

AGENDA



VALLEJO PLANNING COMMISSION REGULAR MEETING – 7:00 P.M. COUNCIL CHAMBERS

555 Santa Clara Street, Vallejo, California

Peggy Cohen-Thompson, Chair
Jamar Stamps, Vice Chair
Diosdado "J.R." Matulac
Charles Palmares
Melissa Bowman
Donald Douglass
Eric Blind

July 18, 2022

NOTICE: Members of the public will be able to participate in-person or remotely via Zoom. City Hall and the Council Chambers will be open to members of the public 30 minutes prior to the start of the meeting.

VIEW THE MEETING:

There are four different ways you can view this public meeting:

- In Person
- Watch Vallejo local channel 28
- Stream from the City website: www.cityofvallejo.net/Streaming
- Join the Zoom webinar: <https://ZoomRegular.Cityofvallejo.net>

IMPORTANT NOTICE

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the Planning Commission without prior notice for an item not listed on the AGENDA, no specific answers or responses should be expected at this meeting per State law.

Pursuant to Government Code Section 54954.3 of the Brown Act, members of the public shall be afforded the opportunity to speak on any agenda item of interest to them after being recognized by the presiding officer. Members of the public wishing to be so recognized are requested to submit a completed speaker card to the Secretary of the Planning Commission prior to the consideration of the item or raise their hand via ZOOM: (<https://ZoomRegular.Cityofvallejo.net>) or by phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press * 9 to digitally raise your hand from the phone. For additional instructions on how to speak remotely during public comment, please visit www.cityofvallejo.net/publiccomment. In person speakers will be recognized first.

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Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the Planning Commission will be available on the City of Vallejo website at www.cityofvallejo.net subject to staff's ability to post the documents prior to the meeting.

Disclosure Requirements: Government Code Section 84308 (d) sets forth disclosure requirements which apply to persons who actively support or oppose projects in which they have a "financial interest", as that term is defined by the Political Reform Act of 1974. If you fall within that category, and if you (or your agent) have made a contribution of \$250 or more to any commissioner within the last twelve months to be used in a federal, state or local election, you must disclose the fact of that contribution in a statement to the Commission.

Appeal Rights: The applicant or any party adversely affected by the decision of the Planning Commission may, within ten days after the rendition of the decision of the Planning Commission, by filing a written appeal with the Director of Planning and Development Services. Such written appeal shall state the reason or reasons for the appeal and why the applicant believes he or she is adversely affected by the decision of the Planning Commission. Such appeal shall not be timely filed unless it is actually received by Director of Planning and Development Services or designee no later than the close of business on the tenth calendar day after the rendition of the decision of the Planning Commission. If such date falls on a weekend or City holiday, then the deadline shall be extended until the next regular business day.



The Council Chambers in City Hall is ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

If you have any questions regarding any of the following agenda items, please call the assigned planner or project manager at (707) 648-4326.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. CONSENT CALENDAR AND APPROVAL OF AGENDA

Upon motion of any Commissioner, all items placed upon the consent calendar may be acted upon collectively, and each shall be deemed to have received the action recommended by the Secretary or City Attorney; except that if any Commissioner objects to the placement of an item on the consent calendar, or if any member of the public wishes to address the Commission on any such item, the item shall be removed from the consent calendar and shall be heard and acted upon in its proper place on the agenda as designated by the Presiding Officer.

After making changes in the agenda, if any, as permitted under these rules of order and procedure, the Commission shall approve the agenda which shall constitute the agenda of business to be considered at the meeting. The motion offered to approve the agenda shall include the adoption of the consent calendar.

A. APPROVAL OF MINUTES - None

B. OTHER CONSENT ITEMS - None

5. REPORT OF THE CITY COUNCIL LIAISON

The City Council Liaison may, from time to time, wish to make announcements and report on items of activity that may be of interest to the Commission and the general public.

6. COMMUNITY FORUM

The Presiding Officer shall announce that members of the public have the opportunity to directly address the Commission on items of interest to the public that are within the subject matter jurisdiction of the Commission and not on the current agenda. Up to fifteen (15) minutes shall be set aside for the community forum and each speaker shall be allocated up to three (3) minutes, unless time is extended by the Presiding Officer with the Commission's consent. Items of business listed on the agenda shall not be further discussed under the community forum. Anyone desiring to address the Commission may indicate such interest in one of the two ways listed below:

1. Any interested members of the public desiring to communicate with the Planning Commission for this item may approach the podium to speak when the Presiding Officer opens the Community Forum and indicate that they would like to do so.

*2. Any interested members of the public desiring to communicate with the Planning Commission for this item may do so via ZOOM:(<https://ZoomRegular.Cityofvallejo.net>), or by phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press * 9 to digitally raise your hand from the phone. For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment. Please know that in-person speakers will be recognized first.*

7. PUBLIC HEARING - None

8. ACTION ITEMS - None

9. WRITTEN COMMUNICATIONS

Written communications from the public will be received and filed. Written communications regarding items on the agenda will be noted at the time the item is considered.

10. REGULAR REPORTS

A. SECRETARY'S REPORT

The Secretary may, from time to time, report on items that may be of interest to the Commission and general public.

B. CITY ATTORNEY'S REPORT

The City Attorney may, from time to time, report on items that may be of interest to the Commission and general public.

C. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE PLANNING COMMISSION

The Presiding Officer and any Commissioner may, from time to time, wish to make certain announcements, request information from staff, and to report on items of activity that may be of interest to the Commission and the general public.

D. REPORT OF THE SUBCOMMITTEES

11. OTHER AGENDA ITEMS

The Secretary, City Attorney, or the Presiding Officer may place items on the agenda of interest to the Commission and the general public.

A. INFORMATIONAL ITEM: The Nimitz Group, LLC - 2022 Development Agreement Annual Review (DA #22-0001) – Informational item only, no action will be taken

Anyone desiring to address the Commission on the subject of the Informational Item may do so in any of the three following ways:

- 1. Submit a written request to the Secretary in advance of the meeting.*
- 2. Submit a speaker card to the Secretary during the meeting.*
- 3. Via ZOOM:(<https://ZoomRegular.Cityofvallejo.net>), or by phone: Dial (669) 900-6833. Enter Meeting ID: 914 0075 0676#. Press * 9 to digitally raise your hand from the phone. For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment. Please know that in-person speakers will be recognized first.*

12. ADJOURNMENT

I, Anthony Cook, Planning & Development Services Administrative Analyst, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Vallejo Planning Commission, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 5:00 p.m. Monday, July 11, 2022

Narcissa Wilson for

Dated July 11, 2022

Anthony Cook



MEMORANDUM PLANNING DIVISION

DATE: July 18, 2022 **Item No.:** 11 A
TO: City of Vallejo Planning Commission
FROM: Christina Ratcliffe, AICP, Planning & Development Services
Director
Anna Radonich, Contract Planner
SUBJECT: The Nimitz Group, LLC - 2022 Development Agreement Annual Review (DA #22-0001) –
Informational Item

BACKGROUND

In September 2001, the City entered into a Development Agreement (DA) with Lennar Mare Island, LLC (LMI) for the development of approximately 670 acres on Mare Island. The City determined that entering into the DA would promote orderly growth and quality development on Mare Island in accordance with the goals and policies set forth in the Mare Island Reuse Plan and Specific Plan. The City would also benefit from increased employment, commercial, housing and recreational opportunities created by the Lennar Mare Island Development Project for Vallejo residents.

On November 14, 2019, The Nimitz Group, LLC took ownership of the property and assumed responsibility as the successor entity under the September 12, 2001 Development Agreement for Mare Island.

Pursuant to Vallejo Municipal Code Chapter 17.20 and Article V (Annual Review) of the DA, The Nimitz Group, LLC (The Nimitz Group) is required to prepare and submit an Annual Review of its development activity to the Development Services Director or designee. Such review is to be initiated during the month of March each year, commencing in March 2002. The Development Services Director or designee is required to determine if the DA is being performed in accordance with its terms and conditions, and to notify The Nimitz Group and the Planning Commission in writing of such determination. If the Director is satisfied with the Annual Review and determines that The Nimitz Group is in compliance, the review for that period is concluded. However, if the Director is not satisfied that The Nimitz Group is in compliance with the DA, the matter is referred to the Planning Commission for action pursuant to VMC Section 17.20.030(B).

2022 ANNUAL REVIEW

In March 2022, staff submitted a written notice to The Nimitz Group to initiate the 2022 Annual Review for activity performed in 2021. Staff received a letter from The Nimitz Group to Christina Ratcliffe, Planning & Development Services Director, dated April 2022, providing the Annual Review for 2021. Based on staff's assessment of the 2021 Annual Review, the Director is satisfied that the DA is being performed in accordance with its terms and conditions.

This memo serves as notification to the Planning Commission of the determination of “substantial” compliance pursuant to VMC Section 17.20.030(A). Therefore, the 2022 Annual Review for the year 2021 is concluded.

The Annual Review letter includes the following highlights for 2021:

- In 2021, Southern Land Company (SLC; Southern Land) continued refining development plans, adding additional members to the project team, and expanding the long-term plan to support the future vision for Mare Island.
- Southern Land continued to negotiate the North Mare Island Development and Disposition Agreement (DDA) throughout 2021 and received City Council approval in March 2022.
- Southern Land continued their license agreement on North Mare Island in 2021 which included installation and maintenance of a security fence and expansion of Golden Bay Security's scope (at SLC's cost) to include the City and Navy owned North Island properties.
- SLC invested in multiple buildings which helped maintain historic resources and expand the positive economic impact of the Mare Island business community. Throughout the year, dozens of trees received heavy maintenance and weed abatement was performed by both goats and landscaping crew.
- Employment data collection was revised in 2020 such that reported numbers now include only those businesses that lease space from The Nimitz Group. The net effect dropped gross year over year job numbers. Overall employment figures for The Nimitz Group leased space increased from 2,458 in June 2021 to 2,583 in December 2021, a net increase of 125 jobs.

The 2021 Nimitz Group Annual Review letter and attachments are provided for your review.

RECOMMENDATION

This item is informational only; no Planning Commission action is required.

ATTACHMENTS

1. The Nimitz Group, LLC 2021 Annual Review Letter for Activity in 2021



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April 2022

Ms. Christina Ratcliffe
Interim Planning & Development Services Director
City of Vallejo
555 Santa Clara Street
Vallejo, CA 94590

Re: 2021 Annual Review
Development Agreement for Mare Island

Dear Ms. Ratcliffe:

On November 14, 2019, The Nimitz Group, LLC took ownership of the property which is the subject of the Development Agreement for Mare Island dated September 12, 2001.

The 2021 highlights include the following:

- In 2021, Southern Land Company ("SLC") continued refining development plans, adding additional members to the project team, and expanding the long-term plan to support the future vision for Mare Island.
- Southern Land continued to negotiate the North Mare Island Development and Disposition Agreement (DDA) throughout 2021 and received City Council approval in March 2022.
- The Southern Land Team successfully continued their license agreement on North Mare Island in 2021 which included installation and maintenance of a security fence and expansion of Golden Bay Security's scope (at SLC's cost) to include the City and Navy owned North Island properties.
- SLC invested in multiple buildings which helped maintain historic resources and expand the positive economic impact of the Mare Island business community. Throughout the year dozens of trees received heavy maintenance and weed abatement was performed by both our goats and landscaping crew.
- Employment data collection was revised in 2020 such that reported numbers now include only those businesses that lease space from The Nimitz Group. The net effect dropped gross year over year job numbers. Overall employment figures for TNG leased space increased from 2,458 in June 2021 to 2,583 in December 2021 a net increase of 125 jobs.

In accordance with Section 5.2 of the Development Agreement by and between the City of Vallejo ("City") and The Nimitz Group, LLC ("Developer" or "TNG"), as amended and assigned, (the "Development Agreement"), and Chapter 17.20 of the Vallejo Municipal Code



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(the "Municipal Code"), Developer hereby initiates the annual review of the Development Agreement.

The Nimitz Group, LLC has paid the \$1,000.00 processing fee to initiate the review. As set forth in the detail below on a section-by-section basis, Developer demonstrated good faith compliance with the terms and conditions of the Development Agreement in 2021.

Please note that certain sections of the Development Agreement provide factual statements or define terms and requirements and do not require detailed information. Many sections of the Development Agreement (including 1.1, 1.2, 1.3, 2.1.1, 2.1.3, 2.3, 2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.3.8, 2.3.10, 2.3.11, 2.10., 2.12, 2.14, 3.1.2, 3.1.5, 3.1.6, and 3.1.14) are informational only.

Section 1.4 provides that Developer shall at the time of each annual review submit to the City any proposed changes to the Projected Entitlements, the Schedule of Performance, and the intended build-out schedule of the portions of the Project that have not yet been completed.

General Overview: In December 2020, the City Council approved the proposed business terms for the acquisition of North Mare Island. These business terms are the basis of the Mare Island Disposition and Development Agreement (DDA) which received City Council approval in March 2022.

Apart from the DDA, there were no proposed updates to the Projected Entitlements Process, Schedule of Performance or intended build out schedule submitted in 2020.

Environmental Cleanup: In addition to the original \$78.4M Environmental Services Cooperative Agreement (ESCA) grant in April 2001, several amendments have been executed between the Navy, the City, the Previous Owner Lennar Mare Island (LMI), the fiscal agent, and others to complete environmental cleanup of the Early Eastern Transfer Parcel (EETP), including:

- The First Amendment in April 2012 provided an additional \$8M from the Navy for cleanup of Remaining Known Environmental Conditions.
- The Second Amendment in August 2014 provided an additional \$349K from the Navy to continue the groundwater monitoring program.
- The Third Amendment in June 2016 provided an additional \$955K from the Navy to continue cleanup work of Remaining Known Environmental Conditions.



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- The Fourth Amendment in October 2017, for \$31M, was executed for continuing environmental cleanup work on the Settlement Funded Conditions, formerly the Unknown Conditions.
- The Fifth Amendment in September 2018 provided an additional \$2.4M from the Navy for continuing work on the Remaining Known Conditions, specifically managing and documenting the environmental cleanup efforts and conducting the long-term groundwater monitoring program through December 2020.
- The Sixth Amendment in September 2020 provided an additional \$963K from the Navy for continuing work on the Remaining Known Conditions, specifically managing and documenting the environmental cleanup efforts and conducting the long-term groundwater monitoring program through December 2021.
- A Seventh Amendment in September 2021 provided an additional \$1.9M to fund continuing work on remaining unknown conditions, specifically managing and documenting the environmental cleanup efforts and conducting the long-term groundwater monitoring program through December 2023.

LMI continued to make progress with environmental cleanup activities at Mare Island during 2021, including regulatory agency concurrence on completion of cleanup actions within the EETP for polychlorinated biphenyl (PCB) sites at Building 121 and submission of numerous Sampling and Analysis Plans, Cleanup Plans, Work Plans, Groundwater Monitoring Reports, Implementation Reports and Land Use Covenant (LUC) documents; and continued investigations and remedial actions at numerous sites.

The Nimitz Group assumed monitoring and reporting for seven recorded area-wide LUCs, two recorded engineered cap LUCs, and 18 recorded PCB-Specific LUCs, in accordance with the Amended Land Use Covenant Operations and Maintenance Plan for the EETP, Former Mare Island Naval Shipyard. In 2021, annual LUC inspections were conducted for Investigation Area (IA) A3 South; the engineered cap in IA B.1 (Crane Test Area); the commercial areas of IA B.2-1 and B.2-2; the Area-Wide, BGM Triangle and 11 PCB-Specific Sites in IA C3; the commercial areas and 7 PCB-Specific Sites in IA D1.2; and the IR10/IR13 Area of IA H2. Annual Inspection Reports (AIRs) were submitted to DTSC for these recorded LUCs in March of 2021. In addition to annual LUC inspections, five-year LUC reviews were performed for the engineered cap in IA B.1 (Crane Test Area); the commercial areas of IA B.2-1; the BGM Triangle and 9 of the 11 PCB-Specific Sites in IA C3; the commercial areas and all 7 PCB-Specific Sites in IA D1.2; and the IR10/IR13 Area of IA H2. The Five-Year Reviews (FYRs) were submitted to DTSC for these recorded LUCs in March of 2021.

Major document submissions to DTSC and Water Board included, but were not limited to the following:

Investigation Area A3 South (See attached map for IA locations)



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1. Remedial work complete; LUC monitoring and reporting only.
2. 2021 Annual Inspection Report (AIR) for Property and/or Facilities Covered by a Land Use Covenant, IA A3 South.
3. Next AIR for IA A3 South due by March 31, 2022.
4. First Five-Year Review (FYR) for IA A3 South due by March 31, 2023.

Investigation Area B.1 (Crane Test Area)

5. Remedial work complete; LUC monitoring and reporting only.
6. 2021 AIR for Property and/or Facilities Covered by a Land Use Covenant, IA B.1.
7. Second FYR for Property and/or Facilities Covered by a Land Use Covenant, IA B.1.
8. Next AIR for IA B.1 due by March 31, 2022.
9. Third FYR for IA B.1 due by March 31, 2026.

Investigation Area B.2-1

1. Remedial work complete; LUC monitoring and reporting only.
2. 2021 AIR for Property and/or Facilities Covered by a Land Use Covenant, IA B.2-1.
3. Second FYR for Property and/or Facilities Covered by a Land Use Covenant, IA B.2-1.
4. Next AIR for IA B.2-1 due by March 31, 2022.
5. Third FYR for IA B.2-1 due by March 31, 2026.

Investigation Area B.2-2

1. Remedial work complete; LUC monitoring and reporting only.
2. 2021 AIR for Property and/or Facilities Covered by a Land Use Covenant, IA B.2-2.
3. Next AIR for IA B.2-2 due by March 31, 2022.
4. First FYR for IA B.2-2 due by March 31, 2022.

Investigation Area C1 (LMI)

1. Revised RAP for Public Review and Responses to Regulatory Agency Comments
2. Revised CEQA IS for Remedial Action Plan for Public Review and Response to Regulatory Agency Comments
3. IR03 and IWPS 4/OWS T-2 Soil Gas Investigation Work Plan and Well Redevelopment Summary Report



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4. Final IR15 Soil Gas and Groundwater Investigation Work Plan and Response to Comments Document
5. Semi-Annual Groundwater Monitoring Reports for IR03, IR15 and IWPS4/OWS T-2
6. Building 85/87 Additional Site Characterization Report and Second Response to Regulatory Agency Comments Document
7. Building 91 UL#01 Mercury Additional Characterization Work Plan
8. Building 121 PCB Sites AL#01, AL#02 and AL#02 Beneath Former Equipment Sampling and Analysis Plan
9. Draft Final Building 541 PCB Site AL#01 Land Use Covenant Operations and Maintenance Plan
10. Second FYR for IR15 due by September 2026.

Investigation Area C2 (LMI)

1. Final IA C2 RAP Initial Study and Fact Sheet
2. Building 116 PCB Site UL#01 Additional Storm Drain Investigation Work Plan.
3. Revised Soil-Gas Sampling Report for Buildings 386 and 388 (Responding to Water Board Comments).
4. Revised Final Oil Houses 434 and 862 and Cistern 36 Soil Removal Summary Report
5. Revised Building 206/208 Remedial Action Implementation Report and Response to Regulatory Agency Comments Document
6. Building 680 PCB Site AL#01 Land Use Covenant Operations and Maintenance Plan (DTSC Approval, Conditional Pending USEPA Concurrence)
7. Building 678 Floor Cap & PCB Site AL#04 Operations and Maintenance Plan
8. Building 680 PCB Sites Operations and Maintenance Plan
9. Building 690 PCB Site AL#01 Operations and Maintenance Plan
10. Building 1310 PCB Site AL#01 Operations and Maintenance Plan
11. Third FYR for IA C2 PCB Sites and IR21 due by June 2026.

Investigation Area C3

1. Remedial work complete; LUC monitoring and reporting only.



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2. 2021 AIRs for Property and/or Facilities Covered by Land Use Covenants, IA C3: Area-Wide, BGM Triangle, and 11 PCB-Specific LUCs.
3. Next AIRs for all 13 IA C3 LUCs due March 31, 2022.
4. First FYRs for Building 516 and 1342 PCB-LUCs due March 31, 2022.
5. First FYR for Area-Wide LUC due by March 31, 2023.
6. Third FYRs for BGM Triangle 9 of 11 PCB-LUCs due March 31, 2026.

Investigation Area D1.2

1. Remedial work complete; LUC monitoring and reporting only.
2. 2021 AIRs for Property and/or Facilities Covered by Land Use Covenants, IA D1.2 Commercial Area and 7 PCB-Specific LUCs.
3. Next AIRs for IA D1.2 Commercial Area and 7 PCB-LUCs due March 31, 2022.
4. Fourth FYRs for IA D1.2 Commercial Area and 7 PCB-LUCs due March 31, 2026.

Investigation Area D1.3 Central (LMI)

1. LMI Issued RFP for Remedial Activities at Building 84/84A in June of 2021.
2. Draft Cleanup Plan for PCBs at Building 84/84A is anticipated in Early 2022.
3. Draft Notification for Self-implementing Cleanup of PCBs at Building 84/84A is anticipated in early 2022.

Investigation Area H2 (IR10/IR13)

1. Remedial work complete; LUC monitoring and reporting only.
2. 2021 Annual Inspection Report for Property and/or Facilities Covered by a Land Use Covenant, IR10/IR13.
3. Next AIR for IA H2 (IR10/IR13) due by March 31, 2022.
4. Second FYR for IA H2 (IR10/IR13) due by March 31, 2026.

DTSC and LMI continued to make progress on completion of LUCs, which were recorded for 17 additional PCB-Specific sites within IA C2 in 2021.

LMI initiated and/or performed ongoing remedial investigations and/or activities during 2021 at:

- A) Building 87 PCB Site UL01, IA C1 (Continuation of Investigation and Remediation).
- B) Building 91 Mercury Remediation, IA C1 (Continuation of Remediation)



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- C) DOM-6 Corrective Action Plan (CAP) Implementation, IA C1 (Continuation of Remediation)
- D) Buildings 85/87/271 Additional Soil Vapor/Indoor-Air Investigation Work Plan Implementation, IA C1 (Soil Boring/Sampling, Dry Weather Indoor-Air/Soil-Gas Sampling).

LMI is planning on finalizing LUC issues and completing remedial investigations and/or actions at numerous "unknown" environmental condition sites in 2021, including Soil Gas in IWPS4/OWS T-2/IR03. IRI5, and the Buildings 85/89/271 Area. In addition, LMI plans to finalize the IA C1 Remedial Action Plan (RAP) for Public Review and make significant progress in obtaining a No Further Action (NFA) certification for IA C2.

Several issues have delayed and may continue to delay progress of the EETP environmental cleanup, primarily, the multi-agency review process and changing and/or enhanced cleanup standards. Additional concerns may arise from the possibility of cross contamination by Navy-retained conditions in yet to be cleaned up and transferred areas with areas previously closed. LMI continues to work cooperatively with the City and the Navy on island-wide remedial issues.

Section 2.1.2 requires Developer to (a) construct infrastructure in accordance with the "Infrastructure Master Plan," (b) submit a Demolition Phasing Plan within 120 days of the date of execution of the Development Agreement for approval by the City, and (c) seek to comply diligently and in good faith with the "cumulative job projection" set forth in Exhibit D.

Developer is in compliance with Section 2.1.2 of the Development Agreement.

Section 2.1.2(a): In 2021 Developer focused on maintenance of existing infrastructure during the continued COVID 19 lock down. There were no major infrastructure upgrades made during the year rather focus was made on keeping the existing business afloat during the challenging pandemic. Some of the improvements include the following:

- Ongoing landscaping, water, sewer, storm drain, gas and electrical maintenance and upgrades within existing buildings as follows:

Location	Completed Tasks
3 Sisters lot	Paint exterior of 3 buildings (end April)
B521	Roof Maintenance
B535	Install new submeter, install 9 new LED fixtures
B680 East End	Roof Maintenance- roof tier only
B760	Lighting upgrade- Replace all outdated fixtures with new LED type
B944	Paint exterior of buildings, and at staircase metal railing



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B112	Replace 46 fixtures with LED
B112	Bi-annual window cleaning, inside and out (end Jan)
B112	Quarterly Hydro Jet wash at main sewer lateral
B112	Fire Life Safety, common area- Replace 34 outdated sprinkler heads
B112	Bi-annual window washing
B112	Hydro Jet wash at main sewer lateral
B112	Bi-annual window cleaning, inside and out
B112 (suite 115)	Replace 36 outdated fluorescent fixtures with new LED type
B112 Common Area	Replace all knob type door hardware to ADA lever type
B112	Install new roof
B112 North	Install new Channel Drain system
B112 Southeast	Maintenance at single tree
B112 Suite 120	Replace non-compliant door hardware with new updated ADA compliant
B112 Suite 120	Fire Life Safety, Replace 34 outdated sprinkler heads "Full blown" TI renovation (ceiling tile, lighting, carpet, base, full paint, electrical proofing, window shades- approx..4,250 Sf)
B112 suite 250	"Full blown TI renovation, (carpet, paint, base, paint ceiling tile) Install 9 new LED lamp fixtures Fire Life Safety, Replace 8 outdated sprinkler heads
B117	Bi-annual window cleaning, inside and out
B117 Ground level	Lighting upgrade- Retrofit 7 recessed florescent fixtures to LED type
B117	Install new roof
B117 Suite 110	Replace 10 knob type door hardware with new ADA Lever type
B117 Suite 110	lighting upgrades- Install 19 new LED lamp fixtures
B117 Warehouse	lighting upgrade- Replace 56 outdated fixtures with new LED
B126	East main entry - Install new pair metal doors, closers, and panic hardware
B126	Bi-annual window cleaning, inside and out
B126	Install new card readers, east and west main entry
B126 2 ND Floor Atrium	East and west Bridge- Waterproof at surrounding window glass
B126 multi-Tenant	Replace Main Breaker Assembly
B1310 lot west	Maintenance at 3 Cedar trees
B133	Roof Maintenance_ includes clear rain gutters and downspouts
B459	Fire Life Safety- Install new communicator panel
B459	Bi-annual window cleaning, inside and out (end Jan)
B459	Bi-annual window washing
B459	Bi-annual window cleaning, inside and out
B47	Roof Maintenance
B483	Security upgrade- Install keypad locks @ 10 entry doors
B483 Southwest floors	Install 7 new updated door closers (end Oct.)
B149	Install new electronic hands free flushometer
Coal Sheds	Demise electrical at CrossFit space



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3 Sisters south lot	Maintenance at 3 large Eucalyptus trees (before paint)
8B N/S South lots	Weed Abatement, east and west sides
8C lot	Weed Abatement- (goats were unavailable)
955 Walnut Ave	Remove dead Palm tree
Alden Park	Remove branches, leaves, ivy, that caught fire. Re-scape with wood bark
Azuar Dr. South	Remove several large branches hanging over sidewalk below.
B253 along Walnut Ave	Safety pruning of 15 Mex. Fan Palms
B455 North	Remove 25' tree which has fallen during windstorm.
B459 picnic area	Maintenance at 14 trees different species.
B47	Maintenance at 1 large Redwood tree
B521	Maintenance at 1 Canary Palm tree
B545, Rodman Center	Trees, Maintenance all 4 sides of building
B684 south	Maintenance at 1 large pepper tree
B746	Heavy maintenance at 8 large Eucalyptus trees
B84 West	Maintenance at large Pine tree
B944	Heavy maintenance at multiple tree species, not tagged
Walnut Ave	Maintenance at 7 Canary Palm trees
	Crown raise at 36 trees
Flagship mow strips	Weed Abatement
G St. at Railroad Ave	Install drip line system
M1 northwest	Heavy maintenance at 2 large Eucalyptus trees
M37 west	Remove 2 (dead) large pine trees
Mansion H	Trees, Maintenance - all 4 sides
Mansion N	Maintenance at 5 Canary Palm trees
Morton Field	Trees, heavy maintenance at 1 large Pine tree
	Weed Abatement
Qtrs J	Heavy maintenance at 4 trees
Qtrs. 131	Maintenance at 2 Canary Palm Trees
Qtrs. 19	Trees - Maintenance at 1 Palm tree
Qtrs. 21	Maintenance at 2 Canary Palm Trees
Qtrs. G	Maintenance at 4 large Eucalyptus trees
	Remove 2 large diseased trees at in front.
Railroad Ave at G St.	Install 15ea. 5 gal. flower plants at
Tisdale St.	Weed Abatement
Tyler St	Maintenance at 1 large Fig tree
	Heavy maintenance at 1 large Eucalyptus tree
	Remove 2 large branches hanging over Qtrs. G entrance way
	Remove 2 trees falling inward toward VA Hospital parking lot (end Dec.)
	Remove 1 Chinese Elm, and 1 Siberian Elm (dead)
	Remove 2 large pine trees (dead)



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	Spread 550 cu. Yards of wood bark at specific locations through-out South Island (end Sept.)
10th st parking lot west	Install 61 LF. of metal fence railing, create new Fire Lane.
Officers Row	Mosquito Abatement
B141, Waterfront	Existing gates at north of B141 were noncompliant per NFC- Enlarge gate
B2 Crane area	Hydraulic fluid leak clean-up
Multi-Tenant building	Install new Knox boxes
North Island	Install 11 combo locks and Knox locks at 11 Pole Gate locations
Walnut Ave Sewer	Pipe burst, and tie
Island Wide	Bi-annual roof maintenance
Mansion L	Install sump pumps at basement to prevent flooding
Mansion M	Install sump pumps at basement to prevent flooding
Mansion N	Install sump pumps at basement to prevent flooding
Qtrs. 17 - Garage	New roof
Historical/ Mansion C	Repair broken watermain
Qtrs. G	Maintenance all 4 sides of building
Qtrs. G	Install new outlets and lighting fixtures in conference rm.
Qtrs. H	Install new dedicated circuitry for portable AC units
Historical/ Mansion J	Replace balustrade assembly's
Mansion L	Restoration, South balcony balustrade assembly restoration, and re-install
	Re-roof south balconies only
Mansion M	Restoration, South balcony balustrade assembly restoration, and re-install
	Re-roof south balconies only
Mansion N	Interior renovation at 3 floor levels, paint through-out, appliances, electrical upgrades, new lighting fixtures, sewer repairs
	Roofing- Re-roof at 5 balconies
	Restoration at all 5 balcony Balustrade assemblies
Qtrs. S	Roof Maintenance including clearing rain gutters and downspouts
Qtrs. F	Roof Maintenance includes clear rain gutters and downspouts
Qtrs. G	Roof Maintenance
B455 Exterior	Install new LED fixtures
B549	Install new exterior LED type flood lighting
B605 North	Remove 1 diseased Canary Palm Tree
Nimitz Ave	Cut down cyclone fence that is obstructing view of oncoming traffic

- Extension of fiber-optic cable by both AT&T and Inyo throughout the island.
- Completed rehabilitation of Charlie (Storm) Basin which was started by Lennar and continued by Developer.



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- The warranty period of the B4 Storm Water Basin continued throughout the year with turn over to the City projected in March 2022.

Section 2.1.2(b): Prior to any building demolition, the building must be abated and cleared of any hazardous materials. There were no building demolitions performed in 2021. However, in 2022, Developer intends to submit application to the AHLC for demolition of a few derelict buildings.

Section 2.1.2(c): Mare Island job growth (as tracked by Developer via biannual surveys) is submitted to the City twice each year. The June 2021 job count, conducted by The Nimitz Group, identified 2,458 permanent jobs on Mare Island. The December 2021 job count, conducted by The Nimitz Group, identified 2,583 permanent jobs on Mare Island. These numbers do not include construction jobs, consultants, contract employees, or Touro students. Please note that this job survey methodology is a change to past procedures.

Section 2.2 requires the Developer to comply with the Acquisition Agreement.

- Developer is in compliance with Section 2.2 of the Development Agreement. There have been eleven (11) amendments to the Acquisition Agreement. The first nine (9) amendments were short time extensions enacted between 1999 and 2002. The tenth amendment (2002) focused on conformance with the Eastern Early Transfer Agreement (EETP) requirements between the Navy and the regulatory community. The eleventh amendment (2019) was executed to clarify the current status of the former Badge & Pass Office site and the off-island railroad.

Section 2.3.3 requires the Developer to comply with all lawful requirement of, and obtain all permits and approvals required by, regional, state and federal agencies having jurisdiction over Developer's activities in furtherance of the Development Agreement.

- Developer is in compliance with Section 2.3.3 of the Development Agreement. Developer works closely with all federal, state and local agencies involved in development and environmental activities on Mare Island. Agencies involved in this process include but are not limited to US Environmental Protection Agency (USEPA), California Environmental Protection Agency (CALEPA), Department of Toxic Substance Controls (DTSC), Regional Water Quality Control Board, Bay Conservation and Development Commission (BCDC), Army Corp of Engineers, State Land Commissions, Solano County and City of Vallejo.

Section 2.3.4 provides that Developer and the City will cooperate in good faith to establish an equitable and mutually satisfactory funding mechanism for the construction of certain transportation infrastructure improvements.

- Developer is in compliance with Section 2.3.4. No new transportation infrastructure improvements were constructed or approved in 2021.



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Section 2.3.9 requires the Developer to design and construct streets, roads, utilities, drainage systems, traffic control signs, markings, and signal systems, streetscape and street lighting according to engineering, design and construction standards as set forth in the Applicable Approvals, Future Approvals and Specific Plan.

Developer is in compliance with Section 2.3.9 of the Development Agreement. No new street systems were constructed or approved in 2021. However, further design details and construction standards regarding the streets, roads, utilities, drainage systems, traffic control signs, and lighting will be included as part of the new Specific Plan

Section 2.4 addresses residential density by limiting the number of residential units (as defined in Section 2.4) to 1,400 units unless subsequently approved by the City.

- Developer is in compliance with Section 2.4. At the end of the 2021 there were approximately 360 homes built and/or sold on the island by Lennar Homes and John Lang Homes. In addition, 40 for rent housing units (Q Quarters) are available on the island as of December 2021. To date, no application has been made to increase the residential density limit.

Section 2.5 requires the Developer to use its best efforts, in accordance with its own business judgement and taking into consideration market conditions and other economic factors influencing Developer's business decision, to commence or to continue development in a timely manner.

- Developer is in compliance with Section 2.5.

Section 2.6 requires that all existing and new utilities on the Property be placed underground.

- Developer is in compliance with Section 2.6 of the Development Agreement. All wiring will be underground where technically feasible. Although all future wiring will be below ground, there may be areas of the island where underground conditions may require some equipment (transformers, switchgear, etc....) be located above ground.

Section 2.7 requires Developer to comply with the requirements of the Americans with Disabilities Act and all other requirements of applicable federal and state laws with respect to the development of the Project.

- Developer is in compliance with Section 2.7 of the Development Agreement. New development and building rehabilitations on Mare Island address ADA requirements. In 2021, the Developer continued working with the Building and Planning Divisions to



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address ADA access for all stakeholders on Mare Island. Improvements are implemented as occupancy occurs.

Section 2.8 provides that Developer will pay prevailing wages if and as required by applicable federal and state laws.

- Developer is in compliance with Section 2.8, as applicable. Developer is complying, and will comply, with all applicable federal, state and local laws regarding prevailing wages.

Section 2.9 requires Developer to use good faith efforts to hire qualified Vallejo residents or former Mare Island Naval Shipyard employees for new positions created by Developer in its hiring of employees related to the development and management of the Project. To the extent feasible, Developer shall also require its independent third-party contractors to do the same.

- Developer is in compliance with Section 2.9. Developer includes language in leases that requests businesses use best efforts to hire qualified Vallejo residents or former Mare Island Naval Shipyard employees.

Section 2.11 provides that the City and Developer will cooperate to ensure that the requirements of the Homeless Assistance Act of 1994 with respect to the Property are complied with in the development of the Project.

- Developer is in compliance with Section 2.11 of the Development Agreement. The Base Realignment and Closure (BRAC) program established a Homeless Assistance program pursuant to the McKinney Act. The rules and regulations under the McKinney Act, as set forth with the City of Vallejo and the US Navy, established the Global Center for Success (GCS) on Mare Island (Buildings 733 and 737). A lease with GCS has been in place since 2000.

Section 2.12.3 requires the Developer to submit a park improvement plan prior to the commencement of improvements for each park listed in the previous section.

- Developer is in compliance with Section 2.12.3 of the Development Agreement. No park improvements were done in 2021.

Section 2.12.4 states that at the time of the filing by Developer of a final subdivision map on the parcel(s) immediately adjacent to each park listed in Section 2.12.1, the City and Developer shall enter into a mutually satisfactory improvement agreement for such park consistent with the standards set forth in the Development Agreement.

- Development is in compliance with Section 2.12.4 of the Development Agreement. No new final subdivision maps (adjacent to a park or otherwise) were submitted to the City



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in 2021. Nevertheless, for convenience, below is the current status of each of some of the park areas on the island.

- Morton Field: Morton Field is currently being used on a temporary basis to qualified entities.
- Crescent Park: This park was approved and completed as part of a prior residential subdivision. In 2021 Lennar transferred the park to the City and in 2017 GVRD added a tot-lot.
- Reuse Area 7 Community Park: Development of this park is pending transfer of the area by the US Navy.
- Chapel Park: The Architectural Heritage and Landmarks Commission (AHLC) approved the improvements in 2005 which were completed in 2008 and transferred back to the City in 2010. The Cultural Landscape Report (CLR) was approved in 2013.
- Alden Park: The AHLC approved the CLR in 2007, improvements were completed in 2008 and it was transferred to the City in 2010.
- Officer's Row: The CLR was submitted in 2013 and approved by the City in 2014.
- Farragut Plaza: The CLR was submitted in 2013 and approved by the City in 2014.
- Club Drive Park: The improvement plans were submitted to the City in 2017 and approved in 2018.
- Parade Grounds Park: The CLR was approved by the City in 2015. Development of this area of the island is to be determined.
- Residential Area 8C Pocket Parks: The 8C Residential neighborhood was completed and placed on hold pending future, updated development plans.

Section 2.13 contemplates that the City and Developer have regular meetings during the term of the Development Agreement to discuss the progress of the development and construction of the Project.

- Developer is in compliance with Section 2.13 of the Development Agreement. Due to COVID 19 restrictions, regular meetings with City staff were held via Zoom throughout 2021.

Section 3.1.1 requires Developer to pay applicable fees when due.

- Developer is in compliance with Section 3.1.1.

Section 3.1.3 states that the Developer may request the City establish a Community Facilities District or other public financing mechanism.

- Developer is in compliance with Section 3.1.3. CFDs 2002-1 & 2005 A&B are all in place. No additional CFDs were requested in 2021.



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Section 3.1.4 requires Developer to be responsible for the formation of neighborhood associations if such formation is required by Applicable Law or mutually determined by the City and Developer to be needed.

- Developer is in compliance with Section 3.1.4 of the Development Agreement. CC&Rs and neighborhood associations are formed where applicable. The City and residence work collaboratively to enforce CC&R's as applicable. No new neighborhood associations were formed in 2021. Developer continued to participate in the Mare Island Community Association (MICA) throughout 2021.

Section 3.1.7 requires Developer to deliver to the City a financial summary and development status report for the Project on or before the fifteenth day of each month.

- Developer is in compliance with Section 3.1.7 of the Development Agreement. Reports were submitted to the Economic Development Department each month in 2021.

Section 3.1.8 requires Developer to construct and install certain infrastructure in accordance with the Master Infrastructure Plan contained in the Specific Plan.

- Developer is in compliance with Section 3.1.8 of the Development Agreement. No infrastructure was installed by the Developer in 2021. Developer intends to include an updated Master Infrastructure Plan as part of the new Specific Plan.

Section 3.1.9 contemplates construction by Developer of certain tenant improvements that are reasonably determined by Developer to be necessary for the successful development of Mare Island.

- Developer is in compliance with Section 3.1.9 of the Development Agreement. Developer performed multiple rehabilitation and tenant improvements on Mare Island which lead to businesses locating to or expanding at Mare Island. These improvements included office and industrial buildings. Work included asbestos and lead based paint removal, structural upgrades, fire and life safety improvements, storm water treatment facilities, building signage, lighting retrofits (to energy efficient LED), mechanical systems (HVAC, Boilers, etc...), general maintenance and repairs as reflected in Section 2.1.2(a) of this report.
- Some of projects conducted during the year include but are not limited to the following:
 - B4 Storm Basin
 - Continued maintenance of the storm basin in compliance with Provision C3 with acceptance by the City expected in March 2022.
 - Quarters N
 - Plumbing and lighting upgrades



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- Reroof at five (5) balconies
- Building 112
 - Installation of a new roof
 - Upgrade lighting to LED
 - Upgrade fire sprinklers to comply with code.
 - Upgrade door hardware to ADA compliant
- Building 126
 - Waterproofing of East and West 2nd floor bridge
 - Replace main electrical breaker assemble
- Building 117
 - Installation of a new roof
 - Upgrade lighting to LED
 - Upgrade door hardware to ADA compliant
- Building 390
 - Installation of a new roof
- Building 680
 - Roof repair work
- Building 459
 - Install new exterior LED lighting
- Building 760
 - Install new exterior LED lighting

Section 3.1.10 contemplates demolition by Developer of certain improvements that is reasonably determined by Developer to be necessary for the successful development of Mare Island.

- Developer is in compliance with Section 3.1.10 of the Development Agreement. No demolition was performed by the Developer during 2021.

Section 3.1.11 requires Developer to manage the Project in accordance with the Approved Participation Model.

- Developer is in compliance with Section 3.1.11 of the Development Agreement.

Section 3.1.12 requires Developer to work cooperatively with the City and ensure, at no cost to City, the grant of easements to the City or other third parties that are necessary for the development of Mare Island and consistent with Developer's development of the Project.

- Developer is in compliance with Section 3.1.12 of the Development Agreement. Developer worked cooperatively with the City of Vallejo, Inyo, AT&T, Island Energy and others throughout 2021.



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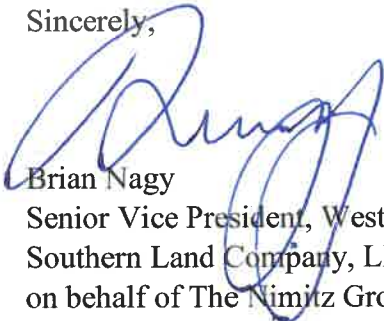
Section 3.1.13 contemplates the creation of a municipal services district and collection and payment by Developer of any special tax levied on the Property by such district until such time as such tax is placed upon the county tax roll for collection by the Solano County Tax Collector.

- Developer is in compliance with Section 3.1.13 of the Development Agreement. The City approved the Community Facilities District (CFD 2002-1), which levies a special tax to cover unfunded municipal services on the island. Developer is currently working with the City to assess the feasibility of elimination of the 2002-1 CFD special tax. Current analysis suggests that CFD 2002-1 will not “sunset” (revenue exceeding expense) for many, many years due to economic, environmental and land transfer challenges incurred in the past. Developer is current on all required property and special taxes.

As demonstrated above, Developer is in good faith compliance with the terms and conditions of the Development Agreement. Accordingly, we respectfully request a written finding of such compliance be delivered by the City to Developer and the Planning Commission, thereby concluding the Annual Review process.

Should you have any questions, please do not hesitate to contact us.

Sincerely,



Brian Nagy
Senior Vice President, West Coast Operations
Southern Land Company, LLC
on behalf of The Nimitz Group, LLC

cc: Gillian Hayes, Interim Assistant City Manager
Paul Kelley, Special Advisor to the City Manager
Erin Hanford, Economic Development Program Manager