADA compliant.

Mayor Pro Tem Silva regarding Chamber outside stairs explore our finances look at
ways to fix it. This is a major problem doesn't look good should be up and running.

11. SUBJECT: Presentation of Fiscal Year 2019-2020 Audit Report

Recommendation: File Only

Per Rudy very unsatisfied with the Auditors taking too long.

Audit opinion
General Fund
Water Operating Fund

FY 2019-2020

Council approved by Consensus Receive and file only

F. Public Forum

Members of the public wishing to address the City Council on an item that is not on the agenda may do so now. No action will be taken by the City Council this evening. But items presented may be referred to the City Manager for follow up and a report. In order to allow time for all comments, each individual is limited to three minutes. When addressing the Council, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your comments.

None

G. City Manager's Report

Rudy Hernandez presented to Council that he will be off on Friday and the Chief will be in charge.

For your information, Fresno County Dept. Health are having virtual meetings COVID is really bad.

H. City Attorney's Report

None.

I. City Council Communications

None

J. Closed Session:

12. Conference with Labor Negotiators (Government Code Section 54957.6)

- a. City Designated Representative: Rudy Hernandez, Interim City Manager
- b. Employee Organization: International Union of Operating Engineers, Stationary Engineers, Local 39

13. Performance Evaluation pursuant to Government Code Section 54957

Title: City Attorney

14. Public Employee – Discipline, Release and Complaint pursuant to Government Code Section 54957

K. Reconvene Council Meeting


Mayor Lopez reconvened the City Council Meeting and no reportable action taken in Closed Session

L. Adjournment

Mayor Lopez adjourned the City Council Meeting.



CITY OF ORANGE COVE REPORT TO THE CITY COUNCIL

To: Orange Cove City Council
From: Alfonso Manrique, City Engineer 
Subject: Approve Resolution Accepting an Access Easement from Yanez Construction, Inc.
Attachments: Resolution No. 2022-09
Offer of Dedication – Access Easement

RECOMMENDATION:

Staff recommends that City Council adopt the attached Resolution accepting the dedication of an access easement from Yanez Construction, Inc. and authorize the Interim City Manager to record acceptance with the Fresno County Recorder's Office.

BACKGROUND:

Yanez Construction Inc., the owner of APN 375-040-26, also known as the Macias Subdivision, has granted the City of Orange Cove an easement for public use for access purposes over a portion of their property as shown in Exhibit B of the attached Access Easement. As part of the Park Boulevard Improvements Project, the City will be installing a new 24-inch storm drain pipeline that discharge stormwater to the existing basin that lies behind the Sequoia View shopping center. In order to install this storm drain pipeline, an access easement is required to access the property owned by Yanez Construction Inc.

FISCAL IMPACT:

There is no fiscal impact associated with item.

CONFLICT OF INTEREST:

Prepared by: AM Consulting Engineers

Approved by: Alfonso Manrique

REVIEW: City Manager: _____

Finance: _____

City Attorney: _____

TYPE OF ITEM:

COUNCIL ACTION: APPROVED DENIED NO ACTION

____ Consent
____ Info Item
☒ Action Item
____ Department Report
____ Redevelopment Agency

____ Public Hearing
____ Matter Initiated by a Council Member
____ Other
____ Continued to: _____

None.

RESOLUTION NO. 2022-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE COVE
ACCEPTING AN ACCESS EASEMENT FROM YANEZ CONSTRUCTION INC. AT THE
PROPERTY AS DESCRIBED ON THE EASEMENT DEED EXHIBITS "A" AND "B"

WHEREAS, Yanez Construction Inc. is record owner (Owner) of real property described on the attached Access Easement Exhibits "A" and "B" in Orange Cove, California; and

WHEREAS, the Owner has offered to the City of Orange Cove dedication of an easement for public use for access purposes over the real property described on the attached Access Easement Exhibits "A" and "B", and

WHEREAS, the City has need of an Access Easement over this property, to operate, inspect, maintain, repair, or replace public facilities installed within the easement.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Orange Cove, California, as follows:

1. The above recitals are true and correct and are adopted as the findings of the City Council.
2. The City Council hereby finds that accepting this easement is in the best interest of the City and its residents.
3. The City Council hereby accepts said Access Easement and authorizes the City Manager to certify acceptance and directs staff to file the Access Easement with the Fresno County Recorder's Office for recordation.
4. The provisions of this Resolution are severable and if any provision, clause, sentence, word, or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.
5. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

This resolution was adopted at a Regular Meeting of the City Council of the City of Orange Cove held on February 23, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Victor P. Lopez, Mayor

ATTEST:

June Bracamontes, City Clerk

Recording Requested By:
THE CITY OF ORANGE COVE

When Recorded, Return To:
CITY OF ORANGE COVE
633 Sixth Street
Orange Cove, California 93646

OFFER OF DEDICATION-ACCESS EASEMENT
(Individual and Corporation)

YANEZ CONSTRUCTION, INC. the undersigned, being present title owners of record of the herein describe parcel of land, do hereby make an irrevocable offer of dedication to the public and to the CITY OF ORANGE COVE and its successors or assigns, an easement for public use for access purposes, over the real property situated in the City of Orange Cove, County of Fresno, State of California, described in Exhibit "A" (written description) and shown on Exhibit "B" (plat map) attached hereto.

It is understood and agreed that CITY OF ORANGE COVE and its successors or assigns shall incur no liability with respect to such offer of dedication, and shall not assume any responsibility for the offered portion of land or any improvements thereon or therein until such offer has been accepted by appropriate action of the City Council.

In the event CITY OF ORANGE COVE, or its successors and assigns, on behalf of the public, shall determine that the use of said property or any portion thereof is no longer needed, the rights herein given shall terminate as to the portions not needed and revert to the undersigned owners or their successors or assigns.

The provisions hereof shall inure to the benefit of and be binding upon heirs, successors, assigns, and personal representatives of the respective parties hereto.

IN WITNESS WHEREOF, this document is executed this 2 day of February 2022.

YANEZ CONSTRUCTION, INC.

Dated: 2-2-2022

By: Efrain Yanez
Efrain Yanez, President

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

STATE OF CALIFORNIA
COUNTY OF FRESNO

On Feb. 2, 2022, before me, Tina Sholes, a Notary Public, personally appeared EFRAIN YANEZ who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature

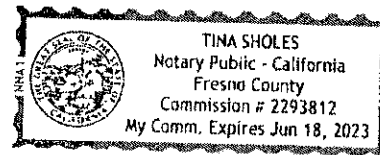


Exhibit "A"

Page 1 of 1

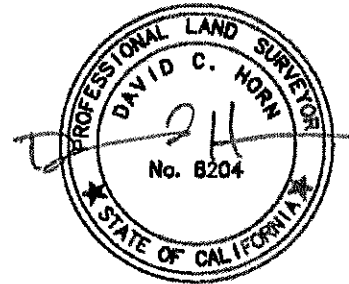
Access Easement

APN 375-040-26 (Portion)

All that portion of Lot 15 of Map of Orange Cove Tract No. 1, according to the map thereof recorded in Book 9 of Record of Surveys at Page 33, Fresno County Records, lying in the Northeast quarter of Section 14, Township 15 South, Range 24 East, Mount Diablo Base & Meridian, according to the Official United States Government Township Plat thereof in the City of Orange Cove, County of Fresno, State of California, described as follows:

BEGINNING at the Southeast corner of said Lot 15; thence North 88°55'46" West, 56.00 feet along the South line of said Lot 15 to a point on a line 56.00 feet West of and parallel with the East line of said Lot 15; thence North 0°58'12" East, 322.49 feet along said parallel line; thence South 89°01'48" East, 56.00 feet to said East line; thence South 0°58'12" West, 322.59 feet along said East line to the **TRUE POINT of BEGINNING**.

Containing an area of 18,062 square feet, more or less.



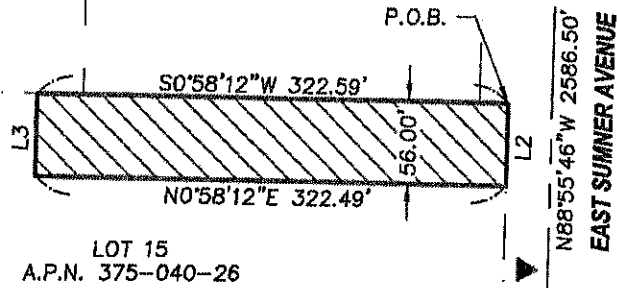
2-14-22

EAST 1/4 CORNER SECTION 14
T.15S, R.24E., M.D.B.&M.

SOUTH ANCHOR AVENUE

LINE TABLE		
LINE	BEARING	DISTANCE
L2	N88°55'46"W	56.00'
L3	S89°01'48"E	56.00'

LOT 16
A.P.N. 375-040-36T



ORANGE COVE TRACT NO. 1
BOOK 9 OF RECORD OF SURVEYS AT
PAGE 33, FRESNO COUNTY RECORDS

SOUTH MONSON AVENUE

CENTER 1/4 CORNER SECTION
14 T.15S, R.24E., M.D.B.&M.

LEGEND:



AREA TO BE DEDICATED FOR ACCESS
PURPOSES.
AREA = 18,062± S.F.

SECTION LINE

EXISTING PROPERTY OR RIGHT-OF-WAY
LINE

30.00' ACCEPTED FOR PUBLIC ROAD
RIGHT-OF-WAY PURPOSES PER MAP OF
ORANGE COVE TRACT NO. 1 RECORDED
IN BOOK 9 OF RECORD OF SURVEYS AT
PAGE 33, FRESNO COUNTY RECORDS

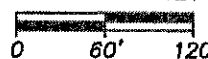
P.O.B.

POINT OF BEGINNING

BASIS OF BEARINGS:

THE GEODETIC OBSERVATION OF THE SOUTH LINE OF
THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP
15 SOUTH, RANGE 24 EAST, MOUNT DIABLO BASE AND
MERIDIAN. TAKEN TO BE NORTH 88°55'46" WEST.

SCALE: 1" = 120'



214-22



**Yamabe & Horn
Engineering, Inc.**

CIVIL ENGINEERS • LAND SURVEYORS

2885 N. BURL AVENUE SUITE 101 FRESNO, CA 93727
TEL: (559) 244-3123 WEBSITE: YANDHENG.COM

PROJECT TITLE

ACCESS EASEMENT

SHEET DESCRIPTION

EXHIBIT B

Date: 2/14/2022

Scale: As Noted


YH Job No. 20-351

Sheet No. 1

of 1 Sheets



CITY OF ORANGE COVE REPORT TO THE CITY COUNCIL

To: Orange Cove City Council
From: Alfonso Manrique, City Engineer 
Subject: Approve Cost Proposal from Collins and Schoettler Planning Consultants to Update the City's Zoning Ordinance
Attachments: Resolution No. 2022-10
Cost Proposal from Collins and Schoettler Planning Consultants

RECOMMENDATION:

Staff recommends that City Council approve the attached cost proposals from Collins and Schoettler Planning Consultants to conduct a comprehensive update on the City's Zoning Ordinance and to authorize the City Manager to sign a contract with Collins and Schoettler Planning Consultants on behalf of the City.

BACKGROUND:

The City's existing Zoning Ordinance is outdated and needs to be updated to reflect the housing needs of the City. The City's Zoning Ordinance is one of the most critical regulation the City has to shape the quality of its built environment. For a total fee of \$45,000, Collins and Schoettler Planning Consultants (Collins and Schoettler) is proposing to perform the following scope of work to update the City's Ordinance:

1. Evaluate existing Zoning Ordinance content and structure - Collins & Schoettler will evaluate the existing Zoning Code and identify portions that are functioning well (and that should be retained) and those portions that should be replaced or amended.
2. Workshops - The Orange Cove Planning Commission will function as a Zoning Ordinance "Update Committee". Collins & Schoettler will work with the Commission on updating the ordinance, providing reports and soliciting feedback from the Commission on key topics.

Prepared by: AM Consulting Engineers

Approved by: Alfonso Manrique

REVIEW: City Manager: _____

Finance: _____

City Attorney: _____

TYPE OF ITEM:

COUNCIL ACTION: APPROVED DENIED NO ACTION

____ Consent
____ Info Item
X Action Item
____ Department Report
____ Redevelopment Agency

____ Public Hearing
____ Matter Initiated by a Council Member
____ Other
____ Continued to: _____

3. Consultation with staff - Collins & Schoettler will work closely with City staff on the Zoning Ordinance Update. Staff will be asked to identify those portions of the ordinance they feel are functioning well (and which should be retained) and also those sections that should be eliminated, replaced or amended.
4. Preparation of individual chapters – Based on professional judgement and input from public/Planning Commission workshops, Collins & Schoettler will prepare individual chapters for the Zoning Ordinance. As needed, these will be reviewed with the Planning Commission as they are completed.
5. Public Review and Comment Period – The Zoning Ordinance will be advertised and circulated for public review and comment.
6. Public hearings at Planning Commission for adoption – Collins & Schoettler will schedule at least two public hearings before the Planning Commission for adoption of the Zoning Ordinance update.
7. Public hearings at City Council for adoption – Collins & Schoettler will schedule at least two public hearings before the City Council for adoption of the Zoning Ordinance update.

According to the schedule provided in the attached cost proposal, it will take Collins & Schoettler 18 months to update the City's Zoning Ordinance.

FISCAL IMPACT:

All cost associated with the Zoning Ordinance Update will be paid for with SB 2 Planning Grant funding and Local Early Action Plan (LEAP) grant funding. The City has \$35,000 in SB 2 Planning Grant funds and \$10,000 in LEAP Grant funds that have been designated for this Zoning Ordinance update.

CONFLICT OF INTEREST:

None.

RESOLUTION NO. 2022-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE COVE
AWARDING COST PROPOSAL FOR THE COMPREHENSIVE UPDATE OF THE
ORANGE COVE ZONING ORDINANCE TO COLLINS AND SCHOETTLER PLANNING
CONSULTANTS FOR \$45,000.00 AND AUTHORIZING THE INTERIM CITY MANAGER
TO SIGN AN AGREEMENT WITH COLLINS AND SCHOETTLER PLANNING
CONSULTANTS ON BEHALF OF THE CITY OF ORANGE COVE

WHEREAS, the current Orange Cove Zoning Ordinance is outdated and needs to be updated to reflect the housing needs of the City; and

WHEREAS, a cost proposal was submitted by Collins and Schoettler Planning Consultants in the amount of \$45,000.00 to conduct a comprehensive update of the City's Zoning Ordinance.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Orange Cove, California, as follows:

1. The above recitals are true and correct and are adopted as the findings of the City Council.
2. The cost proposal to update the Orange Cove Zoning Ordinance is hereby awarded to Collins and Schoettler Planning Consultants in the amount of Forty-Five Thousand Dollars and No Cents (45,000.00).
3. The Interim City Manager is authorized to sign an Agreement with Collins and Schoettler Planning Consultants on behalf of the City of Orange Cove.
4. The provisions of this Resolution are severable and if any provision, clause, sentence, word, or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.
5. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

This resolution was adopted at a Regular Meeting of the City Council of the City of Orange Cove held on February 23, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

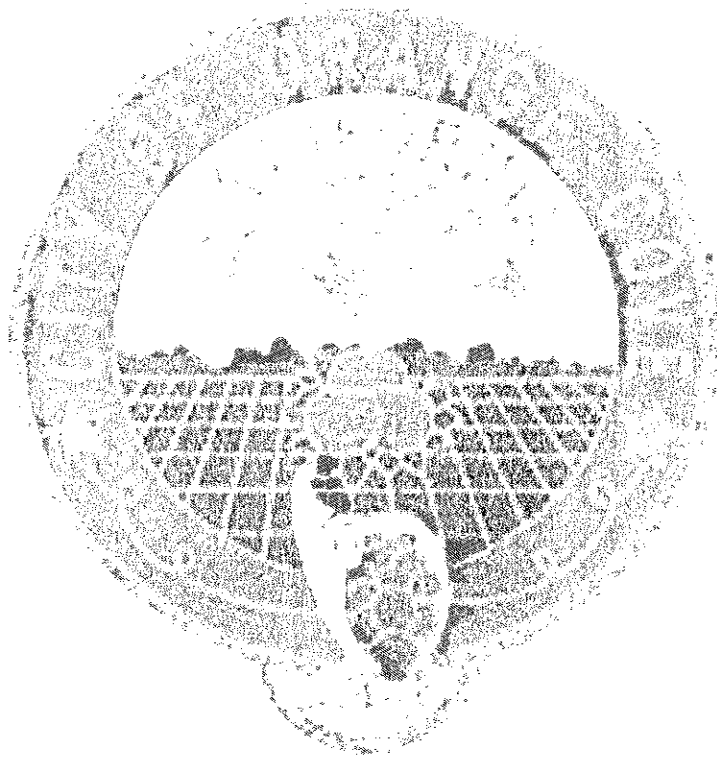
Victor P. Lopez, Mayor

ATTEST:

June Bracamontes, City Clerk

Proposal to Prepare
**Comprehensive Zoning Ordinance
Update**

For the City of Orange Cove



Submitted by

COLLINS & SCHOETTLER
PLANNING CONSULTANTS

URBAN PLANNING • PLANNING POLICY • DESIGN REVIEW



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SCOPE OF WORK FOR COMPREHENSIVE ORANGE COVE ZONING ORDINANCE UPDATE

A. UNDERSTANDING OF REQUEST

The City of Orange Cove has decided to prepare a comprehensive update of its Zoning Ordinance. The Zoning Ordinance is probably the most critical regulation the City has to shape the quality of its built environment. At the same time, it is important the ordinance be user-friendly and not overly-restrictive.

The following scope of work, timeline and budget are proposed for the comprehensive Orange Cove Zoning Ordinance Update.

List of Tasks

Tasks associated with the proposed Orange Cove Zoning Ordinance update will include the following:

1. Evaluation of Existing Zoning Ordinance content and structure

Collins & Schoettler will evaluate the existing Zoning Code and identify portions that are functioning well (and that should be retained) and those portions that should be replaced or amended. Our experience working with the Orange Cove Zoning Ordinance will help us identify needed changes.

2. Workshops

The Planning Commission will function as a Zoning Ordinance "Update Committee". We will work with the Commission on updating the ordinance, providing reports and soliciting feedback from the Commission on key topics.

3. Consultation with Staff

The consultant will work closely with City staff on the Zoning Ordinance Update. In particular staff will be asked to identify those portions of the ordinance they feel are functioning well (and which should be retained) and also those sections that should be eliminated, replaced or amended.

4. Preparation of individual chapters

Based on professional judgement and input from public/Planning Commission workshops, the consultant will prepare individual chapters for the Zoning Ordinance. As needed, these will be reviewed with the Planning Commission as they are completed.

5. Public Review and Comment Period

The Zoning Ordinance will be advertised and circulated for public review and comment.

6. Public hearings at Planning Commission for adoption

The consultant will schedule at least two public hearings before the Planning Commission for adoption of the Zoning Ordinance update.

7. Public hearings at City Council for adoption

The consultant will schedule at least two public hearings before the City Council for adoption of the Zoning Ordinance update.

Budget

The following budget is provided for the Zoning Ordinance Update:

Review and diagram existing Zoning Ordinance	\$2,700.00
Questionnaires for staff	\$1,012.00
<i>Prepare new chapters:</i>	
Purpose and Intent	\$126.50
Definitions	\$1,265.00
Establishment of Zoning Districts	\$759.00
Procedures	\$1,012.00
O Open Space District	\$759.00
UR Urban Reserve District	\$632.50
R One-Family Residential Districts	\$1,518.00
RM Multifamily Residential Districts	\$1,771.00
Uses allowed in Residential zones	\$1,518.00
C-1 Neighborhood Commercial District	\$759.00
C-2 Downtown Commercial District	\$1,138.50
C-3 Community Commercial District	\$759.00
Uses Allowed in Commercial Districts	\$2,024.00
M-1 Light Industrial District	\$885.50
M-2 Heavy Industrial District	\$632.50
Uses Allowed in Industrial Districts	\$1,771.00

PUD Planned Unit Development Overlay District	\$1,391.50
Off-Street Parking and Off-Street Loading	\$2,024.00
Special Provisions and Development Standards	\$759.00
<i>Special Uses Chapter:</i>	
- Recycling facilities	\$506.00
- Adult-entertainment businesses	\$1,012.00
- Serving of alcoholic beverages	\$632.50
- Communication towers	\$632.50
- Accessory Dwelling Units	\$759.00
- Mixed Use Developments	\$885.50
- Service stations	\$126.50
- Home Occupations	\$506.00
- Temporary uses	\$506.00
- Caretaker facilities	\$253.00
- Modular structures	\$253.00
- Storage containers	\$379.50
- Outdoor storage yards	\$379.50
Signs	\$506.00
Administrative Site Plan Review	\$759.00
Conditional Use Permits	\$1,644.50
Variances	\$632.50
Nonconforming Uses	\$791.50
Enforcement	\$379.50
<i>Workshops and Hearings:</i>	
Planning Commission workshops (4)	\$4,950.00
Planning Commission public hearings (2)	\$2,024.00
City Council public hearings (2)	\$1,265.00
Total	\$ 45,000.00

If other chapters or features of the updated Zoning Ordinance are requested the budget can be adjusted.

Graphics and Flow Charts

In an effort to make the zoning ordinance more user-friendly and easy to understand we plan to include numerous graphics to illustrate written standards of the code. For planning permit

procedures, we intend to include flow charts to illustrate the various steps of the permit process.

Schedule

The following schedule is provided for the Zoning Ordinance Update

	Month																	
Task	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Evaluation of Existing Zoning Ordinance																		
Workshops																		
Preparation of chapters																		
Public Review and Comment Period																		
Public hearings at Planning Commission for adoption																		
Public hearings at City Council for adoption																		

Miscellaneous

A. Insurance

Collins & Schoettler carries insurance coverage consistent with City of Orange Cove requirements. A copy of our insurance certificate will be provided upon request.

B. Deliverables

Collins & Schoettler can provide copies of the Zoning Ordinance at market reproduction costs. Alternately the City can elect to make copies of the document.

C. Payment


The Consultant will bill the City at the end of each month on a time and materials basis – consistent with the cost schedule shown above.

Additional tasks requested of Collins & Schoettler that are not included within the scope of this Proposal will be billed at \$115.00 per hour (or current rate).



CITY OF ORANGE COVE REPORT TO THE CITY COUNCIL

To: Orange Cove City Council

From: Alfonso Manrique, City Engineer 

Subject: Approve Cost Proposals from Morris Levin and Sons, Inc. for the Replacement of the Existing Plumbing System at the Victor P. Lopez Community Center

Attachments: Resolution No. 2022-11
Cost Proposal from Morris Leving & Sons, Inc.

RECOMMENDATION:

Staff recommends that City Council approve the attached cost proposals from Morris Levin & Sons, Inc. for the replacement of the existing water pipes at the Victor P. Lopez Community Center and authorize the Interim City Manager to use revenue received for the use of the Community Center from the State (fire services) and the sale of City owned land for the construction of the Project.

BACKGROUND:

The existing plumbing system at the Victor P. Lopez Community Center is not operational and needs be replaced. To date, Staff has received two proposals from licensed contractors for the replacement of the Community Center's water pipes. The lowest proposal was submitted by Lionsgate Construction LLC in the amount of \$69,300. However, Lionsgate Construction does not have a class C-36 plumbing contractor license and cannot complete this job because it involves only plumbing. The cost proposals are summarized in the table below.

Prepared by: AM Consulting Engineers

Approved by: Alfonso Manrique

REVIEW: City Manager: _____

Finance: _____

City Attorney: _____

TYPE OF ITEM: **COUNCIL ACTION:** **APPROVED** **DENIED** **NO ACTION**

_____ Consent

_____ Info Item

X Action Item

_____ Department Report

_____ Redevelopment Agency

_____ Public Hearing

_____ Matter Initiated by a Council Member

_____ Other

_____ Continued to: _____

Contractor	Cost Proposal
Lionsgate Construction LLC	\$69,300.00
Morris Levin & Sons, Inc.	\$72,000.00

FISCAL IMPACT:

All cost associated with the repairs to the Victor P. Lopez Community Center will be paid for with the revenue received for the use of the Community Center from the State (fire services) and the sale of City owned land for the construction of the Project.

CONFLICT OF INTEREST:

None.

RESOLUTION NO. 2022-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE COVE
AWARDING COST PROPOSAL FOR THE REPLACEMENT OF THE EXISTING
PLUMBING SYSTEM AT THE VICTOR P. LOPEZ COMMUNITY CENTER TO MORRIS
LEVIN & SONS, INC. FOR \$72,000.00 AND AUTHORIZING THE INTERIM CITY
MANAGER TO USE REVENUE RECEIVED FOR THE USE OF THE COMMUNITY
CENTER AND SALE OF CITY OWNED LAND FOR THE ALL COST ASSOCIATED WITH
THE REPAIRS TO THE VICTOR P. LOPEZ COMMUNITY CENTER

WHEREAS, the Victor P. Lopez Community Center requires significant repairs in order for the building to be operational; and

WHEREAS, cost proposals for the replacement of the existing plumbing system at the Victor P. Lopez Community Center were solicited from qualified contractors; and

WHEREAS, a cost proposal was submitted by Morris Levin & Sons, Inc in the amount of \$72,000.00 to replace the existing plumbing system; and

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Orange Cove, California, as follows:

1. The above recitals are true and correct and are adopted as the findings of the City Council.
2. The cost proposal to replace the existing plumbing system at the Victor P. Lopez Community Center is hereby awarded to Morris Leving & Sons, Inc in the amount of Seventy-two thousand dollars and No Cents (\$72,000.00).
3. The Interim City Manager is authorized to sign an Agreement with Morris Levin & Sons on behalf of the City of Orange Cove.
4. The Interim City Manager is authorized to use revenue received for the use of the Community Center from the State (fire services) and the sale of City owned land for all costs associated with the repairs to the Victor P. Lopez Community Center.
5. The provisions of this Resolution are severable and if any provision, clause, sentence, word, or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.
6. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

This resolution was adopted at a Regular Meeting of the City Council of the City of Orange Cove held on February 23, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Victor P. Lopez, Mayor

ATTEST:

June Bracamontes, City Clerk



Date: February 23, 2022
To: Mayor and City Council
From: Rudy Hernandez, Interim City Manager
Subject: Update on Financial Issues
Attachments: Memorandum Regarding Financial Issues

Background

- Community Center Repair Project/Rental of the Victor P. Lopez Community Center.
- Water Rate Increases Beginning with the Utility Bills mailed out during the first week in March 2022.

RECOMMENDATION:

For Information Only.

Prepared by: _____

Approved by:  _____

REVIEW: City Manager:  _____

Finance: _____

City Attorney: _____

TYPE OF ITEM:

COUNCIL ACTION: APPROVED DENIED NO ACTION

☒ Consent
☒ Info Item
☐ Action Item
☐ Department Report
☐ Redevelopment Agency

☐ Public Hearing
☐ Matter Initiated by a Council Member
☐ Other
☐ Continued to: _____

MEMORANDUM

February 23, 2021

To: City Council

From: Rudy Hernandez, Interim City Manager

Subject: Update on Financial Issues

Victor P.Lopez Community Center Repair Project:

On Thursday February 17, 2022, Cartozian Air Conditioning & Heating, Incorporated began repairing the air conditioning unit at the Victor P.Lopez Community Center and it is estimated to be completed by sometime in May 2022. At the City Council meeting of February 9, 2022, the City Council approved the roofing repair project to Flat Roof Company. On February 23, 2022, the City Council will be asked to approve the plumbing repair job with a local contractor.

In Short, the Victor P.Lopez Community Center repairs should be completed by the end of May 2022 and be ready for use by the public.

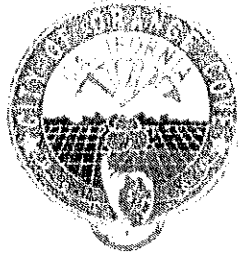
Water/Wastewater Increases beginning with the Utility Bills Mailed out during the first week in March 2022.

On August 11, 2021, the City Council approved water and wastewater rates with an effective date of October 2021. Due to other financial issues, the rate increases were delayed. Staff is now informing the City Council that Water/WasteWater rate increases will take effect beginning with the utility bills mailed out the first week of April 2022.

Mayor:
Victor P. Lopez

Mayor Pro Team:
Diana Guerra Silva

City Council Members:
Roy Rodriguez
Josie Cervantes
Esperanza Rodriguez



Incorporated January 20, 1948

Rudy Hernandez
Interim City Manager
(559) 626-4488 ext. 216

Rudy Hernandez
Financial Consultant
(559) 626-4488 ext. 216

City Clerk:
June V. Bracamontes
(559) 626-4488 ext. 214

633 Sixth Street, Orange Cove, CA 93646 | Phone: (559) 626-4488 | FAX: (559) 626-4653

Date: December 8, 2021
To: The Honorable Mayor and City Council
From: Rudy Hernandez, Interim City Manager
Subject: APPROVE THE AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF FRESNO AND THE CITY OF ORANGE COVE, COMMONLY REFERRED TO AS THE "ANNEXATION AND TAX SHARING AGREEMENT".

Attachments: Amended and Restated Memorandum Understanding and Exhibits 1-5.

BACKGROUND:

The County of Fresno has comprehensive Agreements covering annexations, development, tax sharing, and other matters with all cities within its jurisdiction. These Agreements outline necessary provisions to comply with the Cortese-Knox Local Government Reorganization Act, State Revenue and Taxation Code, County General Plan, and other State and local laws and regulations. The City of Orange Cove last entered into a comprehensive MOU with Fresno County in 2006, with a subsequent one year extension approved in March 2021. The 2006 MOU is set to expire on March 21, 2022.

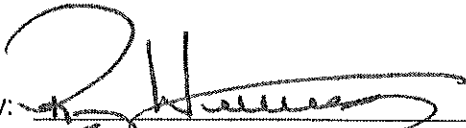

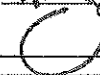
The Amended and Restated MOU removes all references to the Orange Cove Redevelopment Agency and provisions related to Redevelopment law. It maintains all pertinent provisions, including provisions that the County and City negotiated and approved in 2017, allowing for less onerous annexations which is of benefit to the City. All tax sharing formulas remain the same. The Amended and Restated MOU has a 15-year term, which will expire in 2036. Also included is the identification of "future growth areas," which are mutually agreed upon areas of potential Sphere of Influence (SOI) expansion and annexation anticipated over the MOU period, as required by LAFCO.


RECOMMENDATION:

For the City Council to approve the amended Memorandum of Understanding (MOU) regarding annexation and tax sharing with Fresno County.

FISCAL IMPACT:

The tax sharing percentages and allocations remain the same in this Agreement as the current Agreement. For property annexed from the County into the City, the County receives 100% of the base property tax revenue that it was receiving prior to the annexation of the property and receives 63% of any additional increment, or revenue increase, once development of the property takes place. The City receives 37% of any additional increment generated. For property that generates sales tax, there is a complex formula that provides for a sharing of the revenue between the County and City.

Prepared by: _____ Approved by:  _____
REVIEW: City Manager:  _____ Finance:  _____ City Attorney: _____

TYPE OF ITEM:	COUNCIL ACTION:	APPROVED	DENIED	NO ACTION
_____ Consent	_____ Public Hearing			
_____ Info Item	_____ Matter Initiated by Council Member			
 _____ Action Item	_____ Other			
_____ Department Report	_____ Continued to: _____			
_____ Redevelopment Agency	_____			

1 **AMENDED AND RESTATED**
2 **MEMORANDUM OF UNDERSTANDING BETWEEN**
3 **THE COUNTY OF FRESNO, THE CITY OF ORANGE COVE,**
4 **AND THE ORANGE COVE REDEVELOPMENT AGENCY.**

5 THIS AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING
6 (hereinafter "Restated MOU") is made and executed this 21st day of
7 March, 2006, by and between the COUNTY OF FRESNO, a political
8 subdivision of the State of California (hereinafter referred to as "CITY"), and the City of
9 ORANGE COVE, a municipal corporation of the State of California (hereinafter referred
10 to as "CITY"), and the ORANGE COVE REDEVELOPMENT AGENCY, a
11 redevelopment agency organized and existing under and by virtue of the laws of the
12 State of California (hereinafter referred to as "AGENCY").

13 W I T N E S S E T H

14 WHEREAS, COUNTY, CITY and AGENCY wish to work together to develop a
15 fair and equitable approach to tax sharing and the encouragement of sound economic
16 growth; and

17 WHEREAS, in order to encourage economic development and environmentally
18 sound land use planning, it is important that any tax sharing among COUNTY, CITY, and
19 AGENCY be determined in advance and that such arrangements not be fiscally
20 detrimental to either COUNTY, CITY, or AGENCY; and

21 WHEREAS, COUNTY, CITY and AGENCY recognize the importance of
22 COUNTY and CITY services and are prepared to cooperate in an effort to address
23 COUNTY's and CITY's fiscal problems; and

24 WHEREAS, through annexation and appropriate redevelopment, CITY and
25 AGENCY provide the opportunity for economic growth and development to support
26 public services for CITY and COUNTY; and

27 WHEREAS, close cooperation between COUNTY, CITY and AGENCY is
28 necessary to maintain the quality of life throughout Fresno County and deliver needed
 services in the most cost-efficient manner to all CITY and COUNTY residents; and

1 WHEREAS, COUNTY recognizes the need for orderly growth within and
2 adjacent to CITY and for supporting appropriate annexations and promoting the
3 concentration of development within CITY; and

4 WHEREAS, CITY and AGENCY recognize that development within CITY limits
5 may also have the effect of concentrating revenue-generating activities within CITY
6 rather than in unincorporated areas and that, as a result of Proposition 13 and its
7 implementing legislation, annexation by CITY of unincorporated territory can result in a
8 loss of revenue sources for COUNTY unless there is significant new development
9 activity as a result of annexation; and

10 WHEREAS, annexation which results in the development of urban uses in
11 response to a clearly demonstrated community demand is appropriate; and well
12 planned and fiscally sound redevelopment can be a valuable tool in the physical and
13 economic development of CITY and COUNTY;

14 WHEREAS, the parties recognize that COUNTY General Plan Goal LU-G
15 provides that COUNTY will direct urban growth and development within the cities
16 spheres of influence to existing incorporated cities and will ensure that all development
17 in city fringe areas is well planned and adequately served by necessary public facilities
18 and infrastructure and furthers countywide economic development goals; and

19 WHEREAS, the parties recognize that when urban growth and development is
20 directed to cities there is a lost opportunity of development by COUNTY in the
21 unincorporated area and that sharing of local sales and use taxes generated by such
22 development would serve as a tool for the COUNTY to participate in receiving a share
23 of that new revenue; and

24 WHEREAS, it is the interest of the parties to require all new urban development
25 to pay a roughly proportionate share of the cost of urban services and infrastructure
26 created by the development, whether it occurs in the CITY or in the adjacent
27 unincorporated area of the CITY's sphere of influence.

28 WHEREAS, COUNTY, CITY AND AGENCY executed a Joint Powers Agreement

1 dated March 30, 1982 for the distribution of property tax increment revenue collected in
2 subproject areas located outside City limits.

3
4 NOW, THEREFORE, COUNTY, CITY and AGENCY hereby agree as follows:

5 ARTICLE I

6 DEFINITIONS

7 Unless the particular provision or context otherwise requires, the definitions
8 contained in this article and in the Revenue and Taxation Code shall govern the
9 construction, meaning, and application of words used in this RESTATED MOU.

10 1.1 "Base property tax revenues" means property tax revenues allocated by
11 tax rate equivalents to all taxing jurisdictions as to the geographic area comprising a
12 given tax rate area annexed in the fiscal year immediately preceding the tax year in
13 which property tax revenues are apportioned pursuant to this RESTATED MOU,
14 including the amount of State reimbursement of the homeowners' and business
15 inventory exemptions.

16 1.2 Except as provided in Section 6.1, "property tax increment" means
17 revenue from the annual tax increment, as "annual tax increment" is defined in Section
18 98 of the Revenue and Taxation Code, attributable to the tax rate area for the
19 respective tax year.

20 1.3 "Substantial development" or "substantially developed" means real
21 property which, prior to annexation, has an improvement value to land value ratio equal
22 to or greater than 1.25:1, as of the lien date in the fiscal year in which the annexation
23 becomes effective under the Cortese-Knox Local Government Reorganization Act, and
24 on and after January 1, 2000, the Cortese-Knox-Hertzberg Local Government
25 Reorganization Act of 2000.

26 1.4 "Property tax revenue" means base property tax revenue, plus the
27 property tax increment for a given tax rate area.
28

1 standards (hereinafter "The Standards" or "Standards") as set forth in Exhibit "1",
2 attached hereto and incorporated by reference herein as if set fourth fully at this point.
3 This RESTATED MOU shall not apply to annexations proposed by CITY which are not
4 in compliance with its terms or which fail to meet The Standards. If a proposed
5 annexation is not in compliance with the terms of this RESTATED MOU, including but
6 not limited to, The Standards, then no property tax exchange agreement, as required by
7 Revenue and Taxation Code Section 99, shall exist in regards to that proposed
8 annexation. Any such non-complying annexation shall be handled individually through
9 separate negotiations between CITY and COUNTY.

10 2.2 In order to encourage the orderly processing of proposed annexations,
11 CITY shall, at least thirty (30) days prior to filing any annexation proposal with the
12 Fresno County Local Agency Formation Commission (hereinafter "LAFCO"), notify
13 COUNTY of its intention to file such proposal and the date upon which CITY expects
14 such proposal to be filed. Upon COUNTY's request, CITY agrees to meet with
15 COUNTY to review whether its proposed annexation complies with The Standards.
16 Within fifteen (15) days after the date COUNTY receives notice by the CITY of its
17 annexation proposal, COUNTY shall notify CITY in writing if it has determined that the
18 proposed annexation is inconsistent with The Standards. Upon receipt of such
19 notification, CITY may either modify the proposal to COUNTY's specifications or adopt a
20 resolution finding that the proposed annexation is, in CITY's determination, consistent
21 with The Standards.

22 2.3 If CITY adopts a resolution making the findings described in Section 2.2,
23 then COUNTY may challenge such findings by appropriate court action filed within thirty
24 (30) days of receipt of written notice of the adoption of CITY's resolution. The court
25 shall independently review the evidence and determine whether the proposed
26 annexation is consistent with the Standards.

27 As an alternative to a judicial challenge by the COUNTY, the parties may within
28 the aforesaid thirty (30) day period mutually agree in writing to arbitrate their dispute

1 through proceedings conducted in accordance with the rules established by the
2 American Arbitration Association. The parties upon agreeing to arbitrate will proceed
3 with arbitration in a timely manner. The arbitrator hearing the matter shall
4 independently review the evidence and determine whether the proposed annexation is
5 consistent with The Standards.

6 Costs incurred by the prevailing party, either in county proceedings or the
7 arbitration proceedings, shall be paid by the non-prevailing party. The parties agree
8 that CITY shall not proceed to LAFCO with the proposed annexation until the dispute is
9 finally resolved either by court or arbitration proceedings. If CITY attempts to proceed
10 with such proposed annexation prior to the expiration of the period in which COUNTY
11 may file its court action or agree to arbitrate, or prior to the final conclusion of such court
12 or arbitration proceeding, then this RESTATED MOU shall immediately terminate as to
13 such annexation and, in particular, no property tax exchange agreement, as required by
14 Section 99 of the Revenue and Taxation Code, shall exist between CITY and COUNTY
15 as to that proposed annexation.

16 Notwithstanding the foregoing, the CITY may proceed to LAFCO under this
17 RESTATED MOU if court or arbitration proceedings are not completed within thirty (30)
18 days after the filing thereof provided, however, that LAFCO in its resolution of approval,
19 at the request of the CITY, conditions the completion of the annexation upon the
20 Executive Officer's prior receipt of a certified copy of the document evidencing the
21 finality of the aforesaid court or arbitration proceedings determining that the proposed
22 annexation is consistent with Exhibit "1" attached hereto, or alternatively, receipt of a
23 written stipulation of the CITY and COUNTY agreeing that a master property tax
24 agreement still exists permitting the completion of such proposed annexation. If LAFCO
25 declines to include the aforesaid condition, or CITY fails to timely request such
26 condition, no property tax exchange agreement as required by Section 99 of the
27 Revenue and Taxation Code shall exist between CITY and COUNTY as to that
28 proposed annexation. If CITY nevertheless attempts to proceed with the annexation,

1 such action on the part of the CITY shall also be deemed good cause for the COUNTY
2 at its option to terminate this MOU in its entirety.

2.4 For the purpose of promoting economic development and job creation, an Alternate Standard for Annexation for industrial or regional commercial uses is hereby created. In the place of the Standards for Annexation set forth in Exhibit 1, the Alternate Standard for Annexation shall apply to and govern the review of annexation proposals for industrial or regional commercial uses. Annexation proposals for industrial/regional commercial uses shall include a conceptual development plan, as described herein. The conceptual development plan shall consist of the economic objectives to be achieved, the service and financing strategy and its schedule, and shall include a map of the proposed rezoning. The conceptual development plan's schedule shall include milestones for major project components, to measure the progress of the project. Due to the complexity of such projects the development schedule for planning and implementation may reasonably require a period of from five to ten years. The annexation proposal shall be submitted to and reviewed by the COUNTY pursuant to Section 2.2. Annexation proposals that comply with the criteria of this Section 2.4 shall be deemed to comply with Section 2.1. The annexation application to be submitted to LAFCO shall be considered complete upon adoption of the rezoning by the CITY. COUNTY and CITY agree to meet annually to review the progress toward the achievement of the economic development objectives and to identify ways to promote mutual economic development objectives.

22 2.5 Section 2.4 shall be deemed suspended if CITY rezones an area that was
23 annexed using the Alternate Standard for Annexation to a zone other than
24 Industrial/Regional Commercial without COUNTY's consent.

ARTICLE III

EXCHANGE OF PROPERTY TAX REVENUES TO BE
MADE UNDER SECTION 99 OF THE REVENUE AND TAXATION CODE

1 3.1 The property tax revenues collected in relation to annexations covered by
2 the terms of this RESTATED MOU shall be apportioned between CITY and COUNTY
3 as set forth in Sections 3.2 and 3.3 below. The parties acknowledge that, pursuant to
4 Sections 54902, 54902.1 and 54903 of Government Code and Sections 97 and 99 of
5 the Revenue and Taxation Code, the distribution of such property tax revenues will not
6 be effective until the revenues are collected in the tax year following the calendar year
7 in which the statement of boundary changes and the map or plat is filed with the County
8 Assessor and the State Board of Equalization.

9 3.2 In regards to the annexation of real properties which are not considered
10 substantially developed at the time of annexation, COUNTY will retain all of its base
11 property tax revenue upon annexation. The amount of the property tax increment for
12 special districts whose services are assumed by CITY shall be combined with the
13 property tax increment of the COUNTY, the sum of which shall be allocated between
14 CITY and COUNTY pursuant to the following ratio:

15 COUNTY: 63%

16 CITY: 37%

17 Effective July 1, 2006 these property tax-sharing ratios shall be as shown in Exhibit "2".

18 3.3 In regards to the annexation of real properties which are considered
19 substantially developed at the time of annexation, property tax revenue (base plus
20 increment) will be reallocated as follows: a detaching or dissolving district's property tax
21 revenue (base plus increment) shall be combined with COUNTY's and the sum of which
22 shall be allocated between CITY and COUNTY pursuant to the ratio set forth in Section
23 3.2.

24 ARTICLE IV

25 DEVELOPMENT WITHIN AND ADJACENT

26 TO CITY'S SPHERE OF INFLUENCE AND FEE COLLECTION PROCESS

27 4.1 COUNTY shall not approve any discretionary development permits for
28 new urban development within CITY's sphere of influence unless the development shall

1 have first been referred to CITY for consideration of possible annexation. If CITY does
2 not, within sixty (60) days of receipt of notice from COUNTY, adopt a resolution of
3 application to initiate annexation proceedings before LAFCO, COUNTY may approve
4 development permits for that new urban development. County's approval shall take into
5 consideration CITY's general plan and be consistent with COUNTY's general plan
6 policies, provided, that the development is orderly and does not result in the premature
7 conversion of agricultural lands.

8 4.2 Within the CITY's sphere of influence, COUNTY shall require compliance
9 with development standards that are comparable to CITY's and charge fees reflecting
10 the increased administrative and implementing cost where such CITY standards are
11 more stringent than COUNTY's. These requirements shall apply to discretionary
12 development applications approved by COUNTY. For purposes of this Agreement,
13 "discretionary development applications" shall mean General Plan Amendments,
14 Rezoning, Tentative Tract Maps, Tentative Parcel Maps, Conditional Use Permits,
15 Director Review and Approvals, and Variances.

16 4.3 CITY development fees shall be charged for any discretionary
17 development applications to be approved by the COUNTY within CITY's sphere of
18 influence. To establish or amend CITY development fees, CITY shall conduct a public
19 hearing and notify property owners in accordance with State Law. At the conclusion of
20 that hearing, CITY shall adopt a resolution describing the type, amount, and purpose of
21 CITY fees to be requested for COUNTY adoption.

22 4.4 CITY shall transmit the adopted resolution to the COUNTY for its adoption
23 of the fees. CITY shall include a draft ordinance for COUNTY's adoption with
24 appropriate supporting documentation or findings by the CITY demonstrating that the
25 fees comply with Section 66000 of the Government Code and other applicable State
26 Law requirements. CITY fees may also include CITY's and COUNTY's increased
27 administrative costs and inspection charges.

1 4.5 COUNTY shall collect any such applicable CITY development fees at the
2 time of final map approval or issuance of building permits as established by the fee
3 schedule. Or, COUNTY shall require the applicant to present a voucher issued by CITY
4 evidencing the payment of the fees directly to CITY, or written confirmation by CITY that
5 fees are inapplicable. If COUNTY imposes and collects fees on behalf of CITY,
6 COUNTY shall transfer the fees to CITY at the earliest time legally permitted.

7 4.6 CITY shall give COUNTY at least thirty (30) days notice before
8 implementing any new fees or an amendment to existing fees. Notwithstanding this
9 Section 4.6, or any other provision of this MOU, CITY shall be solely responsible for
10 determining the amount of the fees and setting them in accordance with law. This
11 Section 4.6 shall not be construed as a representation by COUNTY as to the propriety
12 of the fees or the procedures used in setting them.

13 4.7 CITY shall hold harmless, defend and indemnify the COUNTY from all
14 claims, demands, litigation of any kind whatsoever arising from disputes relating to the
15 fees, the enactment of or the collection of CITY development fees.

16 4.8 If COUNTY adopts capital facilities fees, CITY shall require that an
17 applicant for any land use entitlement or permit within CITY shall pay all COUNTY
18 public facilities fees applicable to the entitlement or permit on behalf of the COUNTY.
19 At the COUNTY's request, CITY shall either timely impose and collect all such fees or
20 shall require the applicant to present a voucher issued by COUNTY evidencing the
21 payment of fees directly to COUNTY. If adopted by COUNTY, the fees are to mitigate
22 the impact of development on required COUNTY facilities and services including, but
23 not limited to, the criminal justice system, health, social services, parks, transportation
24 and library. CITY shall transfer the fees collected to COUNTY at the earliest time
25 legally permissible to do so. COUNTY may impose new fees and amend existing fees
26 from time to time in its sole discretion. COUNTY shall give CITY at least thirty (30) days
27 notice before implementing any new fees or an amendment to existing fees.
28 Notwithstanding this Section 4.8, or any other provision of this Restated MOU,

1 COUNTY shall be solely responsible for determining the amount of the fees and setting
2 them in accordance with law. This Section 4.8 shall not be construed as a
3 representation by CITY as to the propriety of the fees or the procedures used in setting
4 them.

5 4.9 COUNTY shall hold harmless, defend and indemnify the CITY from all
6 claims, demands, litigations of any kind whatsoever arising from disputes relating to the
7 enactment or collection of COUNTY capital facilities fees.

8 4.10 COUNTY shall support urban unification. To this end, COUNTY shall
9 oppose the creation of new governmental entities within CITY's sphere of influence,
10 except for such entities that may be necessary to address service requirements that
11 cannot be addressed by annexation to CITY. CITY and COUNTY will support transition
12 agreements with current service providers which recognize the primary role of cities as
13 providers of urban services and where current services have participated in service
14 master planning.

15 4.11 Within the CITY's sphere of influence and for the two mile area beyond
16 that sphere of influence COUNTY and CITY agree that, in the early stages of
17 preparation of land use and circulation proposals and general plan amendments, they
18 shall consult at the staff level in such fashion as to provide meaningful participation in
19 the policy formulation process, and shall likewise consult on other policy changes which
20 may have an impact on growth or the provision of urban services. CITY shall also be
21 given the opportunity to respond to COUNTY before the final document is prepared for
22 presentation to COUNTY's Planning Commission. COUNTY agrees that it will solicit
23 comments from CITY in the preparation of any Initial Study required by the California
24 Environmental Quality Act undertaken within the area.

25 4.12 Any change in the CITY's sphere of influence proposed by either
26 COUNTY or CITY which would modify the area depicted in Exhibit "3-A" and
27 3-B requires the mutual consultation of both parties prior to submission to LAFCO.
28

ARTICLE V

IMPLEMENTATION OF SALES TAX

REVENUE COLLECTION

5.1 Pursuant to the Bradley Burns Uniform Local Sales and Use Tax Law, Part 1.5, Division 2, of the Revenue and Taxation Code (commencing with Section 7200), CITY is, concurrent with the execution of this RESTATED MOU, amending its local sales and use tax ordinance. This amendment shall be timely forwarded to the State Board of Equalization so that it will become operative as of the first July 1 following the CITY reaching the threshold forth in subsections 5.2.1 and 5.2.2. This amendment shall enable COUNTY, pursuant to its sales and use tax ordinance, to collect a portion of the sales and use tax revenues generated within the incorporated areas of CITY in accordance with the applicable rate set forth on Exhibit 4", attached hereto and incorporated by reference as if set forth fully at this point. The format of this amendment by CITY to its local sales and use tax ordinance shall likewise provide as a credit against the payment of taxes due under such ordinance, an amount equal to any sales and use tax due to COUNTY.

5.2 Except as otherwise provided herein, CITY further agrees that the amendment adopted pursuant to Section 5.1 above shall likewise provide for the periodic reallocation of additional sales tax revenues generated within the incorporated areas of CITY in accordance with the schedule set forth on Exhibit "4". Each subsequent incremental adjustment shall go into effect at the commencement of the fiscal year indicated. These periodic adjustments shall enable COUNTY, pursuant to its sales and use tax ordinance, to collect that portion of the sales and use tax revenues generated within the incorporated areas of CITY equal to the applicable percentage as specified in Exhibit "4". These periodic adjustments shall automatically go into effect provided that:

5.2.1 CITY receives sales tax revenues per capita in an amount greater than fifty percent (50%) of the sales tax revenue per capita collected by all

1 Fresno County cities when taken as a group during the most recent fiscal
2 year for which State Board of Equalization information is available, then it
3 hereby agrees to reallocated sales tax revenues with COUNTY beginning
4 in fiscal year 2005-06 in accordance with the provisions of this article; and
5 5.2.2 CITY's annual sales tax revenue information is available for the
6 State Board of Equalization allows City to reallocate sales tax revenue at
7 the percentage designated in Exhibit "4" and still have a net increase in its
8 remaining sales tax revenue when compared with the fiscal year
9 immediately preceding the fiscal year described above. The periodic
10 phase in of sales tax reallocation described herein shall be delayed from
11 year-to-year if CITY falls below the sales tax reallocation threshold as
12 identified in Section 5.2. In those years in which CITY does not meet the
13 sales tax reallocation threshold, CITY's sharing proportion shall continue
14 at the same rate as in the last year in which CITY met or exceeded the
15 threshold. When, in a subsequent year, CITY again meets or exceeds the
16 threshold, the sharing proportion of CITY shall be at the next higher
17 sharing proportion shown on Exhibit "4", and the annual phase-in shall
18 continue therefrom.

19 5.3 The sales tax ordinance amendments adopted by CITY pursuant to this
20 article are intended to reduce CITY's sales tax rate from its then-existing level to a level
21 which thereby enables COUNTY, pursuant to its sales tax ordinance, to continue
22 collecting those amounts set forth in the previous provisions of this article as well as the
23 applicable percentages set forth on Exhibit "4". In addition, each periodic adjustment is
24 intended by the parties to enable COUNTY to collect an amount equivalent to the
25 applicable percentage specified in Exhibit "4".

26 5.4 Whenever CITY proposes an annexation of unincorporated territory which
27 generates substantial sales tax revenue for COUNTY, CITY, agrees to further amend its
28 local sales and use tax ordinance as set for in this section. Notwithstanding the

1 language of subsections 5.2.1 and 5.2.2, this additional amendment shall become
2 operative no later than the commencement of the next calendar quarter following the
3 date upon which such annexation is certified as complete by the Executive Officer of
4 LAFCO. This additional amendment shall decrease CITY's sales tax rate to yield an
5 amount of substantial sales tax revenue being collected by COUNTY in the area to be
6 annexed, thus enabling COUNTY to increase its sales tax rate by a corresponding
7 percentage which shall continue to accrue to COUNTY throughout the term of this
8 RESTATED MOU. Any such additional amendment made by CITY pursuant to this
9 section shall be cumulative and likewise preserve intact any periodic adjustments
10 previously implemented pursuant to this RESTATED MOU. Further, CITY agrees that it
11 shall not split or separate areas into smaller annexations for the purpose of, or having
12 the effect of, creating an annexation or annexations which, individually, do not generate
13 substantial sales tax revenue, but which would generate such revenue if combined. For
14 purposes of this article, the term "substantial sales tax revenue" shall be defined as
15 sales tax revenue derived from taxable sales in the area annexed equal to at least:

16 5.4.1 If only information for less than one fiscal year exists, then
17 \$100,000 in taxable sales in the most recent quarter for which such
18 information from the State Board of Equalization is available in writing or
19 electronic or magnetic media, and projected to a full four quarters, at least
20 \$400,000 in taxable sales.

21 5.4.2 If information for one or more years exist, then \$400,000 in taxable
22 sales in the most recent year for which such information from the State
23 Board of Equalization is available in writing or electronic or magnetic
24 media.

25 5.5 If CITY fails to amend its sales tax ordinance as provided in section 5.1, or
26 if the amendment to the sales tax ordinance fails to provide for the periodic reallocation
27 of additional sales tax revenues as provided in section 5.2, the subsections therein, and
28 Exhibit "4", or if CITY fails to further amend its sales tax ordinance upon the annexation

1 of unincorporated territory which generates substantial sales tax revenue for COUNTY
2 as provided in section 5.4, or if CITY splits or separates areas into smaller areas as
3 prohibited by section 5.4, then this RESTATED MOU shall immediately terminate and,
4 in particular, no property tax exchange agreement, as required by Section 99 of the
5 Revenue and Taxation Code, shall exist between CITY and COUNTY.

6 5.6 CITY and COUNTY further agree that the annual report of the State Board
7 of Equalization and the Department of Finance Annual Population Estimates shall be
8 used as the data source for the purpose of calculating the per capita sales tax revenue
9 pursuant to this RESTATED MOU.

10 5.7 Application of the formula to be used in the allocation of revenues
11 pursuant to section 5.2 is illustrated in Exhibit "5", attached hereto and incorporated by
12 reference herein as if set forth fully at this point.

13 ARTICLE VI

14 REDEVELOPMENT

15 6.1 The parties acknowledge that circumstances may develop making it
16 desirable to negotiate the amount of property tax increment, as described in Section
17 33670 of the Health and Safety Code, that AGENCY will pass through to County and
18 the Fresno County Library District (hereinafter "Library District") in individual
19 redevelopment projects. In those instances where CITY or AGENCY wish to negotiate,
20 the parties agree to conduct and complete such negotiations within a 60-day period
21 following CITY or AGENCY's written notice to COUNTY of the desire to negotiate as to
22 the particular redevelopment project. These negotiations will take place prior to
23 AGENCY approval of the preliminary report. In the absence of such negotiations or if
24 negotiations do not result in an agreement within the negotiating period, CITY and
25 AGENCY will pass through to COUNTY and the Library District one hundred percent
26 (100%) of their respective shares of the property tax increment for the project. The
27 parties shall take all actions necessary under Section 33401 of the Health and Safety
28 Code and other provisions of law to accomplish the purposes of this article. This

1 obligation includes a finding by AGENCY that any pass through of the property tax
2 increment to COUNTY and the Library District is necessary and appropriate to alleviate
3 any financial burden or detriment to COUNTY and the Library District caused by a
4 redevelopment project.

5 6.2 Understanding that the following remedies are available without statement
6 herein, but desiring that the parties be aware, if a redevelopment project is approved
7 without CITY and AGENCY fully complying with this article, then COUNTY's cumulative
8 remedies shall include, but not be limited to, the following:

9 6.2.1 COUNTY may, to the full extent provided by law, challenge the
10 validity of the redevelopment plan approved or adopted for a
11 redevelopment project and may exercise any and all other such remedies
12 it may have related to such redevelopment project. This subsection shall
13 not be construed to allow COUNTY to challenge a redevelopment plan
14 approved prior to the date of this RESTATED MOU, except as allowed by
15 law in the absence of this RESTATED MOU.

16 6.2.2 If CITY and AGENCY fail or refuse to negotiate with COUNTY or if
17 negotiations do not conclude in an agreement, and CITY and AGENCY
18 pass through to COUNTY and the Library District less than one hundred
19 percent (100%) of their respective shares of the property tax increment,
20 then this RESTATED MOU shall automatically terminate and, in particular,
21 no property tax exchange agreement, as required by Section 99 of the
22 Revenue and Taxation Code, shall exist between City and County.

23 6.2.3 COUNTY may maintain a court action for specific performance of
24 the provisions of this article, and for declaratory relief to settle disputes as
25 to CITY's or AGENCY's compliance with this article.

26 6.3 The provisions of this article shall apply only to Redevelopment Plans
27 adopted prior to January 1, 1994. For each redevelopment plan adopted prior to
28

1 January 1, 1994, but amended after January 1, 1994, to include new territory, Article VI
2 of the RESTATED MOU shall be inapplicable to the new added territory.

3 ARTICLE VII

4 COUNTY AND CITY ASSURANCES ON USE OF REVENUE

5 7.1 COUNTY recognizes that certain revenue reallocated to it by this
6 RESTATED MOU would otherwise have been appropriated by CITY to meet demands
7 for services. In light therefore, COUNTY agrees to use such new revenue in order to
8 maintain levels of COUNTY services that are supportive of CITY and AGENCY
9 services, unless the federal or state governments materially reduce the level of funding
10 for such services. Examples of such COUNTY services include: criminal justice
11 system, public health, and other similar services.

12 7.2 CITY agrees to continue enforcement of laws which result in the collection
13 of fines and forfeitures.

14 ARTICLE VIII

15 COOPERATIVE EFFORTS AT LEGISLATIVE REFORM

16 8.1 CITY and COUNTY agree to work jointly for state legislation and
17 appropriations that would improve the fiscal condition of both CITY and COUNTY.

18 ARTICLE IX

19 GENERAL PROVISIONS

20 9.1 Term of MOU

21 This RESTATED MOU shall commence as of the date of execution by COUNTY,
22 CITY and AGENCY and shall remain in effect for a period of fifteen (15) years, unless
23 terminated prior to that time by mutual agreement of the parties.

24 In addition, should all or any portion of this RESTATED MOU be declared invalid
25 or inoperative by a court of competent jurisdiction, or should any party to this
26 RESTATED MOU fail to perform any of its obligations hereunder, or should any party to
27 this RESTATED MOU take any action to frustrate the intentions of the parties as
28 expressed in this RESTATED MOU, then in such event, this entire RESTATED MOU,

1 as well as any ancillary documents entered into by the parties in order to fulfill the intent
2 of this RESTATED MOU, shall immediately be of no force and effect and, in particular,
3 no property tax exchange agreement, as required by Section 99 of the Revenue and
4 Taxation Code, shall exist between the CITY and COUNTY as to unincorporated
5 property.

6 9.2 Geographic Application of RESTATED MOU

7 This RESTATED MOU shall apply only to the areas identified as the City of Orange
8 Cove's Sphere of Influence as depicted in Exhibit "3-A" and the New Planned Growth
9 Area as shown in Exhibit 3-B. This RESTATED MOU shall not apply to areas beyond
10 those included in Exhibits "3-A" and "3-B" unless and until the parties mutually agree to
11 amend this RESTATED MOU,

12 9.3 Termination Due to Changes in Law

13 The purpose of this MOU is to alleviate in part the revenue shortfall experienced
14 by COUNTY which may result from CITY's annexation of revenue-producing or
15 potentially revenue-producing properties located within the unincorporated area of
16 COUNTY, and from CITY's and AGENCY's redevelopment projects. The purpose of
17 this RESTATED MOU is also to enable CITY to proceed with territorial expansion and
18 economic growth consistent with the terms of existing law as mutually understood by
19 the parties as well as to maximize each party's ability to deliver essential governmental
20 services. In entering into this RESTATED MOU, the parties mutually assume the
21 continuation of the existing statutory scheme for the distribution of available tax
22 revenues to local government and that assumption is a basic tenet of this RESTATED
23 MOU. Accordingly, it is mutually understood and agreed that this RESTATED MOU
24 may, by mutual agreement be terminated should changes occur in statutory law, court
25 decisions or state administrative interpretations which negate the basic tenets of this
26 RESTATED MOU.

1 9.4 Modification

2 This RESTATED MOU and all of the covenants and conditions set forth herein
3 may be modified or amended only by a writing duly authorized and executed by
4 COUNTY, CITY and AGENCY.

5 9.5 Enforcement

6 COUNTY, CITY and AGENCY each acknowledge that this instrument cannot
7 bind or limit themselves or each other or their future governing bodies in the exercise of
8 their discretionary legislative power. However, each binds itself that it will insofar as is
9 legally possible fully carry out the intent and purposes hereof, if necessary by
10 administrative action independent of ordinances, and that this RESTATED MOU may
11 be enforced by injunction to the extent allowed by law.

12 9.6 Entire MOU; Suppression

13 With respect to the subject matter hereof, this RESTATED MOU supersedes any
14 and all previous negotiations, proposals, commitments, writings, and understandings of
15 any nature whatsoever between COUNTY, CITY and AGENCY except as otherwise
16 provided herein. This RESTATED MOU does not supersede existing written
17 agreements among COUNTY, CITY and AGENCY pertaining to redevelopment
18 projects, as defined in this RESTATED MOU, trigger the application of article VI of this
19 RESTATED MOU.

20 9.7 Notice

21 All notices, requests, certifications or other correspondence required to be
22 provided by the parties to this RESTATED MOU shall be in writing and shall be
23 delivered by first class mail or an equal or better form of delivery to the respective
24 parties at the following addresses:

25 COUNTY
26 County Administrative Officer
27 County of Fresno
28 Hall of Records, Room 300
 2281 Tulare Street
 Fresno, CA 93721

CITY AND AGENCY
 City Manager
 City of Orange Cove
 City Hall
 633 Sixth Street
 Orange Cove, CA 93646

1 9.8 Renegotiation

2 If County enters into an MOU with another City that has terms and conditions
3 more favorable in the aggregate to that city than those terms and conditions contained
4 herein, COUNTY agrees that it will negotiate such terms and conditions upon written
5 request from CITY or AGENCY, with the intent of offering a more favorable agreement.
6 Negotiations shall conclude thirty (30) days from the date of receipt of notice by
7 COUNTY and, if agreement is tentatively reached during that period, the legislative
8 bodies of the parties shall approve any such amendment within thirty (30) days from the
9 date of receipt of notice by COUNTY and, if agreement is tentatively reached during that
10 period, the legislative bodies of the parties shall approve any such amendment within
11 thirty (30) days following the date of the tentative agreement. COUNTY, CITY and
12 AGENCY are not required to reach agreement.

13 9.9 Notice of Breach

14 Prior to this RESTATED MOU being terminated as expressly provided in
15 Sections 5.5, 6.2.2 and 9.1, COUNTY shall provide notice to CITY and AGENCY of such
16 breach, and CITY and AGENCY shall comply with the terms and conditions of this
17 RESTATED MOU within thirty (30) days of receipt of notice. If CITY or AGENCY fail to
18 timely comply, this RESTATED MOU shall terminate as provided herein. During the
19 thirty (30) day notice period and until CITY and AGENCY certify in writing that they are
20 in compliance and COUNTY agrees in writing, no property tax exchange agreement, as
21 required by Section 99 of the Revenue and Taxation Code, shall exist between
22 COUNTY and CITY with respect to any pending annexations.

23 In like manner the CITY and AGENCY shall give COUNTY thirty (30) days
24 written notice and opportunity to cure any alleged breach of the RESTATED MOU on
25 the part of the COUNTY.

26 /

27 /

28 /

1 IN WITNESS WHEREOF, the parties hereto have executed this RESTATED MOU in
2 the County of Fresno, State of California, on the dates set forth above.

3
4 COUNTY OF FRESNO, a Political
5 Subdivision of the State of California
6 ("COUNTY")

7 By: Phil Larson
8 Phil Larson, Chairman
Board of Supervisors

9 MAR 21 2006

CITY OF ORANGE COVE, a Municipal
Corporation of the State of California
("CITY")

By: Victor P. Lopez
Victor P. Lopez, Mayor
City of ORANGE COVE

REDEVELOPMENT AGENCY OF THE
CITY OF ORANGE COVE ("Agency")

By: Bill Little
Bill Little, Executive Director

10 ATTEST:
11 Bernice E. Seidel,
12 Clerk to the Board of Supervisors

13 By: Bernice E. Seidel

14 APPROVED AS TO LEGAL FORM:
15 T. McCloskey, City Attorney
City of ORANGE COVE

By: T. McCloskey

16 REVIEWED AND RECOMMENDED
FOR APPROVAL

Bart Bohn, County Administrative Officer

17 By: Bart Bohn

ATTEST:

18
19 APPROVED AS TO LEGAL FORM:
20 Dennis Marshall, County Counsel

21 By: Dennis Marshall

June V. Lopez-Bracamontes,
Clerk to the City of ORANGE COVE

By: June V. Lopez-Bracamontes

22 APPROVED AS TO ACCOUNTING FORM:
23 Auditor-Controller/Treasure-Tax Collector

24 By: John Haeef

EXHIBIT 1
STANDARDS FOR ANNEXATION

- The proposal must be consistent with the adopted sphere of influence of the city and not conflict with the goals and policies of the Cortese-Knox-Hertzberg Act.
- The proposal must be consistent with city general and specific plans, including adopted goals and policies.
- Pursuant to CEQA, the proposal must mitigate any significant adverse effect on continuing agricultural operations on adjacent properties, to the extent reasonable and consistent with the applicable general and specific plan.
- A proposal for annexation is acceptable if one of the following conditions exist:
 1. There is existing substantial development provided the City confines its area requested to that area needed to include the substantial development and create logical boundaries.
 2. Development exists that requires urban services which can be provided by the City.
 3. If no development requiring urban services exists, at least 50% of the area proposed for annexation has:
 - (a) Approved tentative subdivision map (single-family residential)
 - (b) Approved site plan (for uses besides single-family residential)
- The proposal would not create islands. Boundaries must ultimately minimize creation of peninsulas and corridors, or other distortion of boundaries.

For any of the following circumstances a proposal for annexation is presumed to comply with all standards for annexation:

- The request for annexation is by a city for annexation of its own publicly-owned property for public use.
- The request for annexation is by a city in order to facilitate construction of public improvements or public facilities which otherwise could not be constructed.
- The request for annexation is to remove an unincorporated island or substantially surrounded area.
- The request for annexation is for an industrial or regional commercial project for which a development application has been made and no significant adverse environmental impact will result that cannot be mitigated or overridden by a necessary public purpose. Condition(s) assuring the financing or completion of necessary development infrastructure before completion of annexation shall be made a part of the proposal.
- The annexation is intended to mitigate or otherwise comply with standards/conditions required by another agency with respect to another development annexation.

EXHIBIT 2
ORANGE COVE

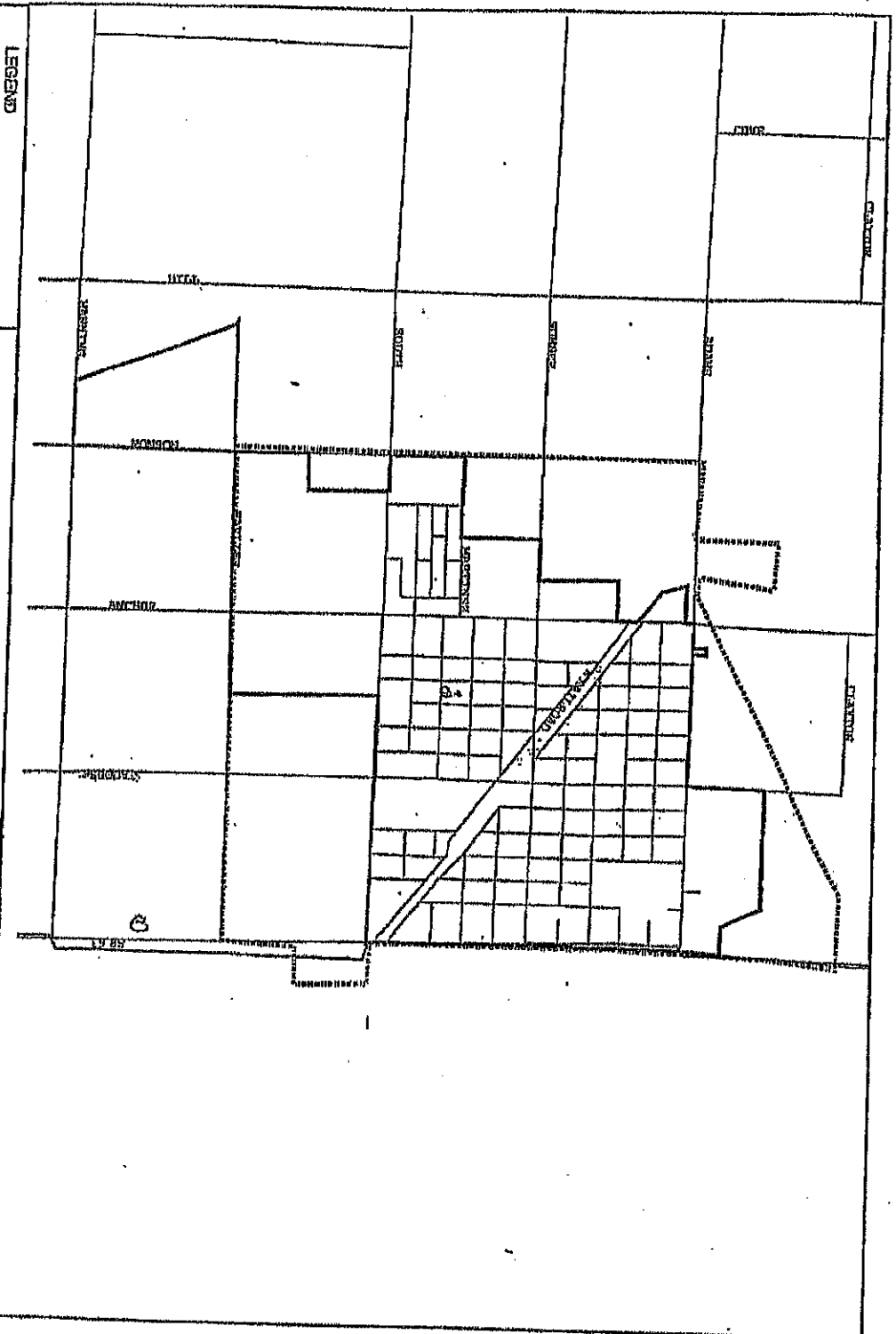
Effective July 1, 2006, the property tax-sharing ratios shall be as follows:

County	City	Effective Date:
63.0%	37.0%	July 1, 2006
63.0%	37.0%	July 1, 2007
63.0%	37.0%	July 1, 2008
63.0%	37.0%	July 1, 2009
63.0%	37.0%	July 1, 2010
63.0%	37.0%	July 1, 2011
63.0%	37.0%	July 1, 2012
63.0%	37.0%	July 1, 2013
63.0%	37.0%	July 1, 2014
63.0%	37.0%	July 1, 2015
63.0%	37.0%	July 1, 2016
63.0%	37.0%	July 1, 2017
63.0%	37.0%	July 1, 2018
63.0%	37.0%	July 1, 2019
63.0%	37.0%	July 1, 2020

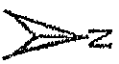
EXHIBIT 3-A

CITY OF
ORANGE
COVE

Adopted: August 28, 1974
 Updated: December 11, 1998
 Map Date: March 2004



0.2 0 0.2 Miles



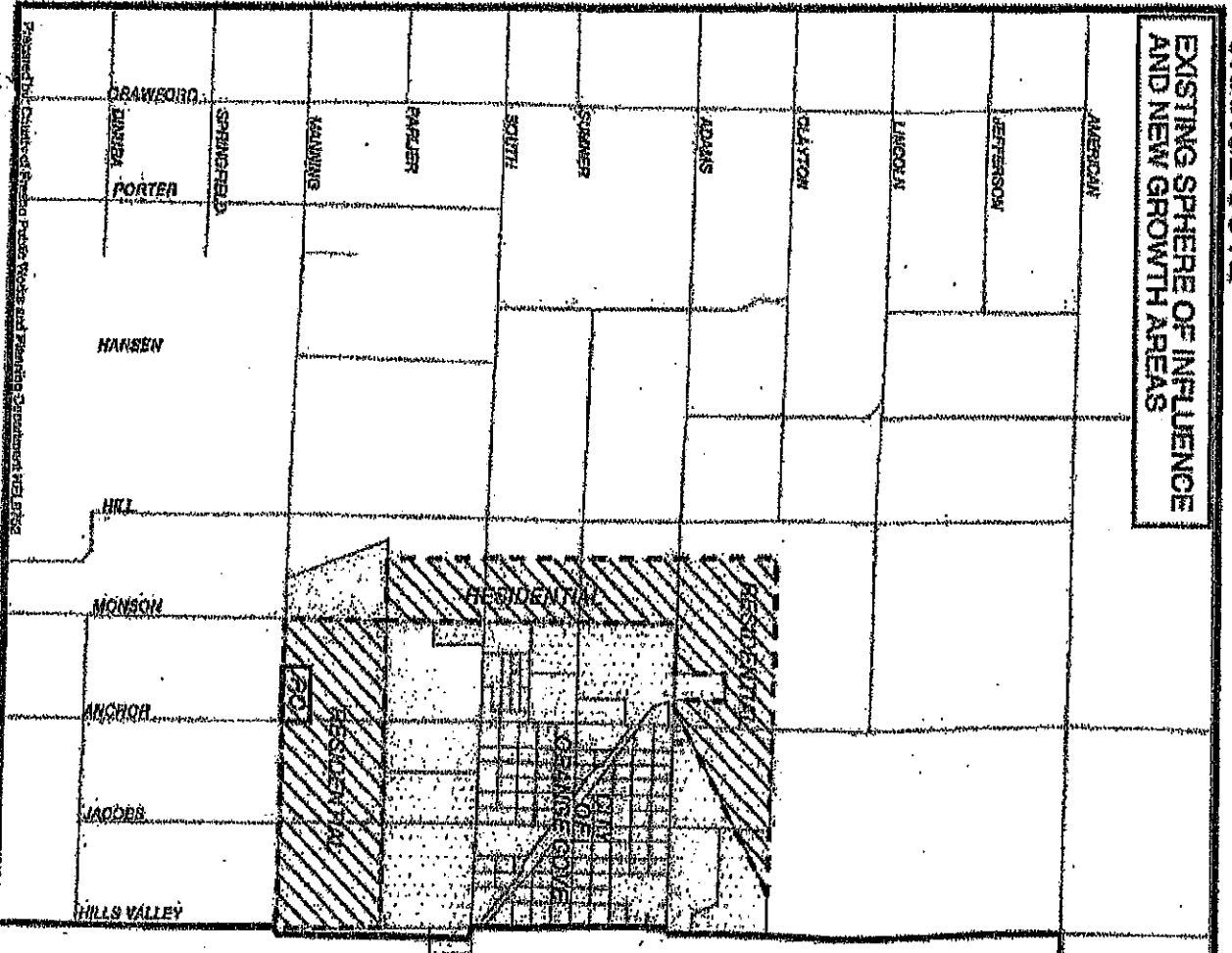
City Data (3/04)
 Sphere Area 1,641 Acres
 City Area 1,150 Acres

FRESNO LOCAL FORMATION COMMISSION
 SPHERE OF INFLUENCE

LEGEND
 SPHERE OF INFLUENCE
 CITY LIMITS

ORANGE COVE

EXISTING SPHERE OF INFLUENCE
AND NEW GROWTH AREAS



TULARE COUNTY

LEGEND	
	NEW GROWTH AREAS
	EXISTING SPHERE OF INFLUENCE
	EXISTING CITY LIMIT BOUNDARY



EXHIBIT 3-B

EXHIBIT 4
ORANGE COVE

SALES TAX REVENUE
SHARING PROPORTION

YEAR	CITY
1	$\frac{1}{2}$
2	1
3	$1\frac{1}{2}$
4	2
5	$2\frac{1}{2}$
6	3
7	$3\frac{1}{2}$
8	4
9	$4\frac{1}{2}$
10	5
11	5
12	5
13	5
14	5
15	5

TABLE 1: SALES TAX REVENUE ALLOCATION APPLICATION FY 2003-04 DATA

EXHIBIT 5

CITY	SALES TAX REVENUE 2002-2003	POPULATION JANUARY 1 2003	PER CAPITA SALES TAX REVENUE 2002-2003	SALES TAX REVENUE 2003-2004	POPULATION JANUARY 1 2004	PER CAPITA SALES TAX REVENUE 2003-2004	MEETS 50% CRITERIA 2002-2003	MEETS 50% CRITERIA 2003-2004	GROWTH OVER 1/2%	SALES TAX REVENUE GROWTH
	A	B	C	D	E	F	G	H	I	J
CLAVES	\$11,098,774	75,977	\$1445.69	\$11,890,894	80,884	\$145.88	A	A	YES	7.34%
COALINGA (1)	\$657,585	11,505	\$57.15	\$757,190	11,780	\$64.27	B	A	YES	15.14%
FIREBAUGH	\$648,375	6,172	\$105.06	\$560,376	6,585	\$85.10	A	A	NO	-13.57%
FOWLER	\$386,855	4,273	\$137.34	\$839,690	4,500	\$182.53	A	A	YES	43.09%
FRESNO	\$58,899,314	448,453	\$129.88	\$61,948,653	458,143	\$135.59	A	A	YES	8.70%
HURON	\$133,441	5,894	\$19.35	\$147,498	8,969	\$21.16	B	B	YES	10.53%
KERMAN	\$597,099	9,893	\$59.75	\$624,057	10,666	\$58.51	A	B	YES	4.51%
KINGSBURG	\$584,097	10,489	\$55.64	\$654,516	11,157	\$58.66	B	B	YES	10.17%
MENDOTA	\$325,350	8,163	\$39.86	\$342,470	8,656	\$39.56	B	B	YES	5.26%
ORANGE COVE	\$122,038	8,739	\$13.98	\$136,415	9,255	\$14.74	B	B	YES	11.78%
PARLER	\$194,849	12,187	\$16.00	\$293,951	12,282	\$23.97	B	B	YES	\$1.02%
REEDLEY	\$1,357,474	21,335	\$63.63	\$1,308,719	21,753	\$60.16	A	B	NO	-3.59%
SANGER	\$1,464,559	19,894	\$73.62	\$1,513,208	20,520	\$73.74	A	A	YES	3.32%
SAN JOAQUIN	\$116,953	3,492	\$33.50	\$125,835	3,559	\$35.34	B	B	YES	8.42%
SEMA	\$3,926,954	20,902	\$187.87	\$4,096,095	21,781	\$188.06	A	A	YES	4.31%
SALES TAX REVENUE TOTAL ALL CITIES	\$78,693,630	668,448	\$117.73	\$85,130,858	688,580	\$123.99				
PER CAPITA ALL CITIES			\$117.73			\$123.99				
UNINCORPORATED POPULATION (1)		172,975			176,062					
TOTAL COUNTY POPULATION		841,423			862,642					

SALES TAX REVENUES:

COLUMNS A & D, SOURCE: STATE BOARD OF EQUALIZATION ANNUAL REPORT STATISTICAL APPENDIX, FISCAL YEAR DATA AVAILABLE IN JANUARY OF NEXT CALENDAR YEAR.

POPULATION DATA:

COLUMNS B & E, SOURCE: SOURCE STATE DEPARTMENT OF FINANCE JANUARY 1, POPULATION ESTIMATES, AVAILABLE IN MAY OF THAT CALENDAR YEAR.

PER CAPITA SALES TAX ALL CITIES (FY 1997) SUM COLUMNS A & B, THEN DIVIDE THE COLUMN A SUMMED TOTAL BY THE COLUMN B SUMMED TOTAL. THE RESULT IS LISTED IN COLUMN C AS "PER CAPITA CITIES".

50% MINIMUM CRITERIA:

THE PREVIOUS CALCULATIONS ARE DIVIDED BY 2. THEN A COMPARISON OF THIS NUMBER WITH THE NUMBERS IN COLUMNS C & F IS MADE. THE RESULTS ARE REFLECTED IN COLUMNS G & H. "A" MEANS ABOVE, "B" BELOW THE CRITERIA.

SALES TAX REVENUE GROWTH:

COLUMN F, COMPUTE PERCENTAGE GROWTH OF SALES TAX REVENUE CHANGE IN SALES TAX REVENUE IN COLUMN D COMPARED TO COLUMN A.

GROWTH CRITERIA:

IF THE SALES TAX REVENUES OF THE CITY GREW BY AT LEAST 1/2%, THE RESULTS ARE REFLECTED IN COLUMN "I" WITH A "YES".

(1) COALINGA & UNINCORPORATED YEAR 2003 AND 2004 POPULATION ADJUSTED PER AGREEMENT DATED MARCH 23, 1999, SECTION 6, Population data for the adjustment provided by Council of Fresno County Governments

1 **SECOND AMENDED AND RESTATED**
2 **MEMORANDUM OF UNDERSTANDING BETWEEN**
3 **THE COUNTY OF FRESNO AND THE CITY OF ORANGE CODE**

4 THIS SECOND AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING
5 (hereinafter "RESTATED MOU") is made and executed by and between the COUNTY OF FRESNO, a
6 political subdivision of the State of California (hereinafter referred to as "COUNTY"), and the City of
7 Orange Cove, a municipal corporation of the State of California (hereinafter referred to as "CITY).

8 **WITNESSETH**

9 WHEREAS, on March 21, 2006, COUNTY and CITY entered into a comprehensive agreement
10 covering development, annexations, sales taxes, property taxes, and other matters, referred to as the
11 2006 Amended and Restated Memorandum of Understanding ("2006 MOU"); and

12 WHEREAS, the 2006 MOU served in part as COUNTY's and CITY's master property tax transfer
13 agreement under subdivision (d) of section 99 of the Revenue and Taxation Code; and

14 WHEREAS, the 2006 MOU also included provisions relating to redevelopment and included as a
15 party the former Orange Cove Redevelopment Agency, which CITY dissolved on February 1, 2012,
16 following the State adopted comprehensive legislation, Assembly Bill X1 26 (Stats. 2011, 1st Ex. Sess.
17 Chp. 5), dissolving California redevelopment agencies and prohibiting further redevelopment activities
18 under the California Community Redevelopment Law (former Health and Safety Code Section 33000 et
19 seq.); and

20 WHEREAS, on March 9, 2021, COUNTY and CITY executed a First Amendment to the 2006
21 MOU to accommodate extension of the 2006 MOU for one year from the expiration date of March 21,
22 2021, and to provide additional time for both parties to complete ongoing negotiations regarding a longer-
23 term extension; and

24 WHEREAS, the 2006 MOU is set to expire March 21, 2022; and

25 WHEREAS, COUNTY and CITY desire to make additional changes to their comprehensive
26 agreement set forth in the 2006 MOU, and to extend the term of their comprehensive agreement for an
27 additional 15 years; and
28

1 WHEREAS, due to the age of the 2006 MOU and the desire to make additional changes,
2 COUNTY and CITY have determined that it is in their best interests to entire into this RESTATED MOU,
3 which will supersede and replace the 2006 MOU; and

4 WHEREAS, COUNTY and CITY wish to continue to work together to develop a fair and equitable
5 approach to tax sharing and the encouragement of sound economic growth; and

6 WHEREAS, in order to encourage economic development and environmentally sound land use
7 planning, it is important that any tax sharing among COUNTY and CITY be determined in advance and
8 that such arrangements not be fiscally detrimental to either COUNTY or CITY; and

9 WHEREAS, COUNTY and CITY recognize the importance of COUNTY and CITY services and
10 are prepared to cooperate in an effort to address COUNTYs and CITYs fiscal problems; and

11 WHEREAS, through annexation CITY provides the opportunity for economic growth and
12 development to support public services for CITY and COUNTY; and

13 WHEREAS, close cooperation between COUNTY and CITY is necessary to maintain the quality
14 of life throughout Fresno County and deliver needed services in the most cost-efficient manner to all CITY
15 and COUNTY residents; and

16 WHEREAS, COUNTY recognizes the need for orderly growth within and adjacent to CITY and
17 for supporting appropriate annexations and promoting the concentration of development within CITY; and

18 WHEREAS, CITY recognizes that development within CITY limits may also have the effect of
19 concentrating revenue-generating activities within CITY rather than in unincorporated areas and that, as
20 a result of Proposition 13 and its implementing legislation, annexation by CITY of unincorporated territory
21 can result in a loss of revenue sources for COUNTY unless there is significant new development activity
22 as a result of annexation; and

23 WHEREAS, annexation is appropriate where it results in the development of urban uses in
24 response to a clearly demonstrated community demand, and it can be a valuable tool in the physical and
25 economic development of CITY and COUNTY; and

26 WHEREAS, the parties recognize that COUNTY General Plan Goal LU-G provides that COUNTY
27 will direct urban growth and development within the cities spheres of influence to existing incorporated
28

1 cities and will ensure that all development in city fringe areas is well planned and adequately served by
2 necessary public facilities and infrastructure and furthers countywide economic development goals; and

3 WHEREAS, the parties recognize that when urban growth and development is directed to cities
4 there is a lost opportunity of development by COUNTY in the unincorporated area and that sharing of
5 local sales and use taxes generated by such development would serve as a tool for the COUNTY to
6 participate in receiving a share of that new revenue; and

7 WHEREAS, it is the interest of the parties to require all new urban development to pay a roughly
8 proportionate share of the cost of urban services and infrastructure created by the development, whether
9 it occurs in the CITY or in the adjacent unincorporated area of the CITY's sphere of influence.

10 WHEREAS, COUNTY, CITY AND AGENCY executed a Joint Powers Agreement dated March
11 30, 1982, for the distribution of property tax increment revenue collected in subproject areas located
12 outside City limits.

13 NOW, THEREFORE, COUNTY and CITY hereby agree as follows:

14 ARTICLE I

15 DEFINITIONS

16 Unless the particular provision or context otherwise requires, the definitions contained in this
17 article and in the Revenue and Taxation Code shall govern the construction, meaning, and application of
18 words used in this RESTATED MOU.

19 1.1 "Base property tax revenues" means property tax revenues allocated by tax rate
20 equivalents to all taxing jurisdictions as to the geographic area comprising a given tax rate area annexed
21 in the fiscal year immediately preceding the tax year in which property tax revenues are apportioned
22 pursuant to this RESTATED MOU, including the amount of State reimbursement of the homeowners' and
23 business inventory exemptions.

24 1.2 Except as provided in Section 6.1, "property tax increment" means revenue from the
25 annual tax increment, as "annual tax increment" is defined in Section 98 of the Revenue and Taxation
26 Code, attributable to the tax rate area for the respective tax year.

27 1.3 "Substantial development" or "substantially developed" means real property which, prior
28 to annexation, has an improvement value to land value ratio equal to or greater than 1.25:1, as of the lien

1 date in the fiscal year in which the annexation becomes effective under the Cortese-Knox Local
2 Government Reorganization Act, and on and after January 1, 2000, the Cortese-Knox-Hertzberg Local
3 Government Reorganization Act of 2000.

4 1.4 "Property tax revenue" means base property tax revenue, plus the property tax increment
5 for a given tax rate area.

6 1.5 "Tax apportionment ratio" means the tax apportionment ratio of the parties for a given
7 fiscal year and shall be ascertained by dividing the amount determined for each party pursuant to
8 Revenue and Taxation Code Sections 96(a) or 97(a), whichever is applicable, by that party's gross
9 assessed value, and by then dividing the sum of the resulting tax rate equivalents of both parties into
10 each party's tax rate equivalent to produce the tax apportionment ratio.

11 1.6 "Tax rate equivalent" means the factor derived for an agency by dividing the property tax
12 levy for the prior fiscal year computed pursuant to Section 97 of the Revenue and Taxation Code by the
13 gross assessed value of the agency for the prior fiscal year.

14
15 1.7 "Effective Date" shall mean the last date that all the parties hereto execute this Amended
16 and RESTATED MOU between COUNTY and CITY.

17 1.8 "Urban development" or "urban type development" shall mean development not allowed
18 in areas designated Agriculture, Rural Residential or River Influence in COUNTY's General Plan or its
19 applicable community plans as of the Effective Date of this RESTATED MOU.

20 21 ARTICLE II

22 ANNEXATIONS BY CITY

23 2.1 Any annexations undertaken by CITY following the date of the execution of this
24 RESTATED MOU shall be consistent with both the terms of this MOU and the standards (hereinafter
25 "The Standards" or "Standards") as set forth in Exhibit "1", attached hereto and incorporated by reference
26 herein as if set fourth fully at this point. This RESTATED MOU shall not apply to annexations proposed
27 by CITY which are not in compliance with its terms or which fail to meet The Standards. If a proposed
28 annexation is not in compliance with the terms of this RESTATED MOU, including but not limited to, The

1 Standards, then the property tax exchange provisions of Article III of this RESTATED MOU shall not
2 apply in regards to that proposed non-complying annexation. An exchange of property tax revenues
3 between COUNTY and CITY for any such non-complying annexation shall be handled individually
4 pursuant to subdivision (e) of Section 99 of the Revenue and Taxation Code or by the negotiation of a
5 standalone property tax exchange agreement between COUNTY and CITY.

6 2.2 In order to encourage the orderly processing of proposed annexations, CITY shall, at least
7 thirty (30) days prior to filing any annexation proposal with the Fresno County Local Agency Formation
8 Commission (hereinafter "LAFCO"), notify COUNTY of its intention to file such proposal and the date
9 upon which CITY expects such proposal to be filed. Upon COUNTY's request, CITY agrees to meet with
10 COUNTY to review whether its proposed annexation complies with The Standards. Within fifteen (15)
11 days after the date COUNTY receives notice by the CITY of its annexation proposal, COUNTY shall notify
12 CITY in writing if it has determined that the proposed annexation is inconsistent with The Standards.
13 Upon receipt of such notification, CITY may either modify the proposal to COUNTY's specifications or
14 adopt a resolution finding that the proposed annexation is, in CITY's determination, consistent with The
15 Standards. If County fails to give such notice within the fifteen-day period, the annexation shall be
16 conclusively deemed consistent with all provisions of this article and The Standards.

17 2.3 If CITY adopts a resolution making the findings described in Section 2.2, then COUNTY
18 may challenge such findings by appropriate court action filed within thirty (30) days of receipt of written
19 notice of the adoption of CITY's resolution. The court shall independently review the evidence and
20 determine whether the proposed annexation is consistent with the Standards.

21 As an alternative to a judicial challenge by the COUNTY, the parties may within the aforesaid
22 thirty (30) day period mutually agree in writing to arbitrate their dispute through proceedings conducted
23 in accordance with the rules established by the American Arbitration Association. The parties upon
24 agreeing to arbitrate will proceed with arbitration in a timely manner. The arbitrator hearing the matter
25 shall independently review the evidence and determine whether the proposed annexation is consistent
26 with The Standards.

27 Costs incurred by the prevailing party, either in court proceedings or the arbitration proceedings,
28 shall be paid by the non-prevailing party. The parties agree that CITY shall not proceed to LAFCO with

1 the proposed annexation until the dispute is finally resolved either by court or arbitration proceedings. If
2 CITY attempts to proceed with such proposed annexation prior to the expiration of the period in which
3 COUNTY may file its court action or agree to arbitrate, or prior to the final conclusion of such court or
4 arbitration proceeding, then the property tax exchange provisions of Article III of this RESTATED MOU
5 shall not apply to that proposed annexation.

6 Notwithstanding the foregoing, the CITY may proceed to LAFCO under this RESTATED MOU if
7 court or arbitration proceedings are not completed within thirty (30) days after the filing thereof provided,
8 however, that LAFCO in its resolution of approval, at the request of the CITY, conditions the completion
9 of the annexation upon the Executive Officer's prior receipt of a certified copy of the document evidencing
10 the finality of the aforesaid court or arbitration proceedings determining that the proposed annexation is
11 consistent with Exhibit "1" attached hereto, or alternatively, receipt of a written stipulation of the CITY and
12 COUNTY agreeing that a master property tax agreement still exists permitting the completion of such
13 proposed annexation. If LAFCO declines to include the aforesaid condition, or CITY fails to timely request
14 such condition, no property tax exchange agreement as required by section 99 of the Revenue and
15 Taxation Code shall exist between CITY and COUNTY as to that proposed annexation. If CITY
16 nevertheless attempts to proceed with the annexation, such action on the part of the CITY shall also be
17 deemed good cause for the COUNTY at its option to terminate this RESTATED MOU.

18 2.4 For the purpose of promoting economic development and job creation, an Alternate
19 Standard for Annexation for industrial or regional commercial uses is hereby created. In the place of The
20 Standards set forth in Exhibit 1, the Alternate Standard for Annexation shall apply to and govern the
21 review of annexation proposals for industrial or regional commercial uses. Annexation proposals for
22 industrial/regional commercial uses shall include a conceptual development plan, as described herein.
23 The conceptual development plan shall consist of the economic objectives to be achieved, the service
24 and financing strategy and its schedule, and shall include a map of the proposed rezoning. The
25 conceptual development plan's schedule shall include milestones for major project components, to
26 measure the progress of the project. Due to the complexity of such projects the development schedule
27 for planning and implementation may reasonably require a period of from five to ten years. The
28 annexation proposal shall be submitted to and reviewed by the COUNTY pursuant to Section 2.2.

1 Annexation proposals that comply with the criteria of this Section 2.4 shall, be deemed to comply with
2 Section 2.1. The annexation application to be submitted to LAFCO shall be considered complete upon
3 adoption of the rezoning by the CITY. COUNTY and CITY agree to meet annually to review the progress
4 toward the achievement of the economic development objectives and to identify ways to promote mutual
5 economic development objectives. The proposed annexation made under this Alternate Standard for
6 Annexation described in this Section 2.4 should not create islands and annexation boundaries must
7 ultimately minimize creation of peninsulas, corridors, or other distortion of boundaries.

8 2.5 Section 2.4 shall be deemed suspended if CITY rezones an area that was annexed using
9 the Alternate Standard for Annexation to a zone other than Industrial/Regional Commercial without
10 COUNTY's consent.

11 ARTICLE III

12 EXCHANGE OF PROPERTY TAX REVENUES TO BE

13 MADE UNDER SECTION 99 OF THE REVENUE AND TAXATION CODE

14 3.1 The property tax revenues collected in relation to annexations covered by the terms of this
15 RESTATED MOU shall be apportioned between CITY and COUNTY as set forth in Sections 3.2 and 3.3
16 below. The parties acknowledge that, pursuant to Sections 54902, 54902.1 and 54903 of Government
17 Code and Section 99 of the Revenue and Taxation Code, the distribution of such property tax revenues
18 will not be effective until the revenues are collected in the tax year following the calendar year in which
19 the statement of boundary changes and the map or plat is filed with the County Assessor and the State
20 Department of Tax and Fee Administration.

21 3.2 In regards to the annexation of real properties which are not considered substantially
22 developed at the time of annexation, COUNTY will retain all of its base property tax revenue upon
23 annexation. The amount of the property tax increment for special districts whose services are assumed
24 by CITY shall be combined with the property tax increment of the COUNTY, the sum of which shall be
25 allocated between CITY and COUNTY pursuant to the following tax apportionment ratio:

26 COUNTY: 63%

27 CITY: 37%

28 Effective July 1, 2022 these property tax-sharing ratios shall be as shown in Exhibit "2".

3.3 In regards to the annexation of real properties which are considered substantially developed at the time of annexation, property tax revenue (base plus increment) will be reallocated as follows: a detaching or dissolving district's property tax revenue (base plus increment) shall be combined with COUNTY's and the sum of which shall be allocated between CITY and COUNTY pursuant to the ratio set forth in Section 3.2.

ARTICLE IV

DEVELOPMENT WITHIN AND ADJACENT

TO CITY'S SPHERE OF INFLUENCE

AND COUNTY CAPITAL IMPROVEMENT FEES

4.1 COUNTY shall not approve any discretionary development permits for new urban development within CITY's sphere of influence unless the development shall have first been referred to CITY for consideration of possible annexation. If CITY does not, within sixty (60) days of receipt of notice from COUNTY, adopt a resolution of application to initiate annexation proceedings before LAFCO, COUNTY may approve development permits for that new urban development. COUNTY's approval shall take into consideration CITY's general plan and be consistent with COUNTY's general plan policies, provided, that the development is orderly and does not result in the premature conversion of agricultural lands.

4.2 Within the CITY's sphere of influence, COUNTY shall require compliance with development standards that are comparable to CITY's and charge fees reflecting the increased administrative and implementing cost where such CITY standards are more stringent than COUNTY's. These requirements shall apply to discretionary development applications approved by COUNTY. For purposes of this Agreement, "discretionary development applications" shall mean General Plan Amendments, Rezoning, Tentative Tract Maps, Tentative Parcel Maps, Conditional Use Permits, Director Review and Approvals, and Variances.

4.3 CITY development fees shall be charged for any discretionary development applications to be approved by the COUNTY within CITY's sphere of influence. To establish or amend CITY development fees, CITY shall conduct a public hearing and notify property owners in accordance with State Law. At the conclusion of that hearing, CITY shall adopt a resolution describing the type, amount,

1 and purpose of CITY fees to be requested for COUNTY adoption.

2 4.4 CITY shall transmit the adopted resolution to the COUNTY for its adoption of the fees.
3 CITY shall include a draft ordinance for COUNTY's adoption with appropriate supporting documentation
4 or findings by the CITY demonstrating that the fees comply with the Mitigation Fee Act (Section 66000,
5 and following, of the Government Code) and other applicable State Law requirements. CITY fees may
6 also include CITY's and COUNTY's increased administrative costs and inspection charges, provided
7 those costs similarly comply with the Mitigation Fee Act and other applicable State Law requirements.

8 4.5 COUNTY shall collect the applicable CITY development fees for infrastructure and
9 facilities at the time of final map approval or issuance of building permits as established by the fee
10 schedule. Or, COUNTY shall require the applicant to present a voucher issued by CITY evidencing the
11 payment of the fees directly to CITY, or written confirmation by CITY that fees are inapplicable. If
12 COUNTY imposes and collects fees on behalf of CITY, COUNTY shall transfer the fees to CITY at the
13 earliest time legally permitted.

14 4.6 CITY shall give COUNTY at least thirty (30) days notice before implementing any new
15 fees or an amendment to existing fees. Notwithstanding this Section 4.6, or any other provision of this
16 MOU, CITY shall be solely responsible for determining the amount of the fees and setting them in
17 accordance with law. This Section 4.6 shall not be construed as a representation by COUNTY as to the
18 propriety of the fees or the procedures used in setting them.

19 4.7 CITY shall hold harmless, defend and indemnify the COUNTY from all claims, demands,
20 litigation of any kind whatsoever arising from disputes relating to the fees, the enactment of or the
21 collection of CITY development fees.

22 4.8 If COUNTY adopts capital improvement fees, CITY shall require that an applicant for any
23 land use entitlement or permit within CITY shall pay all COUNTY, public improvement fees applicable to
24 the entitlement or permit on behalf of the COUNTY. At the COUNTY's request, CITY shall either timely
25 impose and collect all such fees or shall require the applicant to present a voucher issued by COUNTY
26 evidencing the payment of fees directly to COUNTY. If adopted by COUNTY, the fees are to mitigate
27 the impact of development on required COUNTY facilities and services including, but not limited to, the
28 criminal justice system, health, social services, parks, transportation and library. If CITY imposes and

1 collects fees on behalf of COUNTY, CITY shall transfer the fees to COUNTY at the earliest time legally
2 permissible to do so. COUNTY may impose new fees and amend existing fees from time to time in its
3 sole discretion. COUNTY shall give CITY at least thirty (30) days notice before implementing any new
4 fees or an amendment to existing fees. Notwithstanding this Section 4.8, or any other provision of this
5 RESTATED MOU, COUNTY shall be solely responsible for determining the amount of the fees and
6 setting them in accordance with law. This Section 4.8 shall not be construed as a representation by CITY
7 as to the propriety of the fees or the procedures used in setting them. If COUNTY imposes capital
8 improvement fees and CITY collects capital improvement fees on behalf of COUNTY, this RESTATED
9 MOU serves as a joint powers agreement under Chapter 5 of Division 7 of Title 1 (commencing with
10 Section 6500) of the Government Code for the purpose of CITY's collection of capital improvement fees
11 on behalf of COUNTY.

12 4.9 COUNTY shall hold harmless, defend and indemnify the CITY from all claims, demands,
13 litigations of any kind whatsoever arising from disputes relating to the enactment or collection of COUNTY
14 capital improvement fees.

15 4.10 COUNTY shall support urban unification and consolidation of urban services. To this end,
16 COUNTY shall oppose the creation of new governmental entities within CITY's sphere of influence,
17 except for such entities that may be necessary to address service requirements that cannot be addressed
18 by annexation to CITY. CITY and COUNTY will support transition agreements with current service
19 providers which recognize the primary role of cities as providers of urban services and where current
20 service providers have participated in service master planning.

21 4.11 Within CITY's sphere of influence and for the two-mile area beyond that sphere of
22 influence, COUNTY and CITY agree that, in the early stages of preparation of zone changes , circulation
23 proposals and general plan amendments for new urban development, they shall consult and formally
24 notify at the staff level in such fashion as to provide meaningful participation in the policy formulation
25 process, and shall likewise consult on other policy changes which may have an impact on growth or the
26 provision of urban services. CITY shall also be given the opportunity to respond to COUNTY before the
27 final document is prepared for presentation to COUNTY's Planning Commission. COUNTY agrees that
28 it will solicit comments from CITY in the preparation of any Initial Study required by the California

1 Environmental Quality Act undertaken within the area. If CITY determines such urban development may
2 have a significant effect on the environment, the COUNTY shall require an Environmental Impact Report
3 to be prepared if a fair argument can be made in support of the CITY's finding.

4 Notwithstanding anything to the contrary herein, because of state-mandated directives, including
5 without limitation, the state Regional Housing Needs Allocation, COUNTY may consider approval of
6 urban development in areas that are not currently planned for urban development, in order to meet its
7 obligations under a state-mandated directive.

8 4.12 Any change in the CITY's sphere of influence proposed by either COUNTY or CITY which
9 would modify the area depicted in Exhibit "3" requires the mutual consultation of both parties prior to
10 submission to LAFCO.

11 ARTICLE V

12 IMPLEMENTATION OF SALES TAX

13 REVENUE COLLECTION

14 5.1 Pursuant to the Bradley Burns Uniform Local Sales and Use Tax Law, Part 1.5, Division
15 2, of the Revenue and Taxation Code (commencing with Section 7200), CITY shall, concurrent with the
16 execution of this RESTATED MOU, amend its local sales and use tax ordinance, as needed, to comply
17 with the terms of this RESTATED MOU. The amendment of CITY's sales and use tax ordinance
18 (hereinafter referred to as "Ordinance Amendment") described in this Section 5.1 shall be timely
19 forwarded to the State Department of Tax and Fee Administration so that it will become operative as of
20 the first July 1 following the CITY reaching the threshold forth in subsections 5.2.1 and 5.2.2. The
21 Ordinance Amendment shall enable COUNTY, pursuant to its sales and use tax ordinance, to collect a
22 portion of the sales and use tax revenues generated within the incorporated areas of CITY in accordance
23 with the applicable rate set forth on Exhibit 4", attached hereto and incorporated by reference as if set
24 forth fully at this point. The format of this amendment by CITY to its local sales and use tax ordinance
25 shall likewise provide as a credit against the payment of taxes due under such ordinance, an amount
26 equal to any sales and use tax due to COUNTY.

27 5.2 Except as otherwise provided herein, CITY further agrees that the Ordinance Amendment
28 shall likewise provide for the periodic reallocation of additional sales tax revenues generated within the

1 incorporated areas of CITY in accordance with the schedule set forth on Exhibit "4". Each subsequent
2 incremental adjustment shall go into effect at the commencement of the fiscal year indicated. These
3 periodic adjustments shall enable COUNTY, pursuant to its sales and use tax ordinance, to collect that
4 portion of the sales and use tax revenues generated within the incorporated areas of CITY equal to the
5 applicable percentage as specified in Exhibit "4". These periodic adjustments shall automatically go into
6 effect provided that:

7 5.2.1 CITY receives sales tax revenues per capita in an amount greater than fifty percent
8 (50%) of the sales tax revenue per capita collected by all Fresno County cities when taken as
9 a group during the most recent fiscal year for which State Department of Tax and Fee
10 Administration information is available, then it hereby agrees to reallocated sales tax revenues
11 with COUNTY beginning in fiscal year 2021-22 in accordance with the provisions of this article;
12 and

13 5.2.2 CITY's annual sales tax revenue information is available for the State Department
14 of Tax and Fee Administration allows City to reallocate sales tax revenue at the percentage
15 designated in Exhibit "4" and still have a net increase in its remaining sales tax revenue when
16 compared with the fiscal year immediately preceding the fiscal year described above. The
17 periodic phase in of sales tax reallocation described herein shall be delayed from year-to-year
18 if CITY falls below the sales tax reallocation threshold as identified in Section 5.2. In those
19 years in which CITY does not meet the sales tax reallocation threshold, CITY's sharing
20 proportion shall continue at the same rate as in the last year in which CITY met or exceeded
21 the threshold. When, in a subsequent year, CITY again meets or exceeds the threshold, the
22 sharing proportion of CITY shall be at the next higher sharing proportion shown on Exhibit "4",
23 and the annual phase-in shall continue therefrom.

24 5.3 The Ordinance Amendment is intended to reduce CITY's sales tax rate from its then-
25 existing level to a level which thereby enables COUNTY, pursuant to its sales tax ordinance, to continue
26 collecting those amounts set forth in the previous provisions of this article as well as the applicable
27 percentages set forth on Exhibit "4". In addition, each periodic adjustment is intended by the parties to
28 enable COUNTY to collect an amount equivalent to the applicable percentage specified in Exhibit "4".

1 5.4 Whenever CITY proposes an annexation of unincorporated territory which generates
2 "substantial sales tax revenue" (as defined in this section 5.4 below) for COUNTY, CITY, agrees to further
3 amend its local sales and use tax ordinance as set forth in this section. Notwithstanding the language of
4 subsections 5.2.1 and 5.2.2, this additional amendment shall become operative no later than the
5 commencement of the next calendar quarter following the date upon which such annexation is certified
6 as complete by the Executive Officer of LAFCO. This additional amendment shall decrease CITY's sales
7 tax rate to yield an amount of substantial sales tax revenue being collected by COUNTY in the area to
8 be annexed, thus enabling COUNTY to increase its sales tax rate by a corresponding percentage which
9 shall continue to accrue to COUNTY throughout the term of this RESTATED MOU. Any such additional
10 amendment made by CITY pursuant to this section shall be cumulative and likewise preserve intact any
11 periodic adjustments previously implemented pursuant to this RESTATED MOU. Further, CITY agrees
12 that it shall not split or separate areas into smaller annexations for the purpose of, or having the effect of,
13 creating an annexation or annexations which, individually, do not generate substantial sales tax revenue,
14 but which would generate such revenue if combined. For purposes of this article, the term "substantial
15 sales tax revenue" shall be defined as sales tax revenue derived from taxable sales in the area annexed
16 equal to at least:

17 5.4.1 If only information for less than one fiscal year exists, then \$100,000 in taxable
18 sales in the most recent quarter for which such information from the State Department of
19 Tax and Fee Administration is available in writing or electronic or magnetic media, and
20 projected to a full four quarters, at least

21 \$400,000 in taxable sales.

22 5.4.2 If information for one or more years exist, then \$400,000 in taxable sales in the
23 most recent year for which such information from the State Department of Tax and Fee
24 Administration is available in writing or electronic or magnetic media.

25 5.5 If CITY fails to amend its sales tax ordinance as provided in section 5.1, or if the Ordinance
26 Amendment fails to provide for the periodic reallocation of additional sales tax revenues as provided in
27 section 5.2, the subsections therein, and Exhibit "4", or if CITY fails to further amend its sales tax
28 ordinance upon the annexation of unincorporated territory which generates substantial sales tax revenue

1 for COUNTY as provided in section 5.4, or if CITY splits or separates areas into smaller areas as
2 prohibited by section 5.4, then this RESTATED MOU shall immediately terminate and, in particular, no
3 master property tax exchange agreement under subdivision (d) of Section 99 of the Revenue and
4 Taxation Code, shall exist between CITY and COUNTY.

5 5.6 CITY and COUNTY further agree that the annual report of the State Department of Tax
6 and Fee Administration and the Department of Finance Annual Population Estimates shall be used as
7 the data source for the purpose of calculating the per capita sales tax revenue pursuant to this
8 RESTATED MOU.

9 5.7 Application of the formula to be used in the allocation of revenues pursuant to section 5.2
10 is illustrated in Exhibit "5", attached hereto and incorporated by reference herein as if set forth fully at this
11 point.

12 ARTICLE VI

13 COUNTY AND CITY ASSURANCES ON USE OF REVENUE

14 6.1 COUNTY recognizes that certain revenue reallocated to it by this RESTATED MOU would
15 otherwise have been appropriated by CITY to meet demands for services. In light therefore, COUNTY
16 agrees to use such new revenue in order to maintain levels of COUNTY services that are supportive of
17 CITY services, unless the Federal or state governments materially reduce the level of funding for such
18 services. Examples of such COUNTY services include, but are not limited to, the criminal justice system,
19 public health, and other similar services.

20 6.2 CITY agrees to continue enforcement of laws which result in the collection of fines and
21 forfeitures.

22 ARTICLE VII

23 COOPERATIVE EFFORTS AT LEGISLATIVE REFORM

24 7.1 CITY and COUNTY agree to work jointly for state legislation and appropriations that would
25 improve the fiscal condition of both CITY and COUNTY.

26 ARTICLE IX

27 GENERAL PROVISIONS

28 8.1 Term of MOU

1 This RESTATED MOU shall commence as of the date of execution by COUNTY and CITY and
2 shall remain in effect for a period of fifteen (15) years, unless terminated prior to that time by mutual
3 agreement of the parties or as otherwise provided by the RESTATED MOU.

4 In addition, should all or any portion of this RESTATED MOU be declared invalid or inoperative
5 by a court of competent jurisdiction, or should any party to this RESTATED MOU fail to perform any of
6 its obligations hereunder, or should any party to this RESTATED MOU take any action to frustrate the
7 intentions of the parties as expressed in this RESTATED MOU, then in such event, this entire RESTATED
8 MOU, as well as any ancillary documents entered into by the parties in order to fulfill the intent of this
9 RESTATED MOU, shall immediately be of no force and effect and, in particular, no property tax exchange
10 agreement, as required by Section 99 of the Revenue and Taxation Code, shall exist between the CITY
11 and COUNTY as to unincorporated property.

12 8.2 Geographic Application of RESTATED MOU

13 This RESTATED MOU shall apply only to the areas identified as the City of Orange Cove's Sphere
14 of Influence and the Future Growth Areas as depicted in Exhibit 3. This RESTATED MOU shall not apply
15 to any sphere of influence beyond the area depicted in Exhibit 3 unless and until the parties mutually
16 agree to amend this RESTATED MOU.

17 8.3 Termination Due to Changes in Law

18 The purpose of this RESTATED MOU is to alleviate in part the revenue shortfall experienced by
19 COUNTY which may result from CITY's annexation of revenue-producing or potentially revenue-
20 producing properties located within the unincorporated area of COUNTY. The purpose of this RESTATED
21 MOU is also to enable CITY to proceed with territorial expansion and economic growth consistent with
22 the terms of existing law as mutually understood by the parties as well as to maximize each party's ability
23 to deliver essential governmental services. In entering into this RESTATED MOU, the parties mutually
24 assume the continuation of the existing statutory scheme for the distribution of available tax revenues to
25 local government and that assumption is a basic tenet of this RESTATED MOU. Accordingly, it is mutually
26 understood and agreed that this RESTATED MOU may, by mutual agreement be terminated should
27 changes occur in statutory law, court decisions or state administrative interpretations which negate the
28 basic tenets of this RESTATED MOU.

1 8.4 Modification

2 This RESTATED MOU and all of the covenants and conditions set forth herein may be modified
3 or amended only by a writing duly authorized and executed by COUNTY and CITY.

4 8.5 Enforcement

5 COUNTY and CITY each acknowledge that this instrument cannot bind or limit themselves or
6 each other or their future governing bodies in the exercise of their discretionary legislative power.
7 However, each binds itself that it will insofar as is legally possible fully carry out the intent and purposes
8 hereof, if necessary by administrative action independent of ordinances, and that this RESTATED MOU
9 may be enforced by injunction to the extent allowed by law.

10 8.6 Entire Agreement and : Supersession

11 With respect to the subject matter hereof, this RESTATED MOU supersedes any and all previous
12 negotiations, proposals, commitments, writings, and understandings of any nature whatsoever between
13 COUNTY and CITY except as otherwise provided herein.

14 8.7 Notice

15 All notices, requests, certifications or other correspondence required to be provided by the parties
16 to this RESTATED MOU shall be in writing and shall be delivered by first class mail or an equal or better
17 form of delivery to the respective parties at the following addresses:

18 COUNTY

19 County Administrative Officer
20 County of Fresno
21 Hall of Records, Room 300
22 2281 Tulare Street
23 Fresno, CA 93721

18 CITY

19 City Manager
20 City of Orange Cove
21 City Hall
22 633 Sixth Street
23 Orange Cove, CA 93646

24 8.8 Renegotiation

25 If COUNTY enters into an agreement or memorandum of understanding, which includes a master
26 property tax exchange agreement under subdivision (d) of Section 99 of the Revenue and Taxation Code,
27 with another city that has terms and conditions more favorable in the aggregate to that city than those
28 terms and conditions contained herein, COUNTY agrees that it will negotiate such terms and conditions
upon written request from CITY, with the intent of offering that more favorable agreement. Negotiations
shall conclude thirty (30) days from the date of receipt of notice by COUNTY and, if agreement is

1 tentatively reached during that period, the legislative bodies of the parties shall approve any such
2 amendment within thirty (30) days following the date of the tentative agreement. COUNTY and CITY are
3 not required to reach agreement.

4 8.9 Notice of Breach

5 Prior to this RESTATED MOU being terminated as expressly provided in Sections 5.5,6.2.2 and
6 9.1, COUNTY shall provide notice to CITY of such breach, and CITY shall comply with the terms and
7 conditions of this RESTATED MOU within thirty (30) days of receipt of notice. If CITY fails to timely
8 comply this RESTATED MOU shall terminate as provided herein. During the thirty (30) day notice period
9 and until CITY certifies in writing that they are in compliance and COUNTY agrees in writing, no property
10 tax exchange agreement, as required by Section 99 of the Revenue and Taxation Code, shall exist
11 between COUNTY and CITY with respect to any pending annexations.

12 In like manner the CITY and AGENCY shall give COUNTY thirty (30) days written notice and
13 opportunity to cure any alleged breach of the RESTATED MOU on the part of the COUNTY.

14 8.10 No Waiver of Government Claims Act

15 For all claims arising from or related to this RESTATED MOU, nothing in this RESTATED MOU
16 establishes, waives, or modifies any claims presentation requirements or procedures provided by law,
17 including the Government Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with
18 section 810).

19 8.11 Governing Law and Venue

20 This RESTATED MOU shall be administered and interpreted under the laws of the State of California.
21 Jurisdiction of litigation arising from this RESTATED MOU shall only be in California. Any action brought
22 to interpret or enforce this RESTATED MOU, or any of the terms or conditions hereof, shall be brought
23 and maintained in the Fresno County Superior Court.

24 8.12 Authorization to Execute

25 COUNTY and CITY each represent and warrant that the individuals signing this RESTATED MOU
26 are duly authorized to do so by their respective legislative bodies and that their signatures on this
27 RESTATED MOU legally bind COUNTY and CITY to the terms of this RESTATED MOU.

28 8.13 Counterparts

1 This RESTATED MOU may be signed in counterparts, each of which is an original, and all of
2 which together constitute this RESTATED MOU.

3 (Signature page follows.)
4
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1
2 IN WITNESS WHEREOF, the parties hereto have executed this RESTATED MOU in the County
3 of Fresno, State of California, on the last date set forth below.
4

5 County of Fresno, a Political
6 Subdivision of the State of California
(COUNTY)

City of Orange Cove, a Municipal
Corporation of the State of California (CITY)

7
8 By: _____
9 Steve Brandau, Chairman of the
Board of Supervisors of the County of Fresno

By: _____
Victor P. Lopez, Mayor, City of Orange Cove

10 Date: _____

Date: _____

11 **Attest:**

12 Bernice E. Seidel
13 Clerk of the Board of Supervisors
14 County of Fresno, State of California
Clerk to the Board of Supervisors

Attest:

June V. Lopez-Bracamontes
City Clerk

15
16 By: _____
Deputy

By: _____
June V. Lopez-Bracamontes, City Clerk
City of Orange Cove

Rudy Hernandez, Interim City Manager

20 By: _____
21 Rudy Hernandez, Interim City Manager
22 City of Orange Cove

23 Approved as to Legal Form
24 City Attorney, City of Orange Cove

25 By: _____
26 Dan McCloskey, City Attorney
27 City of Orange Cove
28

EXHIBIT 1
STANDARDS FOR ANNEXATION

- The proposal must be consistent with adopted sphere of influence of the city and not conflict with the goals and policies of the Cortese-Knox-Hertzberg Act.
- The proposal must be consistent with city general and specific plans, including adopted goals and policies.
- Pursuant to CEQA, the proposal must mitigate any significant adverse effect on continuing agricultural operations on adjacent properties, to the extent reasonable and consistent with the applicable general and specific plan.
- A proposal for annexation is acceptable if one of the following conditions exist:
 1. There is existing substantial development provided the City confines its area requested to that area needed to include the substantial development and create logical boundaries.
 2. Development exists that requires urban services which can be provided by the City.
 3. If no development requiring urban services exists, at least 25% of the area proposed for annexation has:
 - (a) Approved tentative subdivision map (single-family residential)
 - (b) Approved site plan (for uses including multi-family)
 4. The annexation is to fulfill the city's Regional Housing Needs Allocation (RHNA) obligation which otherwise cannot be accommodated on lands currently within the city's incorporated boundary.
 5. The annexation includes the full width of road right-of-way along the annexation boundary and does not result in the creation of bypassed segments of existing road rights-of-way.
- The proposal would not create islands. Boundaries must ultimately minimize creation of peninsulas and corridors, or other distortion of boundaries.

For any of the following circumstances listed below, a proposal for annexation is presumed to comply with all standards for annexation:

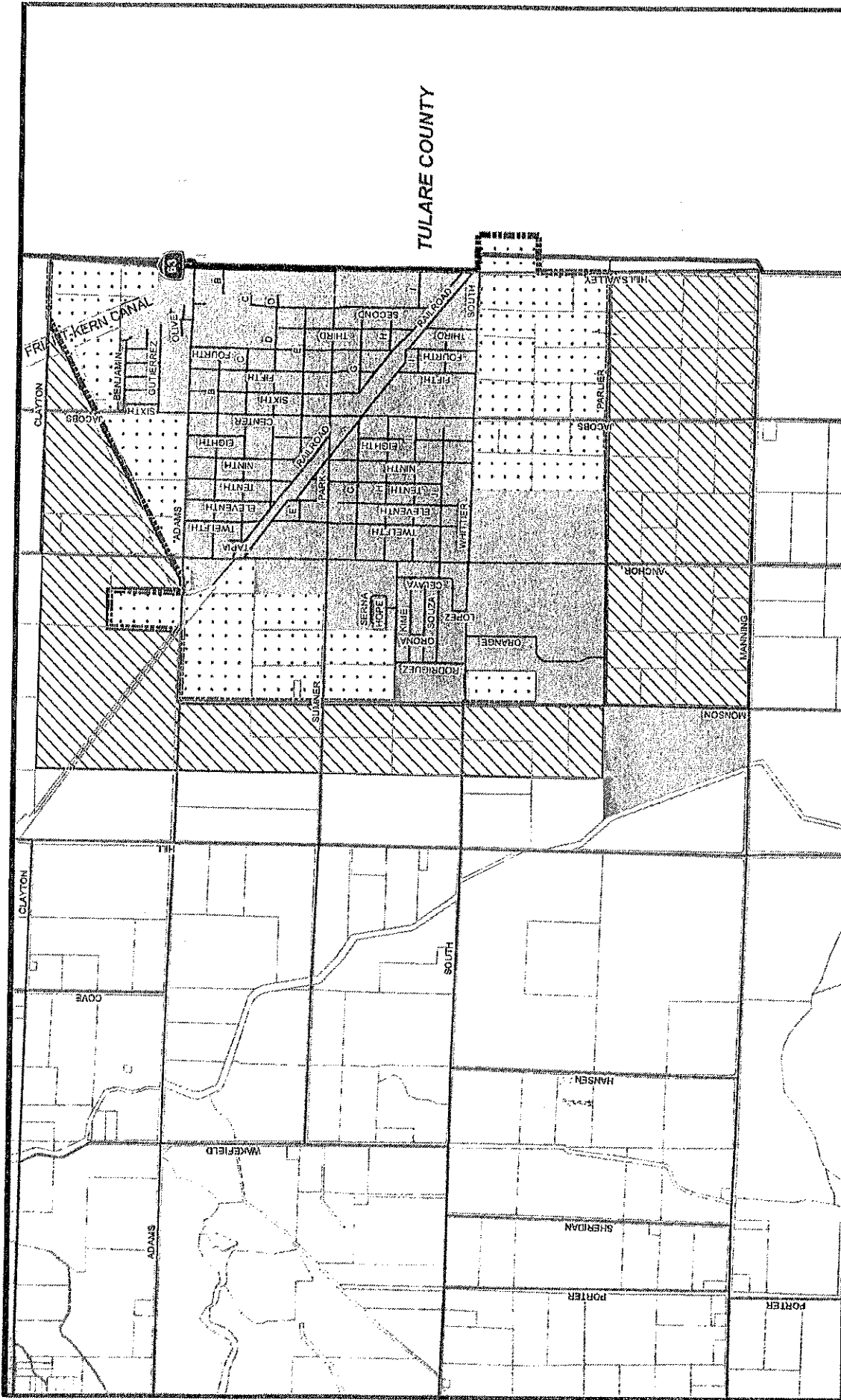
- The request for annexation is by a city for annexation of its own publicly-owned property for public use.
- The request for annexation is by a city in order to facilitate construction of public improvements or public facilities which otherwise could not be constructed.
- The request for annexation is to remove an unincorporated island, substantially surrounded area, or otherwise address existing peninsulas and/or irregular boundaries.

Commented [JB1]: Delete. This section is already addressed in Section 2.4 of Article II (alternate standard of annexation for regional commercial/industrial).

EXHIBIT 2




Effective July 1, 2021, the property tax sharing ratios shall continue as follows:

County	City	Effective Date
63.0%	37.0%	July 1, 2022
63.0%	37.0%	July 1, 2023
63.0%	37.0%	July 1, 2024
63.0%	37.0%	July 1, 2025
63.0%	37.0%	July 1, 2026
63.0%	37.0%	July 1, 2027
63.0%	37.0%	July 1, 2028
63.0%	37.0%	July 1, 2029
63.0%	37.0%	July 1, 2030
63.0%	37.0%	July 1, 2031
63.0%	37.0%	July 1, 2032
63.0%	37.0%	July 1, 2033
63.0%	37.0%	July 1, 2034
63.0%	37.0%	July 1, 2035
63.0%	37.0%	July 1, 3036



TULARE COUNTY

CITY OF ORANGE COVE

-  City of Orange Cove City Limits
-  City of Orange Cove Sphere of Influence
-  Future Growth Area 1,034.35 Acres



Department of Public Works and Planning
Development Services Division

Prepared by: GS&M/UC
B.14360/Dev/Map/UCS/Map/Specific

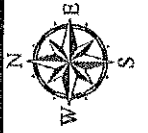


EXHIBIT 4

Effective July 1, 2021, the Sales Tax Revenue Sharing Proportion shall continue as follows:

YEAR	CITY
1	5%
2	5%
3	5%
4	5%
5	5%
6	5%
7	5%
8	5%
9	5%
10	5%
11	5%
12	5%
13	5%
14	5%
15	5%

EXHIBIT 5

Table 1: Sales Tax Revenue Allocation Application FY 2018-19 Data

City	Sales Tax Revenue		Per Capita Tax Revenue		Sales Tax Revenue		Population		Per Capita Tax Revenue		Meets 50% Criteria		Growth over 1/2%		Sales Tax Revenue Growth	
	2017 - 2018	A	2017 - 2018	C	2018 - 2019	D	January 1, 2018	B	2017 - 2018	F	2017 - 2018	G	2018 - 2019	F	2018 - 2019	J
Clovis	\$ 20,088,192	\$	113,501	\$ 176.99	\$	21,398,962	116,609	\$ 183.51	A	A	Yes	Yes	6.53%	A	Yes	6.53%
Coalinga	\$ 795,842	\$	16,516	\$ 48.19	\$	946,569	16,944	\$ 55.86	B	B	Yes	Yes	18.94%	B	Yes	18.94%
Firebaugh	\$ 887,447	\$	7,893	\$ 112.43	\$	825,341	7,980	\$ 103.43	A	A	No	No	-7.00%	A	No	-7.00%
Fowler	\$ 1,290,773	\$	6,161	\$ 209.51	\$	1,415,999	6,220	\$ 227.51	A	A	Yes	Yes	9.63%	A	Yes	9.63%
Fresno	\$ 86,000,324	\$	536,593	\$ 160.27	\$	91,798,987	542,012	\$ 169.37	A	A	Yes	Yes	6.74%	A	Yes	6.74%
Huron	\$ 174,745	\$	7,281	\$ 24.00	\$	182,158	7,302	\$ 24.95	B	B	Yes	Yes	4.24%	B	Yes	4.24%
Kerman	\$ 1,913,749	\$	15,335	\$ 124.80	\$	1,981,109	15,767	\$ 125.65	A	A	Yes	Yes	3.52%	A	Yes	3.52%
Kingsburg	\$ 975,836	\$	12,397	\$ 78.72	\$	1,141,664	12,551	\$ 90.96	A	A	Yes	Yes	16.99%	A	Yes	16.99%
Mendota	\$ 611,472	\$	12,201	\$ 50.12	\$	674,507	12,278	\$ 54.94	B	B	Yes	Yes	10.31%	B	Yes	10.31%
Orange Cove	\$ 176,743	\$	9,443	\$ 18.72	\$	225,323	9,460	\$ 23.82	B	B	Yes	Yes	27.49%	B	Yes	27.49%
Parlier	\$ 424,544	\$	15,460	\$ 27.46	\$	444,697	15,658	\$ 28.40	B	B	Yes	Yes	4.75%	B	Yes	4.75%
Reedley	\$ 1,687,854	\$	25,797	\$ 65.43	\$	1,755,297	25,873	\$ 67.84	B	B	Yes	Yes	4.00%	B	Yes	4.00%
Sanger	\$ 2,320,636	\$	26,418	\$ 87.84	\$	2,325,388	27,005	\$ 86.11	A	A	No	No	0.20%	A	No	0.20%
San Joaquin	\$ 185,302	\$	4,124	\$ 44.93	\$	252,989	4,144	\$ 61.05	B	B	Yes	Yes	36.53%	B	Yes	36.53%
Selma	\$ 5,515,388	\$	24,327	\$ 226.72	\$	6,482,913	24,402	\$ 265.67	A	A	Yes	Yes	17.54%	A	Yes	17.54%
Sales Tax Revenue																
Total All Cities	\$ 123,049,047	\$	833,447	\$ 147.64	\$	131,851,003	844,205	\$ 156.18								
Per Capita All Cities																
50% Minimum				\$ 73.82	\$			\$ 78.09								
Unincorporated Population			170,813													
Total County Population							170,990									

Sales Tax Revenues: Columns A & D. Source: State Board of Equalization Annual Report Statistical Appendix; Fiscal Year Data Available in January of Next Calendar Year
 Population Data: Columns B & E. Source: Source State Department of Finance January 1, Population Estimates; Available in May of that Calendar Year
 Per Capita Sales Tax All Cities (FY 2017-18) Sum Columns A & B. Then divide the column A summed total by the column B summed total. The Result is listed in Column C as "Per Capita Cities"
 Per Capita Sales Tax All Cities (FY 2018-19) Sum Columns D & E. Then divide the column D summed total by the column E summed total. The Result is listed in Column F as "Per Capita Cities"
 50% Minimum Criteria: The Previous Calculations divided by 2. Then a comparison of this number with the numbers in columns C & F is made. Results are reflected in columns G & H. "A" means above, "B" Below the Criteria.
 Sales Tax Revenue Growth: Column I. Compute percentage growth of Sales Tax Revenue: Change in Sales Tax Revenue in Column D compared to Column A.
 Growth Criteria: If the Sales Tax Revenues of the city grew by at least 1/2%, the results are reflected in column I with a "YES"