

CITY OF AMERICAN CANYON



June 5, 2012

Art DeCamp
Westcore – AG Napa L.P.
4445 Eastgate Mall #210
San Diego, CA 92121

SUBJECT: 615-621 Airpark Road
(APN 057-240-013)

Dear Mr. DeCamp:

The City has received responses from Mr. Donald Ankeny (as the "Applicant") on behalf of Westcore – AG Napa L.P. ("Owner") for a Will-Serve Questionnaire for approval of a Tentative Parcel Map for property located at 621 Airpark Road. Currently there are two office buildings on the single parcel with a combined building area of 97,656 square feet. The Applicant is seeking approval of a Tentative Parcel Map from Napa County to subdivide the 6.8-acre site into two parcels of approximately 5.0 and 1.8 acres.

The City's understanding of the current request for water service for 615-621 Airpark Road is based on a submittal package from the Applicant received on March 14, 2012. The response from the Applicant states that the use is office space. According to the Applicant and the summary table below, the water demand is estimated to be 370 gallons per acre, per day.

Office Space	97,656 square feet
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Total lot acreage:	6.85 acres
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Anticipated Average Day Demand in gallons per day:

Domestic	1,525 gpd
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Irrigation*	1,011 gpd
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Industrial	0 gpd
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Total	2,536 gpd
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Anticipated Maximum Day Demand in gallons per day:

Domestic	1,340 gpd
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Irrigation*	5,233 gpd
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Industrial	0 gpd
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Total	6,573 gpd
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*The site does not have a separate irrigation meter. These figures are estimated based on seasonal water usage. Irrigation demands are expected to be zero when the site connects to recycled water from Napa Sanitation District.



Water Service Conditions

The City reviews proposed developments to ensure that Will-Serve Letters are issued based on assumed water and sewer demands for specified allowed densities of development, taking into account the overall demand for water and the overall demand for effluent discharge within the City's system.

The City will provide the level of water service requested by the Applicant, subject to the occurrence or satisfaction of the following conditions and/or the continued existence of the following described conditions:

1. Applicant shall be subject to the City's rules and regulations in force at the time application for service for the authorized and described development is made, including all fees and charges, unless otherwise agreed in writing.
2. Applicant shall construct all facilities required to serve the development property which shall be determined by the City based on the authorized and described development. Applicant shall bear 100-percent of the costs of the facilities required to serve the development property, subject to review and approval of the City's Public Works Department. Applicant shall also be responsible for paying its proportionate fair-share allocation of any additional regional facilities required to serve the development property, including, but not limited to, participation in a mutual beneficial assessment district to be initiated by others.
3. Applicant shall submit to the City cost estimates for the construction of all on- and off-site public water facilities required for the authorized and described development. If the City finds the costs reasonable, the Applicant shall pay to the City an amount equal to Applicant's proportionate fair share of five percent (5%) of the agreed-upon construction costs to cover plan check and inspection services by the City. This fee is fixed and non-refundable. This Will-Serve Letter is conditional upon the City's agreeing in writing to the estimated costs.
4. Because the City faces a cutback of up to 96% in its allocation from the State Water Project during extremely dry years, as documented by the City's Urban Water Management Plan, it is seeking additional water supply in the form of transfers of rights. The cost of this water supply is not known nor is it included in the current City water rates. The City may institute in the future a drought surcharge on all existing and new customers in order to finance a drought reserve. The Applicant agrees to waive any protest to such a drought surcharge during its formulation and implementation and review under the California Environmental Quality Act, Public Resources Code section 21000 *et seq.* ("CEQA").
5. As a result of *Vineyard Area Citizens for Responsible Growth v. Rancho Cordova* (2007) 40 Cal.4th 412, the lead agency as defined under CEQA, here the County, in its environmental review of a development project, including what is currently proposed by the Applicant, must at a minimum accomplish an environmental review under CEQA that: (a) presents sufficient facts to evaluate the pros and cons of supplying the water that the project will need; (b) presents an analysis that assumes that all phases of the project will be built and will need water, and includes an analysis to the extent reasonably possible of the consequences of the impacts of providing water to the entire project; and (c) where it is impossible to determine that anticipated future water sources will be available, some discussion of

possible replacement sources or alternatives to use of anticipated water and of the environmental consequences of those impacts must be presented. *Vineyard, supra*, 40 Cal.4th 430-434.

6. The City Council of the City of American Canyon adopted a Zero Water Footprint (ZWF) policy on October 23, 2007, which requires development to offset all (100%) of its water demand. As a result of this policy, Applicants who do not meet the ZWF will be required to pay a surcharge on their monthly water rate. The project has a ZWF because it is not requesting a new average-day water demand. Therefore, this project is not subject to a water demand surcharge.
7. Financial Obligation for Water Service:
 - a. Monthly water service charge will be \$4.65 per 100 cubic feet. This fee is subject to change to coincide with current City of American Canyon outside the city water rates if those rates change. The estimated monthly water service charge based on 2,536 gpd average daily water demand is approximately \$473 per month.
 - b. The water capacity fee for the subject use is \$0 as a fee was previously paid and the applicant is not requesting an increased water demand.
 - c. There are no mitigation fees associated with this project as the applicant is not requesting an increased water demand.
8. Applicant must comply with the items and conditions of the Water Supply Report attached and hereto made a part of this "will serve" agreement.
9. The City reserves the right to audit the site's water demand as deemed necessary in order to verify that the applicant's water use is in accordance with this Will-Serve Letter.
10. Prior to sale of any individual lot, the owner shall receive a Will Serve Letter from the City of American Canyon for said lot. The owner shall record this will serve letter with the Napa County Recorder's Office prior to the recordation of the applicant's parcel map.

This Will-Serve Letter supersedes all prior purported Will-Serve Letters and service commitments to the development of the Property with any use. This Will-Serve Letter will remain valid for a period of two years from its date and is only valid for the authorized development. The City reserves the right to further condition extension of water service if development different from that presently proposed and authorized is pursued or if events out the City's control affect the City's ability to furnish water.

Except to the extent set forth, this letter does not create a liability or responsibility to the Applicant or to any third party on behalf of the City. The City does not make a determination as to land use entitlements required for the proposed project, and the issuance of this Will-Serve Letter shall not be construed to be an expression of the City of a position regarding the use or intensity of use of the development property or that the County has complied with applicable law in assessing the proposed project under CEQA.

Letter to A. DeCamp
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This Will-Serve Letter only becomes effective upon acceptance of the conditions set forth in this letter by execution of the acceptance provision set forth below and the transmittal of the executed acceptance to the City Public Works Department.

Sincerely yours,



Michael W. Throne, P.E.
Public Works Director

cc: Dana Shigley, City Manager
William Ross, City Attorney
Barry Whitley, Finance Director
Greg Baer, Community Development Department
Susan Presto, Finance Department
Utility Billing
Hilary Gitelman, Napa County Planning

**ACCEPTANCE
of
WILL-SERVE CONDITIONS
for
WESTCORE**

**615 - 621 Airpark Road
(APN 057-240-013)**

I, Westcore-AG Napa, L.P., accept the conditions set forth in this communication.

See attached

(Print Name and Title)

See attached

(Signature)

Date:

6-7-12

SIGNATURE BLOCK OF OWNER

WESTCORE-AG NAPA, L.P., a Delaware limited partnership

By: AG Core Plus II Napa GP, L.L.C.,
a Delaware limited liability company, its general partner

By: AG Real Estate Manager, Inc.,
a Delaware corporation, its manager

By:



Name:

Title:

LOUIS FRIEDEL
VICE PRESIDENT