REPORT TO HOUSING AUTHORITY
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
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Staff Report
January 21, 2014

Honorable Chair and Members of the Housing Authority Board

Title: Approval of Exclusive Negotiations and Predevelopment Services Agreement For the Upper Land Park – Marina Vista/Alder Grove Choice Neighborhoods Initiative

Location/Council District: Upper Land Park area and Marina Vista/Alder Grove public housing sites/District 4

Issue: Approval of this report authorizes the Housing Authority of the City of Sacramento to enter into an Exclusive Negotiations Agreement and Predevelopment Services Agreement with the Land Park Broadway LLC to prepare a Neighborhood Transformation Plan pursuant to the recently awarded Choice Neighborhoods Initiative Planning Grant for the Marina Vista/ Alder Grove Public Housing Sites.

Recommendation: Staff recommends the adoption of the attached resolution which: 1) authorizes the execution of an Exclusive Negotiations Agreement and Predevelopment Services Agreement with Land Park Broadway LLC for professional services, housing master planning services and development of a human capital strategy for the Upper Land Park – Marina Vista/Alder Grove Choice Neighborhoods Initiative planning effort as set forth in Exhibits A and B, and 2) makes certain environmental findings that the recommended action is statutorily exempt pursuant to the California Environmental Quality Act (CEQA) and is categorically excluded from review under the National Environmental Policy Act (NEPA).

Contact: Celia Yniguez, Program Manager, 440-1302

Presenters: Celia Yniguez, Sacramento Housing and Redevelopment Agency

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: On May 21, 2013, the Housing Authority Board approved the selection of a development team comprised of Related Companies of California, Mercy Housing California, and Regis Homes Sacramento to develop a housing program and master plan to carryout the potential revitalization of the Marina Vista/Alder Grove Public Housing sites. Concurrently, they also approved the submittal of a federal Choice Neighborhoods Initiative (CNI) Planning Grant, which would

federal Choice Neighborhoods Initiative (CNI) Planning Grant, which would provide $500,000 to develop a Neighborhood Transformation Plan (NTP) for the Upper Land Park – Marina Vista/Alder Grove neighborhood.

The NTP is a comprehensive neighborhood revitalization plan which focuses on directing resources to address three core goals: Housing, People and Neighborhoods. Once completed, the NTP becomes the guiding document for the potential revitalization of the 751-unit Marina Vista/Alder Grove public housing sites while simultaneously directing the transformation of the surrounding neighborhood with positive outcomes for families. On November 22, 2013, the Housing Authority was awarded the CNI Planning Grant, and it is expected that the NTP will be complete by the end of 2015.

The Board also directed the Housing Authority to develop terms for an exclusive negotiations agreement (ENA) with the development team. Since selection, the development team members have formed a single purpose Limited Liability Corporation for the project, the Land Park Broadway LLC. The ENA includes a negotiated scope of services and budget to provide the professional services necessary to ensure consistency with requirements of the CNI Planning grant.

Under the ENA, Land Park Broadway LLC will be responsible for developing a housing program and master plan, which would be neighborhood-focused and include the one-for-one replacement of the 751 public housing units with deeply subsidized units in mixed-income developments. Additionally, they will be tasked with developing human capital strategies tailored to public housing revitalization programs.

The negotiated budget for services totals approximately $800,000 with Land Park Broadway LLC allocating up to roughly $200,000 of in-kind services to the effort. The ENA includes the negotiated scope of services for professional services and allows the Housing Authority to provide reimbursement funding for third party costs and a share of project management expenses. It is important to note that this cost sharing arrangement is consistent with Federal Safe Harbor provisions. The ENA is set forth in Exhibit A.

Policy Considerations: The actions recommended in this report are consistent with the City and County Housing Authority 2007 Asset Repositioning Strategy. The ENA will assist the Housing Authority in the development of a Neighborhood Transformation Plan for the Marina Vista and Alder Grove sites and will begin the process of planning for the potential development and replacement of approximately 750 units within the Housing Authority's portfolio with high-quality units.

This action also furthers the commitment of the City through the 2008-2013 Housing Element to preserve and rehabilitate existing affordable housing and to provide housing for extremely low income households. The HUD approved Five-year Public Housing Authority Plan affirms Marina Vista and Alder Grove as

public housing developments designated for potential demolition and/or disposition. Specifically, these actions support Housing Element policies H-3.1.1 related to extremely low income housing needs, policy H-4.4 regarding the preservation of affordable housing, and Program 74 which confirms the City's commitment to the Housing Authority Asset Repositioning Strategy.

The use of Community Development Block Grant funding and CNI Planning Grant funds for the ENA further supports the three overarching goals of the 2013-17 Consolidated Plan: 1) to provide decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, increasing the supply of supportive service for those with special needs, and transitioning homeless persons and families into housing; 2) to provide a suitable living environment through safer, more livable neighborhoods, greater integration of low- and moderate-income residents throughout Sacramento, increasing housing opportunities, and reinvesting in deteriorating neighborhoods; and 3) to expand economic opportunities through more jobs paying self-sufficient wages, homeownership opportunities, development activities that promote long-term community viability, and the empowerment of low- and moderate-income persons to achieve self-sufficiency.

Public Housing Authorities are required to comply with applicable federal laws and regulations, including the Quality Housing and Work Responsibility Act of 1998 (QHWRA).

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed actions constitute administrative activities and government fiscal activities consisting of this report only and do not require any action or involve commitment to any specific project and will not result in any physical impacts on the environment. As such, the proposed actions do not constitute a project under CEQA per Guidelines Section 15378.

National Environmental Policy Act (NEPA): The proposed action is an exempt activity under NEPA as the proposed action is informational only (24 CFR 58.34(a) (1). Full environmental review will be conducted before the Authority seeks approval to commit to a definite course of action or approval of a specific project on the Marina Vista and Alder Grove Public Housing sites.

Approval of an Exclusive Negotiations and Predevelopment Services Agreement with Land Park Broadway LLC

Commission Action: On January 15, 2014, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. Staff will notify the Housing Authority Board on the outcome of their vote at the January 21, 2014 meeting.

Rationale for Recommendation: Located just south of Broadway, between Interstate 5 and Riverside Boulevard, the Marina Vista and Alder Grove public housing communities suffer from severe physical distress with outdated, 60-year old building systems. Many of the over 700 residential units at the two locations are undersized and do not meet the needs of today's families. Additionally, the site layouts of these communities do not promote safety and cannot be considered "defensible space."

On May 21, 2013, the Housing Authority Board approved selection of the development team and directed staff to negotiate an ENA. The ENA and Predevelopment Services Agreement, which are attached to the Resolution as Exhibits A and B, outline roles, responsibilities and compensation for Land Park Broadway LLC during the Master Planning process. The ENA and Predevelopment Services Agreement cover a twenty-four month term.

During the development of the NTP, the Development Team will advise on the program and design for the replacement housing and other affordable and market-rate unit types; identify other investments essential to creating a sustainable and healthy community; coordinate housing activities with neighborhood, resident services, and educational programs; and take the lead in securing state, other federal, and private funding. The Development Team will also work collaboratively with the Housing Authority, City of Sacramento, public housing residents, and the broader community.

The NTP developed with the CNI Planning Grant will create a comprehensive, master plan for redevelopment of these public housing sites, building upon existing neighborhood assets. The NTP will complement and draw upon the current planning and design efforts taking place immediately adjacent to the public housing sites as part of the Northwest Land Park Planned Unit Development project.

In planning for the repositioning of the Marina Vista and Alder Grove housing developments, strategies will be developed and partners identified to ensure that resident children have access to high quality educational opportunities, including high quality early learning opportunities and increased access to programs that combine a continuum of effective community services and strong family support to improve the educational and life outcomes for resident children and youth. The NTP will include action steps necessary to provide supportive services, including economic development, job training, self-sufficiency, and asset building

activities that promote the economic self-sufficiency of the neighborhood residents

Additionally, a significant opportunity exists to remake the Broadway corridor and to take better advantage of what is currently passive and underutilized space within these communities. The two communities combined total over 60 developable acres with over 800 feet of frontage along Broadway. The potential redevelopment of these properties will have a far reaching impact on not only the public housing communities themselves, but on the surrounding neighborhoods and commercial corridors.

A successful CNI planning grant application provides the Housing Authority with the framework in meeting the requirements of HUD's CNI Implementation Grant. HUD awards up to $30 million for each project under the CNI Implementation Grant for revitalization of public housing.

Financial Considerations: Through previous City Council and Housing Authority Board authorizations, funds have been allocated for the Upper Land Park – Marina Vista/Alder Grove Choice Neighborhoods Initiative. Approval of this report and resolution will provide the approvals necessary for the Housing Authority to execute the ENA in an amount not to exceed $600,000. The funding sources to be used for this contract include $400,000 of previously authorized CDBG and $200,000 from the CNI Planning Grant.

M/WBE and Section 3 Considerations: Minority and Women's Business Enterprise will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent as may be applicable.

Respectfully Submitted by: _____
LA SHELLE DOZIER
Executive Director

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Approved as to form:
_____
Agency Counsel

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January 22, 2014

RESOLUTION NO. 2014 -

Adopted by the Housing Authority of the City of Sacramento

on date of

APPROVAL OF EXCLUSIVE NEGOTIATIONS AND PREDEVELOPMENT SERVICES AGREEMENT FOR THE UPPER LAND PARK – MARINA VISTA/ALDER GROVE CHOICE NEIGHBORHOODS INITIATIVE

BACKGROUND

A. River Oaks (Marina Vista) and New Helvetia (Alder Grove) are the two largest public housing sites owned by the Housing Authority of the City of Sacramento. Marina Vista contains 391 units on roughly 38 acres and Alder Grove contains 360 units on roughly 30 acres. Both sites present significant development opportunity in a neighborhood experiencing transition from industrial to residential, mixed-use.

B. In 2007, the Housing Authority Board (Board) approved an Asset Repositioning Strategy aimed at solving the Housing Authority's structural operating deficit, reducing dependence on funding from the United States Department of Housing and Urban Development (HUD), and providing reinvestment strategies for the long term preservation of affordable housing. The Asset Repositioning Strategy recommended redevelopment of the Marina Vista and Alder Grove public housing sites.

C. On June 7, 2012, the Board directed staff to release a Request for Qualifications (RFQ) for the proposed redevelopment of the Marina Vista and Alder Grove sites and select a development team no later than November 2012.

D. On August 6, 2012, the Housing Authority released a RFQ to determine the most qualified master developer to develop a housing program for the potential redevelopment of the Marina Vista and Alder Grove public housing sites.

E. On May 21, 2013, the Board approved the selection of a Development Team comprised of Related Companies of California, Mercy Housing California, and Regis Homes Sacramento as the Master Developer for the proposed revitalization of the Marina Vista and Alder Grove Conventional Public Housing Sites. Concurrently, the Board also approved the submittal of a federal Choice Neighborhoods Initiative (CNI) Planning Grant, which would provide $500,000 to develop a Neighborhood Transformation Plan (NTP) for the Upper Land Park – Marina Vista/Alder Grove neighborhood.

F. The Development Team has formed the Land Park Broadway LLC for the purpose of carrying out the master planning and proposed revitalization of the Marina Vista and Alder Grove Conventional Public Housing Sites.

G. On November 22, 2013, the Federal Department of Housing and Urban Development awarded the Housing Authority a $500,000 Choice Neighborhoods Initiative Planning grant to develop a Neighborhood Transformation Plan for the Upper Land Park neighborhood.

H. The activity recommended is statutorily exempt pursuant to California Environmental Quality Act (CEQA) Guideline 15262 involving planning and feasibility studies for possible future actions which have not been approved by the Housing Authority's governing board. These planning and feasibility activities are categorically excluded from review under the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.34 (a)(1).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

Section 1: The above recitals, including the environmental recitals, are found to be true and correct.

Section 2: The Executive Director is authorized to enter into the Exclusive Negotiations Agreement attached as Exhibit A and the Predevelopment Services Agreement attached as Exhibit B with the Land Park Broadway LLC.

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Exhibit A

AGREEMENT FOR EXCLUSIVE RIGHT TO NEGOTIATE FOR THE REVITALIZATION OF THE MARINA VISTA AND ALDER GROVE PUBLIC HOUSING SITES

The Housing Authority of The City of Sacramento ("**Agency**") and Land Park Broadway LLC, a California Limited Liability Company(the"**Developer**") and also referred to herein collectively as "**Parties**" or singular "**Party,**" have entered into this Agreement for Exclusive Right to Negotiate ("**Agreement**") as of _____, 2013 ("**Effective Date**") upon the follow terms:

RECITALS: This Agreement is based upon the following recitals, facts and understandings of the Parties:

a. Developer desires to negotiate with Agency to define the parameters for development of certain real property (the "**Marina Vista and Alder Grove Properties**") located at 816 Revere Street, Sacramento, California 95818 and 240 Seavey Circle, Sacramento, California 95818 in the City of Sacramento, County of Sacramento, State of California, as described in the Legal Description attached and incorporated in this Agreement, as Exhibit A.1 for Marina Vista and A.2 for Alder Grove, by this reference. It is anticipated that the Marina Vista and Alder Grove Properties will be developed to include housing, commercial space, access to public transportation, public open space or parks, and related amenities (the "**Project**"). The Marina Vista and Alder Grove Properties are located within the Upper Land Park - Broadway Planning Area ("**Planning Area**") and are owned by the Agency. The Planning Area was designated in the 2013 Choice Neighborhoods Initiative application and is illustrated in Exhibit C. The development of the Project must be consistent with the City of Sacramento's General Plan and its implementing documents; as such documents may be amended.

b. The Marina Vista and Alder Grove Properties are conventional low rent public housing complexes governed by the U.S. Department of Housing and Urban Development ("HUD") federal regulations and subject to an Annual Contributions Contract and Declaration of Trust with HUD.

c. Agency selected a development team comprised of The Related Companies of California, Mercy Housing California and Regis Homes of Sacramento, LLC ("Development Team") as the master developer for the proposed revitalization of the 751-unit Alder Grove and Marina Vista public housing sites.

d. The Agency submitted a 2013 Choice Neighborhoods Initiative (CNI) Planning Grant application to the U.S. Department of Housing and Urban Development (HUD) (the "CNI Planning Grant"). The lead applicant for the CNI Planning Grant was the Agency and the co-applicants were The Related Companies of California and Mercy Housing California.

e. On November 22, 2013 the co-applicants, in connection with performing the services by which they were procured as developer, created the Land Park Broadway, LLC for the purpose to serve as the legal entity to assist in the redevelopment within the Planning Area.

f. Under the terms of the CNI Planning Grant, the Agency and co-applicants are required to prepare and deliver to HUD a Neighborhood Transformation Plan within 24 months of the effective date of the CNI Planning Grant (the "Neighborhood Transformation Plan") pursuant to the Contract for Predevelopment and Master Planning Services executed concurrently with this Agreement.

g. Developer and Agency desire to further define the development concept and investigate the feasibility of proposed redevelopment of the 68-acre Marina Vista and Alder Grove public housing sites with objectives that include accessibility to nearby sub-areas such as the 29-acre riverfront property (docks), 32-acre Northwest Land Park; and 40-acre Sacramento Marina/Miller Regional Park in a manner that would generate thousands of residential units within the Planning Area, improve outcomes for public housing and other residents by providing high quality services, eliminate blight by focusing on furthering the City's Smart growth objectives and encourage commercial and retail investment by developing a Neighborhood Transformation Plan and negotiating the terms of a Master Development Agreement ("**MDA**") for the potential transfer, financing and development of the Marina Vista and Alder Grove Properties.

h. It is the intent of both the Agency and Developer in entering into this Agreement to establish a specific, limited period of time to a) develop the Neighborhood Transformation Plan and b) negotiate the terms of the MDA between the Parties regarding: (i) the potential conveyance of the Marina Vista and Alder Grove Properties from the Agency to the partnership(s) or ownership entity(ies)affiliated with Developer to own the redeveloped sites (the "**Individual Phase Developers**");and (ii) the potential development of the Project, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be negotiated and documented in the future MDA.

i. The Parties concurrently with the execution of the agreement have entered into a Contract for Predevelopment and Master Planning Services to Complete a Neighborhood Transformation Plan for Upper Land Park – Marina Vista/Alder Grove (the "Contract for Predevelopment Services").

j. The development of the proposed Project and the fulfillment generally of this Agreement are for the purpose of community improvement and welfare, for the benefit of the Planning Area and in accord with the public purposes and provisions of any applicable federal, state and local laws and requirements under which the proposed Project is to be undertaken.

k. The Agency obtained authority to enter into this agreement on January 21, 2014 and governing board of the Agency that the proposed action to approve this agreement constituted administrative activities and government fiscal activities that do not require any action or involve commitment to any specific project and does not result in any physical impacts on the environment. As such, the proposed action to enter into this agreement does not constitute a project under CEQA per Guidelines Section 15378 and is an exempt activity under the National Environmental Policy Act as the proposed action to enter into this agreement is informational only (24 CFR 58.34(a) (1). Full environmental review will be conducted before the Agency seeks approval to commit to a definite course of action or approval of a specific project on the Marina Vista and Alder Grove Public Housing sites.

NOW, THEREFORE, IN VIEW OF THE GOALS AND OBJECTIVES OF THE AGENCY RELATING TO THE REVITALIZATION OF THE MARINA VISTA AND ALDER GROVE PROPERTIES, AND THE PROMISES OF THE AGENCY AND DEVELOPER SET FORTH IN THIS AGREEMENT, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY EACH OF THE PARTIES HERETO, THE AGENCY AND DEVELOPER AGREE AS FOLLOWS:

1. **IDENTITY OF PARTIES.** The legal identities of the parties to this Agreement and their addresses are as follows

(a) Developer is Land Park Broadway LLC. The Developer is comprised of three (3) members, Related Marina-Alder LLC, Mercy Housing California, and RHS Marina Vista Sacramento, LLC. Developer made full disclosure to Agency of the identity of all members, principals, officers, stockholders, partners, joint venture partners/participants, and entities comprising the Developer during the request for qualifications process. Developer intends, and Agency agrees, that [The Related Companies of California, LLC, a California limited liability company, or an affiliate ("**TRCC**") shall have a role (either active or advisory) in the development of the residential component of the Project. The Agency, Developer and TRCC agree that the role of TRCC in the proposed Project shall be more fully specified during the negotiation period and shall be described in appropriate detail in the MDA.]

(b) Agency is the Housing Authority of the City of Sacramento, a public body, corporate and politic, organized under California law. The principal office of the Agency for purposes of this agreement is 801-12th Street, Sacramento, California 95814.

(c) Notices to any party shall be personally delivered or sent by first class mail to its principal office address.

(i) Notices to Agency shall be clearly marked "Attention: Marina Vista and Alder Grove Project, c/o Celia Yniguez, Project Manager.

(ii) Notices to Developer shall be to Developer's office at Land Park Broadway LLC, c/o Regis Homes of Sacramento, 1800 Third Street, #250, Sacramento, CA 95814; with a copy to Land Park Broadway, c/o The Related Companies of California, LLC, 18201 Von Karman Avenue, Suite 900, Irvine, CA 92612.

2. RESTRICTIONS ON CHANGE IN OWNERSHIP, MANAGEMENT AND CONTROL OF DEVELOPER AND ASSIGNMENT OF AGREEMENT.

(a) The qualifications and identity of Developer and its members are of particular concern to the Agency. The Developer members' qualifications, reputed financial capacity, experience and proposed development concepts of the Project are the reasons that the Agency has entered into this Agreement with Developer. The parties acknowledge that it was contemplated that the co-applicants would (i) consider participation of affiliate entities to deploy certain services on furtherance of the Project and (ii) establish a legal entity such as a limited liability company through which to conduct business on behalf of the Project. The Developer was formed by co-applicants in response to item (ii) in the foregoing sentence. During the Negotiation Period, Developer covenants that there will be no voluntary or involuntary change in the ownership, management or control of the Developer, and no other person or entity shall be permitted to acquire any rights or powers in the Developer or in the Project under this Agreement, except as expressly provided for herein.

(b) Developer may not assign its rights under this Agreement without the prior written consent of the Agency, which the Agency may withhold at its sole discretion.

(c) Notwithstanding subsections (a) and (b), above, the Agency will permit a non-material change in ownership of the Developer which is defined as less than 10% as long as Developer shall within 10 days thereafter notify the Agency in writing of the ownership change and the identity of the business entities or individuals comprising such new ownership interest. Any material change in the ownership interest or the management or control of the Developer (collectively "**Material Change**" as defined in (d) below) without the Agency's prior written consent shall be a default under this Agreement. The Agency's approval or denial of a Material Change shall be at the Agency's sole discretion. Upon the occurrence of a Material Change, whether voluntary or involuntary, of Developer, the Agency, in its sole discretion, may terminate this Agreement, without liability to Developer or any other person, by sending written notice of termination to Developer, referencing this Section.

(d) For the purposes of this Agreement, the term "Material Change" means either (i) a change in ownership of the Developer, after notification to the Agency of Developer's disclosures required in Section 1(a) and thereafter, of 10% or more ownership interest in Developer, or (ii) possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity that is part of the Developer, whether by ownership of equity interests, by contract, or otherwise.

(e) Agency acknowledges that (i) the proposed Project will likely be developed in phases, (ii) development of each phase may be governed, in part, by separate development documents, such as a disposition and development agreement, subject to HUD approval, and (iii) each phase will be developed by Individual Phase Developers.

3. TERM OF AGREEMENT.

(a) **NEGOTIATION PERIOD.** This Agreement shall be in effect for the period commencing with the Effective Date and terminating on the date which is twenty-four (24)months thereafter unless extended by its terms ("**Negotiation Period**").

(b) **EXTENSIONS.** The Agency hereby grants its Executive Director with the authority to authorize up to two (2) - ninety (90) day extensions to the Negotiation Period upon the written request of Developer delivered prior to expiration of the Negotiation Period (or the applicable extension period of Negotiation Period).The Agency shall not be obligated or expected to grant or permit any extension to the term of this Agreement as specified in (a) above.

(c) **EVALUATION MEETINGS.** The Parties shall meet as needed during the Negotiation Period for the purpose of discussing progress toward the development of the Neighborhood Transformation Plan, negotiation of an MDA, the financial feasibility of the Project and the results of Developer's review of due diligence related to the Project (each an "Evaluation Meeting").Notwithstanding the outcomes of any evaluation meetings, the Parties acknowledge its obligation to provide a Neighborhood Transformation Plan to HUD.

(d) **AUTOMATIC TERMINATION.** This Agreement shall automatically expire and be of no further force or effect on the earlier of: (1) the expiration or earlier termination of the Negotiation Period; or (2) the execution of a separate MDA by both Agency and Developer, in their respective sole and absolute discretion.

(e) **MUTUAL RIGHT TO SUSPEND EXECUTION OF MDA.** The Developer shall advise Agency within thirty (30) days if either of the following occurs:

(i) If Developer determines, after an Evaluation Meeting, that the development of the proposed Project is not financially feasible, or it is reasonably likely that the proposed Project will not obtain all necessary entitlements and environmental clearances necessary for the development and operation of the Project; or

(ii) In the course of investigation of the Marina Vista and Alder Grove Properties, the Developer discovers any currently unknown conditions or circumstances which would render the proposed Project infeasible.

In the event either circumstance noted in this section occurs, Agency and Developer shall have the right to mutually agree to terminate this Agreement, provided the Neighborhood Transformation Plan is complete. If the parties mutually agree to terminate this Agreement in accordance with the foregoing, and the Neighborhood Transformation Plan is not completed, the Parties shall suspend the negotiation of the MDA and proceed to complete the obligations under the CNI Planning Grant pursuant to this Agreement and the Contract for Predevelopment Services, until such time as the obligations under the CNI Planning Grant have been met.

4. OBLIGATIONS OF PARTIES. During the Negotiation Period, Agency and Developer shall undertake the following:

(a) Developer shall review due diligence documents and information including, but not limited to a financial analysis of the proposed Project, physical inspections of the Property, and community outreach to residents and neighbors of the Property, in order to determine the financial feasibility of redevelopment of the Property, and to define the scope and timing of the proposed redevelopment work that would be governed by the MDA. Parties acknowledge that a significant portion of this work will be done pursuant to that certain Contract for Predevelopment and Master Planning Services by and between the Parties and dated of even date herewith;

(b) Agency and Developer shall proceed diligently and in good faith to draft and negotiate an MDA for the proposed Project; and

(c) Agency shall supply such documents and information as may be reasonably requested by Developer in order to permit Developer to perform the due diligence activities identified in (a) and to facilitate the conduct of the negotiations in (b), including, but not limited to, information about the Property, residents of the Property, and the Agency's available financial resources.

5. ADDITIONAL OBLIGATIONS OF THE AGENCY. During the Negotiation Period, and in addition to the obligations it shares with Developer under Section 4, above, the Agency shall proceed diligently and in good faith to do all of the following:

(a) **CEQA REVIEW.** In accordance with the California Environmental Quality Act ("**CEQA**") and the National Environmental Policy Act ("NEPA"), the Agency has completed the environmental review necessary to permit the Agency to execute this Agreement. The Agency's not, and shall not be considered to be, obligated by this Agreement, or otherwise, to approve an MDA or any other agreement.

(i) Nothing in the foregoing, or this Agreement, shall be construed to limit the application of CEQA or NEPA tothe proposed Project or to changes in the proposed Project. The Agency shall act independently and without regard to its obligations under this Agreement in meeting its CEQA and NEPA obligations.

(ii) The Agency will not consent to disposition of the property or commencement of construction of the Project unless and until it has fully reviewed and considered the environmental impacts of the proposed Project in accordance with CEQA and NEPA. The Agency is not obligated, by this Agreement or otherwise, to adopt findings of overriding considerations, if required, for the approval of commencement of construction of the proposed Project or take any other action in support of the proposed Project. The Agency is not precluded, by this Agreement or otherwise, from rejecting commencement of construction of the Project or from imposing mitigation measures as a condition of Project approval, which measures mitigate or avoid direct or indirect environmental effects of the Project.

(iii) Upon Agency request, Developer shall supply data and information available to it as a result of the work completed pursuant to the Contract for Services between the Parties, or otherwise learned or known, both to determine the impact of the development on the environment and to assist in the preparation of the environmental documents for the proposed Project.

(b) **PROHIBITION AGAINST NEGOTIATION WITH OTHERS.** During the Negotiation Period, the Agency governing body and Agency staff shall not negotiate with any other person regarding the disposition or redevelopment of the Marina Vista and Alder Grove Properties, except as otherwise provided in this paragraph below. The term "negotiate," as used in this Agreement, means engaging in any discussions with a person other than Developer with respect to that person's proposed redevelopment of the Marina Vista and Alder Grove Properties to the total or partial exclusion of Developer from redeveloping the Marina Vista and Alder Grove Properties, without Developer's written consent. The Agency may receive and retain unsolicited offers regarding the proposed redevelopment of the Marina Vista and Alder Grove Properties, but shall not negotiate with the proponent of any such offer during the Negotiation Period. Nothing in this Agreement shall limit, prevent, restrict or inhibit the Agency from seeking funds from governmental entities and foundations to assist the Marina Vista and Alder Grove Properties or from providing any information in its possession or control that would

customarily be furnished to persons requesting information from the Agency concerning the Agency's activities, goals, matters of a similar nature relating to development of the Project or as required by law to be disclosed, upon request or otherwise; provided however, Agency is prohibited from disclosing any information designed by Developer as confidential, unless otherwise required by applicable law. Nothing in this Agreement shall prevent or prohibit the Agency from discussing or disclosing the fact that the Agency is a Party to this Agreement.

6. NEGOTIATION OF MDA; ACCESS TO THE MARINA VISTA AND ALDER GROVE PROPERTIES.

(a) During the Negotiation Period, the Agency and Developer shall diligently and in good faith negotiate the potential terms, conditions, covenants, restrictions and agreements of the MDA between them. The Agency and Developer shall generally cooperate with each other and supply such documents and information as may be reasonably requested by the other to facilitate the conduct of the negotiations. Both the Agency and Developer shall exercise reasonable efforts to complete discussions relating to the terms and conditions of an MDA and such other matters, all as may be mutually acceptable to both the Agency and Developer. The exact terms and conditions of an MDA, if any, shall be determined during the course of these negotiations. Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the Agency or Developer that a mutually acceptable MDA will be produced from negotiations under this Agreement. Nothing in this Agreement shall impose any obligation on either Party to agree to a definitive MDA in the future. Nothing in this Agreement shall be interpreted or construed to be a guaranty, warranty or representation that any proposed MDA that may be negotiated by Agency staff and Developer will be approved by the Agency governing body. Developer acknowledges and agrees that the Agency's consideration of any MDA is subject to the sole discretion of the Agency governing body and all legally required public hearings, public meetings, notices, factual findings and other determinations required by law.

(b) During the Negotiating Period, Developer shall have the right to examine, inspect and investigate the Marina Vista and Alder Grove Properties and to determine whether the Marina Vista and Alder Grove Properties are acceptable to Developer, which right of Developer is subject to and conditioned upon the terms and provisions of an Entry Permit, a sample which is attached hereto as Exhibit B, and incorporated herein by reference.

7. LEGISLATIVE ACTION. Agency and Developer acknowledge that the Agency must exercise its independent legislative authority in making any and all findings and determinations required of them by law concerning the proposed Project. This Agreement does not restrict the legislative authority of the Agency in any manner, whatsoever, and does not obligate the Agency to enter into the MDA or to take any course of action with respect to the Project. Except as expressly stated in this Agreement, if this Agreement terminates without execution of an MDA, each party shall bear its own costs related to this Agreement.

8. DEFAULTS; REMEDIES. Either the Agency or Developer shall be in default of this Agreement if it (a) fails to fulfill its obligations when due, which failure is not caused by the other party, or otherwise violates any covenant, restriction or obligation contained in this Agreement, (b) does not negotiate the MDA in good faith and upon the terms stated in this Agreement, (c) does not reasonably cooperate with the other in fulfilling the other's obligations under this Agreement, or (d) refuses to execute the MDA when negotiations are complete.

The defaulting party shall have thirty (30) days to cure the default or within ninety (90) days provided such defaulting party commences a cure within the initial thirty (30) day period and diligently prosecutes such cure to completion.

Should the defaulting party fail to cure the default within the thirty (30) days, or the ninety (90) days, as applicable, the non-defaulting party may (i) terminate this Agreement by written notice to the defaulting party, or (ii) institute an action for specific performance with respect to defaults under items (a), (b), (c) and (d) above. This thirty (30) or ninety (90) day period in no way, manner or form extends, continues, tolls or modifies the Term of this Agreement.

(a) After termination of this Agreement for default of Developer, subject to cure rights, Developer shall have no rights under this Agreement to participate in the development of the Project, and the Agency shall have the absolute right to pursue development of the Project, in any manner it deems appropriate.

(b) The remedies contained in this Section 8 are the sole exclusive remedies for default of this Agreement, and neither party may claim, as a result of a default of this Agreement, any damages, whether monetary, non-monetary, contingent, consequential or otherwise.

9. MASTER DEVELOPMENT AGREEMENT. In addition to other provisions stated in this Agreement, the MDA will address, without limitation, the following provisions (a) use covenants to run with the land; (b) payment and performance bonding and other completion assurances; (c) insurance and indemnities, including hazardous materials indemnities; (d) anti-discrimination provisions; (e) performance assurances; (f) limitation on assignments and transfers of the MDA and its obligations and benefits prior to Project completion; (g) compliance with CEQA mitigation; (h) timing and conditions precedent to the proposed disposition of the Marina Vista and Alder Grover Properties (or portions thereof)by sale or lease from Agency to new owner(s); (i) financial consideration to the Agency for conveyance of the Marina Vista and Alder Grove Properties (or portions thereof) to new owner(s); (j) Agency's rights to revest the Project upon Developer default; (k) Agency's Art in Public Places requirements; (l) a Marina Vista and Alder Grove Project completion date; (m) extension fees for delay in construction, and liquidated damages; (n) Agency's rights to cure defaults, assume loans and complete construction; (o) management of the properties; (p) social services; (q) delayed transfer of title to the Project; (r) as scope of the development for the Project, including proposed

phasing of construction of such scope; (s) a proposed budget for development of the Project and (t) the terms of any additional financial assistance to be provided by the Agency for development costs of the Project.

10. AGENCY RELIANCE ON DEVELOPER. Developer understands and acknowledges that the Agency is entering into this Agreement with Developer because Developer has reputed financial capacity, specific expertise and experience.

11. ACKNOWLEDGEMENTS AND RESERVATIONS.

(a) The Agency and Developer agree that, if this Agreement expires or is terminated for any reason, or a future MDA is not signed by both the Agency and Developer, for any reason, neither the Agency nor Developer shall be under any obligation, nor have any liability to each other or any other person regarding the sale or other disposition of the Marina Vista and Alder Grove Properties or the redevelopment of the Project or the Marina Vista and Alder Grove Properties.

(b) Developer acknowledges and agrees that no provision of this Agreement shall be deemed to be an offer by the Agency, nor an acceptance by the Agency of any offer or proposal from Developer for the Agency to convey any estate or interest in the Marina Vista and Alder Grove Properties to Developer or for the Agency to provide any financial or other assistance to Developer for redevelopment of the Project or the Marina Vista and Alder Grove Properties. Agency acknowledges and agrees that by execution of this Agreement Developer is not committing itself, or any affiliate, to undertake the acquisition of all or any portion of the Marina Vista and Alder Grove Properties or the development, financing, or construction of the Project.

(c) Developer acknowledges and agrees that Developer has not acquired, nor will acquire, by virtue of the terms of this Agreement, any legal or equitable interest in real or personal property from the Agency.

(d) Developer acknowledges that Agency and the City of Sacramento are separate legal entities, and that the proposed Project shall be subject to independent review by the City in proper exercise of its jurisdiction, including without limitation, review by the City's Development Services, Planning Commission and either the Design Commission or Preservation Commission, as applicable. Certain development standards and design controls for the proposed Project may be established between Developer and the Agency, but it is understood and agreed between the Agency and Developer that, unless specified otherwise in the MDA and/or in the entitlement actions approved by the City, the Project and the redevelopment of the Marina Vista and Alder Grove Properties must conform to all Agency, City and other applicable governmental developments, land use and architectural regulations and standards. Drawings, plans and specifications for the Project shall be subject to the approval of the Agency and the City, through the

standard development application process for redevelopment projects within the Planning Area. Nothing in this Agreement shall be considered approval of any plans or specifications for the proposed Project or of the Project itself by either the Agency or the City.

(e) The Agency reserves the right to reasonably obtain further information, data and commitments to ascertain the ability and capacity of Developer to lease develop and operate the Marina Vista and Alder Grove Properties and/or the Project. Developer acknowledges that it may be requested to make certain financial disclosures to the Agency, its staff, legal counsel or other consultants, as part of the financial due diligence investigations of the Agency relating to the potential acquisition or sale of the Marina Vista and Alder Grove Properties and redevelopment of the Project on the Marina Vista and Alder Grove Properties by Developer and that any such disclosures may become public records. The Agency shall maintain the confidentiality of financial information of Developer to the extent allowed by law, as determined by Agency Counsel.

(f) The Agency shall not be deemed to be a party to any agreement for the acquisition of, lease of or disposition of real or personal property, the provision of financial assistance to Developer (other than the Contract for Predevelopment Services) or development of the Project on the Marina Vista and Alder Grove Properties or elsewhere, until the terms and conditions of a complete future MDA are considered and approved by the Agency's governing body, in its respective sole discretion, following the conclusion of any public hearing(s) required by law. Developer expressly acknowledges and agrees that the Agency will not be bound by any statement, promise or representation made by Agency staff or representatives during the course of negotiations of a future MDA and that the Agency shall only be legally bound upon the approval of a complete MDA by the Agency's governing body, in its sole discretion, following one or more duly noticed public hearings, as required by law.

(g) Developer acknowledges that the Agency is currently in discussion with other developers in the surrounding area to develop similar projects with similar or identical uses. Should the Agency enter into agreements for financial or other assistance with these or other developers, such action shall not constitute a breach of good faith.

(h) Agency acknowledges that Developer, its members and their affiliates (the "**Developer Parties**") are currently, or may in the future be, in discussion with other parties in the confines of the Planning Area identified in the CNI Grant Application to develop similar projects with similar or identical uses. The Parties acknowledge as co-applicants that there are opportunity areas with respect to the likelihood of implementation of development as noted in the CNI Planning Grant application. Should the Developer Parties enter into agreements for financial or other assistance with these or other developers or governmental entities, Developer Parties shall advise Agency and deliver to the Agency a written offer to participate in such project (the "Offer of Participation"). Developer Parties and Agency hereby agree that following the Agency's

receipt of the Offer of Participation, Agency shall have a period of fifteen (15) business days to review the Offer of Participation and to notify the Developer Parties of the Agency's acceptance or conditional acceptance of the Offer of Participation ("Agency's Notice"). A conditional acceptance shall be predicated upon Developer Parties' acceptance of the conditions set forth in the Agency's Notice. In each case, such Offer of Participation shall terminate upon the earliest to occur of (I) the lapse of fifteen (15) business days from Agency's receipt of the Offer of Participation without the Developer Parties' receipt of Agency's Notice, (ii) Developer Parties' receipt from Agency of written notice that the Agency will not exercise its right to accept the Offer of Participation, or (iii) Developer Parties' failure or refusal to accept any condition set forth in Agency's Notice. In any event, Agency shall be advised prior to execution by Developer Parties of any agreements for financial or other assistance with developers or governmental entities (except those projects seeking solely planning approvals and no financial assistance) in the Planning Area identified in the CNI Grant Application. The proposed Land Wood Park development owned by Mercy Housing California is specifically excluded from the foregoing in light of the fact that Mercy Housing California and the Agency have an existing relationship with respect to the development and are currently engaged in negotiating the terms of each party's participation in the development.

12. REPORTS. Developer shall, at least once each month throughout the Negotiation Period, submit progress reports to the Agency and meet and confer with the Agency concerning the ongoing progress of the required actions

13. NONDISCRIMINATION. Developer covenants by and for itself, himself or herself, its, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through it, him or her, and this Agreement is made and accepted upon and subject to the following conditions:

(a) Standards. That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Project nor shall Developer, itself, himself or herself, or any person claiming under or through it, him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, subtenants, sublessees, or vendees in the Project.

(b) Notwithstanding Section 12(a), with respect to familial status, Section 12(a) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in Section 12(a) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and

Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to Section 12(a).

14. WAIVER OF LISPENDENS. The Parties to this Agreement hereby expressly understand, acknowledge and agree that no lispendens shall be filed against the subject property herein or any portion of such property for any claim, action or dispute arising from this Agreement.

15. APPLICABLE LAW; VENUE. This Agreement shall be construed in accordance with the law of the State of California, and venue for any action under this Agreement shall be in Sacramento County, California.

16. ATTORNEYS' FEES. In the event of any dispute between the parties, whether or not such dispute results in litigation, the prevailing party shall be reimbursed by the other party for all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees, witness and expert fees and investigation costs. A party receiving an award after arbitration or an order or judgment after hearing or trial shall not be considered a prevailing party if such award, order or judgment is not substantially greater than the other party's offer of settlement made in advance of the arbitration, hearing or trial.

17. UNAVOIDABLE DELAY. For the purposes of any of the provisions of this Agreement, neither Agency nor Developer shall be considered in breach of, or default in, its obligations with regard to their respective obligations, if the delay in the performance of such obligations is due to unforeseeable causes beyond the delayed party's control and without its fault or negligence. Unforeseeable causes shall include acts of God, acts of the public enemy, acts of the federal government, acts of the other party, litigation filed in state or federal court by any third party which either directly results in a delay of either party's performance, or which, in the reasonable judgment of either party substantially increases the cost or risk of continued performance, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather (as for example, floods, tornadoes, or hurricanes). In the event of the occurrence of any such delay, the time or times for performance of such obligations of Agency and Developer shall be extended for the period of the delay provided that the party seeking the benefit of the provisions of this Section shall, within ten days after it has or should have knowledge of any such delay, have first notified the other party, in writing, of the delay and its cause, and requested an extension for the period of the delay.

18. NO THIRD PARTIES BENEFITED. This Agreement is made and entered into for the sole protection and benefit of the Agency and Developer, and no other person or entity does now or will have any right of action or any rights under or pursuant to this Agreement.

19. MDA TO SUPERCEDE THIS AGREEMENT. This Agreement will be superseded by the MDA, if and when the proposed MDA is executed by Developer and the Agency.

Executed as of the date first written above, in Sacramento, California.

AGENCY:

HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

Approved to form:

By:_____
La Shelle Dozier, Executive Director

_____
Agency Counsel

DEVELOPER:

Land Park Broadway LLC,
A California limited Liability Company

By: Related Marina-Alder LLC,
a California limited liability company

By: _____
Name: _____
Title: _____

By: Mercy Housing California, a California non profit public benefit corporation

By: _____
Name: _____
Title: _____

By: RHS Marina Vista Sacramento, LLC,
a Delaware limited liability company

By: Regis Homes of Sacramento, LLC,
a Delaware limited liability company,
its manager

By: _____
Name: _____
Title: _____

Exhibit A.1
Legal Description – Marina Vista

**THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF
SACRAMENTO, CITY OF SACRAMENTO, AND IS DESCRIBED AS FOLLOWS:**

PARCEL ONE:

**BEGINNING AT A POINT WHICH IS LOCATED SOUTH 18° 46' WEST ALONG THE CENTER LINE OF 5TH STREET OF THE CITY OF SACRAMENTO 1315.77 FEET FROM THE MONUMENT ESTABLISHED BY THE CITY ENGINEER AT THE INTERSECTION OF SAID CENTER LINE WITH THE CENTER LINE OF Y STREET; THENCE NORTH 49° 34' 18" WEST 582.53 FEET TO A FENCE LINE OF THE EAST LINE OF A 40 FOOT LANE; THENCE SOUTH 3° 07' 16" WEST ALONG SAID FENCE LINE, 819.60 FEET TO AN IRON PIPE IN A FENCE CORNER, WHICH IS THE SAID POINT OF BEGINNING; THENCE ALONG A FENCE LINE; SOUTH 72° 02' 30" EAST 147.15 FEET AND SOUTH 72° 52' 41" EAST 775.40 FEET TO A FENCE CORNER; THENCE ALONG A FENCE LINE, SOUTH 10° 39' 41" EAST 1142.41 FEET TO AN IRON PIPE IN A FENCE CORNER; THENCE ALONG A FENCE LINE, NORTH 76° 01' 03" WEST 1405.81 FEET TO AN IRON PIPE AND NORTH 77° 23' WEST 846.28 FEET TO A POINT DISTANT 50.0 FEET AT RIGHT ANGLES EASTERLY FROM THE MAIN TRACK OF THE CENTRAL PACIFIC RAILWAY COMPANY'S WALNUT GROVE BRANCH; THENCE NORTH 19° 56' WEST PARALLEL WITH SAID TRACK, 352.81 FEET; THENCE NORTHERLY ON THE ARC OF A TAPER CURVE, CONCAVE TO THE RIGHT, WITH RADII AND DISTANCES AS FOLLOWS:
RADIUS OF 22868.37 FEET, AN ARC DISTANCE OF 29.94 FEET;
RADIUS OF 11409.17 FEET, AN ARC DISTANCE OF 29.87 FEET;
RADIUS OF 7589.45 FEET, AN ARC DISTANCE OF 29.80 FEET;
RADIUS OF 5679.60 FEET, AN ARC DISTANCE OF 29.74 FEET;
THE LONG CHORD OF SAID TAPER CURVE BEARS NORTH 19° 39 1/2' WEST 119.35 FEET; THENCE OF THE ARC OF A CURVE CONCAVE TO THE RIGHT AND PARALLEL WITH AND DISTANCE 50.0 FEET RADIALLY EASTERLY FROM THE CENTER LINE OF SAID MAIN TRACK, SAID ARC HAVING A RADIUS OF 4533.69 FEET, THE CHORD OF WHICH BEARS NORTH 13° 11' 45" WEST 945.83 FEET TO A POINT WHICH IS LOCATED SOUTH 71° 53' EAST 22.51 FEET FROM A CONCRETE MONUMENT; THENCE ALONG THE NORTH LINE OF PARCEL NO. 1 OF THAT CERTAIN DECREE QUIETING TITLE RECORDED OCTOBER 21, 1933, IN BOOK 450 OF OFFICIAL RECORDS, PAGE 89, SACRAMENTO COUNTY RECORDS, SOUTH 71° 53' EAST 156.59 FEET TO A CONCRETE MONUMENT; SOUTH 70° 02' EAST 865.10 FEET TO A CONCRETE MONUMENT; SOUTH 71° 45' EAST 265.20 FEET TO A CONCRETE MONUMENT; SOUTH 75° 50' EAST 267.88 FEET; AND SOUTH 72° 02' 30" EAST 0.39 FEET TO THE POINT OF BEGINNING, CONTAINING 60.06 ACRES, MORE OR LESS.**

EXCEPTING THEREFROM THE FOLLOWING:

BEGINNING AT THE SOUTHEAST CORNER OF THE LANDS NOW OR FORMERLY OWNED BY R. A. MERKLEY IN THE CITY OF SACRAMENTO, WHICH POINT IS FURTHER DESCRIBED AS BEING LOCATED SOUTH 76° 1.05' EAST 30.27 FEET FROM A MONUMENT MARKING THE CENTER LINE INTERSECTION OF SUTTER WAY AND MUIR WAY OF THE CITY OF SACRAMENTO; THENCE FROM SAID POINT OF BEGINNING NORTH 19° 39.68' WEST 111.05 FEET ALONG THE DIVISION LINE COMMON TO LANDS OF SAID R. A. MERKLEY ON THE WEST AND CURT F. SETZER ON THE EAST TO A POINT ON THE WESTERLY LINE OF 1 MUIR WAY; THENCE BY A CURVE TO THE LEFT HAVING A

RADIUS OF 630.00 FEET AND WHOSE CHORD BEARS SOUTH 22° 56.55' 27.88 FEET TO A POINT; THENCE SOUTH 21° 39.72' WEST 20.60 FEET TO A POINT; THENCE BY CURVE TO RIGHT HAVING A RADIUS OF 15.00 FEET AND WHOSE CHORD BEARS SOUTH 62° 50.26' WEST 19.74 FEET TO A POINT; THENCE SOUTH 13° 58.95' WEST 40.00 FEET TO A POINT ON THE SOUTHERLY LINE OF LANDS OF SAID R. A. MERKLEY; THENCE SOUTH 76° 1.05' EAST 68.26 FEET ALONG THE SAID SOUTHERLY LINE OF LANDS OF R. A. MERKLEY TO THE POINT OF BEGINNING, CONTAINING 3529 SQUARE FEET, MORE OR LESS.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN THE EXTERIOR BOUNDARIES OF MERKLEY TRACT, ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN THE OFFICE OF THE RECORDER OF SACRAMENTO COUNTY, CALIFORNIA, ON OCTOBER 14, 1946, IN BOOK 24 OF MAPS, MAP NO. 37.

ALSO EXCEPTING THEREFROM THAT PORTION OF SAID PROPERTY GRANTED TO THE STATE OF CALIFORNIA IN GRANT DEED RECORDED NOVEMBER 30, 1966 IN BOOK 661130, PAGE 177, SACRAMENTO COUNTY OFFICIAL RECORDS.

APN: 009-0030-023

PARCEL TWO:

A PORTION OF THAT CERTAIN PARCEL OF LAND ACQUIRED BY THE STATE OF CALIFORNIA
BY DEED RECORDED IN VOLUME 4534, PAGE 838, OFFICIAL RECORDS OF SACRAMENTO
COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A 3/4" IRON PIPE ON THE SOUTHERLY LINE OF "RIVER OAKS" AS SHOWN ON THE PLAT OF THE RECORD OF SURVEY OF RIVER OAKS RECORDED JUNE 12, 1961, IN BOOK 17 OF SURVEYS, MAP NO. 46, RECORDS OF SACRAMENTO COUNTY, BEING THE SAME POINT DESCRIBED IN DEED RECORDED JANUARY 30, 1952, IN BOOK 2167, PAGE 214, OFFICIAL RECORDS OF SAID COUNTY, SAID POINT ALSO BEING DISTANT 610.49 FEET EASTERLY, MEASURED RADIALLY FROM THE "B" LINE AT ENGINEER'S STATION "B"405+62.50 OF THE DEPARTMENT OF PUBLIC WORKS' SURVEY ON ROAD 03-SAC-5, POST MILE 13.6/22.0; THENCE FORM SAID POINT OF BEGINNING S. 76° 18' 15" EAST 202.58; THENCE SOUTH 09° 56' 02" E. 356.53 FEET; THENCE N. 80° 10' 02" W. 411.11 FEET; THENCE N. 31° 11' 32" W. 23.08 FEET; THENCE N. 80° 38' 32" W. 223.14 FEET; THENCE S. 11° 18' 28" W. 25.80 FEET; THENCE N. 80° 42' 30" W. 41.97 FEET; THENCE FROM A TANGENT THAT BEARS N. 10° 33' 50" W. ALONG A CURVE TO THE LEFT WITH A RADIUS OF 5135.00 FEET, THROUGH A CENTRAL ANGLE OF 04° 37' 53", A DISTANCE OF 415.80 FEET; THENCE S. 77° 40' 51" E. 530.05 FEET TO THE POINT OF BEGINNING, CONTAINING 5.66 ACRES, MORE OR LESS.

EXCEPTING THEREFROM THAT PORTION OF SAID LAND CONTAINED IN THE GRANT DEED RECORDED AUGUST 18, 1971 IN BOOK 710818, PAGE 56, OFFICIAL RECORDS OF SACRAMENTO COUNTY.

APN: 012-0010-024

PARCEL THREE:

ALL THAT PORTION OF THAT CERTAIN TRACT OF LAND DESIGNATED "ESTATE OF DANIEL FLINT" ON THAT CERTAIN RECORD OF SURVEY ENTITLED "PROPERTY OF ESTATE OF DANIEL FLINT", RECORDED IN THE OFFICE OF THE RECORDER OF

SACRAMENTO COUTNY IN BOOK 3 OF SURVEYS, MAP NO. 81, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT LOCATED ON THE SOUTHERLY RIGHT OF WAY LINE IN VALLEJO WAY, A PUBLIC STREET 80.00 FEET IN WIDTH, AND ON THE WESTERLY BOUNDARY OF SAID "ESTATE OF DANIEL FLINT" TRACT OF LAND, FROM WHICH THE NORTHEAST CORNER OF THAT CERTAIN TRACT OF LAND DESIGNATED "GENEVRA WILSON" ON SAID RECORD OF SURVEY BEARS NORTH 09° 38' 50" WEST 43.66 FEET; THENCE FROM SAID POINT OF BEGINNING ALONG THE SOUTHERLY RIGHT OF WAY LINE OF SAID VALLEJO WAY, SOUTH 76° 01' 03" EAST 49.34 FEET; THENCE CURVING TO THE RIGHT ON AN ARC ON 20.00 FEET RADIUS, SAID ARC BEING SUBTENDED BY A CHORD BEARING SOUTH 29° 39' 32" EAST 28. 95 FEET; THENCE SOUTH 16° 42' 00" WEST 6.35 FEET; THENCE CURVING TO THE LEFT ON AN ARC OF 527.00 FEET RADIUS , SAID ARC BEING SUBTENDED BY A CHORD BEARING SOUTH 09° 00' 14" WEST 141.15 FEET; THENCE CURVING TO THE RIGHT ON AN ARC OF 473.00 FEET RADIUS, SAID ARC BEING SUBTENDED BY A CHORD BEARING SOUTH 03° 14' 52" WEST 32.03 FEET TO A POINT LOCATED ON THE WESTERLY BOUNDARY OF SAID "ESTATE OF DANIEL FLINT" TRACT OF LAND AND ON THE EASTERLY BOUNDARY OF SAID "GENEVRA WILSON" TRACT OF LAND; THENCE ALONG SAID WESTERLY LINE, NORTH 09° 38' 50" WEST 217.61 FEET TO THE POINT OF BEGINNING, CONTAINING 5,885 SQUARE FEET, MORE OR LESS.

APN: 012-0010-025

Exhibit A.2
Legal Description – Alder Grove

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SACRAMENTO, CITY OF SACRAMENTO, AND IS DESCRIBED AS FOLLOWS:
PARCEL ONE:

BEGINNING AT A POINT OF THE SOUTH LINE OF BROADWAY, FORMERLY Y STREET OF THE CITY OF SACRAMENTO, FROM WHICH A STONE MONUMENT ESTABLISHED BY THE CITY ENGINEER OF THE CITY OF SACRAMENTO AT THE INTERSECTION OF THE CENTER-LINE OF BROADWAY WITH THE CENTER-LINE OF 9TH STREET BEARS NORTH 18° 39' 30" EAST 40.00 FEET AND THENCE SOUTH 71° 01' 30" EAST 122.45 FEET; THENCE FROM SAID POINT OF BEGINNING NORTH 71° 01' 30" WEST 930.10 FEET ALONG THE SOUTH LINE OF BROADWAY TO THE NORTHEAST CORNER OF LOT 6, AS SAID LOT IS SHOWN AND SO DESIGNATED ON THE OFFICIAL PLAT OF WRIGHT & KINBROUGH INDUSTRIAL TRACT ADDITION NO. 1 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY IN BOOK 19 OF MAPS, MAP NO. 39; THENCE SOUTH 18° 58' 30" WEST 438.27 FEET ALONG THE EASTERLY BOUNDARY OF SAID WRIGHT & KIMBROUGH INDUSTRIAL TRACT ADDITION NO. 1; THENCE SOUTH 11° 42' 15" EAST 15.96 FEET TO A POINT ON THE SOUTHERLY LINE OF FIRST AVENUE; THENCE NORTH 71° 01' 30" WEST 8.14 FEET ALONG SAID SOUTHERLY LINE TO THE NORTHEAST CORNER OF LOT 12 OF SAID WRIGHT & KIMBROUGH INDUSTRIAL TRACT ADDITION NO. 1; THENCE SOUTH 18° 58' 30" WEST 150.00 FEET ALONG THE EASTERLY BOUNDARY OF SAID LOT 12 TO THE SOUTHEAST CORNER THEREOF, BEING A POINT ON THE NORTHERLY BOUNDARY OF LOT D, AS SAID LOT IS SHOWN AND SO DESIGNATED ON THE OFFICIAL PLAT OF WRIGHT & KIMBROUGH INDUSTRIAL TRACT FILED IN THE OFFICE OF THE COUNTY REOCRDER OF SACRAMENTO COUNTY IN BOOK 19 OF MAPS, MAP NO. 17; THENCE CONTINUING SOUTH 18° 58' 30" WEST 435.91 FEET THROUGH SAID LOT D AND LOTS 83, H AND 84 OF SAID WRIGHT & KIMBROUGH INDUSTRIAL TRACT TO A POINT ON THE NORTH BOUNDARY OF LOT I OF SAID WRIGHT & KIMBROUGH INDUSTRIAL TRACT; THENCE SOUTH 71° 01' 30" EAST 293.70 FEET TO THE WESTERLY CORNER COMMON TO LOTS 90 AND J OF SAID WRIGHT & KIMBROUGH INDUSTRIAL TRACT; THENCE SOUTH 18° 46' WEST 569.30 FEET ALONG THE WESTERLY BOUNDARIES OF LOTS J, 87, L, 88, M, 89 AND P OF SAID WRIGHT & KIMBROUGH INDUSTRIAL TRACT TO THE SOUTHERLY BOUNDARY OF SAID TRACT; THENCE SOUTH 49° 34' 18" EAST 687.54 FEET ALONG SAID SOUTHERLY BOUNDARY OF SAID TRACT TO THE SOUTHEAST CORNER THEREOF; THENCE NORTH 19° 42' 30" EAST 819.29 FEET ALONG THE EASTERLY BOUNDARIES OF SAID LOTS P, 89, M, 88, L, 87 AND J TO THE NORTHEAST CORNER OF SAID LOT J; THENCE NORTH 70° 53' 45" WEST 10.36 FEET ALONG THE NORTHERLY BOUNDARY OF SAID LOT J; THENCE NORTH 18° 39' 30" EAST 1039.43 FEET ALONG THE EASTERLY BOUNDARY OF LAND DESCRIBED IN DECREE QUIETING TITLE ENTERED DECEMBER 6, 1915, IN THE SUPERIOR COURT, SACRAMENTO COUNTY, SUIT NO. 16693, DECREE NO. 11851, OF RECORD IN BOOK 434 OF DEEDS AT PAGE 16, TO THE POINT OF BEGINNING.

PARCEL TWO:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF BROADWAY, FORMERLY Y STREET OF THE CITY OF SACRAMENTO, FROM WHICH A STONE MONUMENT ESTABLISHED BY THE CITY ENGINEER OF THE CITY OF SACRAMENTO AT THE INTERSECTION OF THE CENTER-LINE OF BROADWAY WITH THE CENTER-LINE OF 9TH STREET BEARS NORTH 18° 39' 30" EAST 1 40.00 FEET AND THENCE SOUTH 71° 01' 30" EAST 122.45 FEET; THENCE FROM SAID POINT OF BEGINNING SOUTH 18° 39' 30" EAST 1039.43 FEET ALONG THE EASTERLY BOUNDARY OF LAND DESCRIBED IN

DECREE QUIETING TITLE ENTERED DECEMBER 6, 1915, IN THE SUPERIOR COURT, SACRAMENTO COUNTY, SUIT NO. 16693, DECREE NO. 11851, OF RECORD IN BOOK 434 OF DEEDS, AT PAGE 16, TO A POINT ON THE NORTHERLY BOUNDARY OF LOR J AS SAID LOT IS SHOWN AND SO DESIGNATED ON THE OFFICIAL PLAT OF WRIGHT & KIMBROUGH INDUSTRIAL TRACT FILED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY IN BOOK 19 OF MAPS, MAP NO. 17; THENCE SOUTH 70° 53' 45" EAST 9.96 FEET ALONG SAID NORTH LINE; THENCE NORTH 18° 39' 30" EAST 1039.46 FEET TO A POINT ON THE SOUTHERLY LINE OF BROADWAY; THENCE NORTH 71° 01' 30" WEST 9.95 FEET ALONG SAID SOUTHERLY LINE TO THE POINT OF BEGINNING.

PARCEL THREE:

ALL THAT PORTION OF LOTS 85, 86, K AND R OF WRIGHT AND KIMBROUGH INDUSTRIAL TRACT, THE OFFICIAL PLAT OF WHICH IS RECORDED IN THE OFFICE OF THE RECORDER OF SACRAMENTO COUNTY IN BOOK 19 OF MAPS, MAP NO. 17, DESCRIBED AS FOLLOWS:

BEGINNING AT THE WESTERLY CORNER OF LOT N OF SAID WRIGHT AND KIMBROUGH INDUSTRIAL TRACT; THENCE FROM SAID POINT OF BEGINNING ALONG THE SOUTHWESTERLY LINE OF SAID LOT 86 THE FOLLOWING TWO COURSES AND DISTANCES; CURVING TO THE RIGHT ON AN ARC OF 372.24 FEET RADIUS SAID ARC BEING SUBTENDED BY A CHORD BEARING NORTH 53° 09' 30" WEST 38.61 FEET AND NORTH 49° 34' 30" WEST 35.81 FEET; THENCE NORTH 18° 58' 30" EAST 384.55 FEET TO A POINT ON THE NORTH LINE OF SAID LOT 85; THENCE ALONG THE NORTH LINE OF SAID LOT 85 AND THE EASTERLY PRODUCTION THEREOF SOUTH 71° 01' 30" EAST 293.87 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT R; THENCE ALONG THE EASTERLY LINE OF SAID LOT R SOUTH 18° 46' 00" WEST 410.00 FEET; THENCE ALONG THE NORTHERLY LINE OF SAID LOT N AND THE EASTERLY PRODUCTION THEREOF NORTH 70° 53' 45" WEST 225.29 FEET TO THE POINT OF BEGINNING.

PARCEL FOUR:

BEING A PORTION OF LOT "I" AND LOT "R" AS SAID LOTS ARE DESIGNATED ON THE OFFICIAL PLAT OF THE WRIGHT & KIMBROUGH INDUSTRIAL TRACT, RECORDED JANUARY 3, 1927 IN BOOK 19 OF MAPS, MAP NO. 17, SACRAMENTO COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF SAID LOT "I" WITH THE WESTERLY LINE OF SAID LOT "R", DISTANT SOUTH 46° 34' 20" EAST, 2603.83 FEET FROM A MONUMENT MARKING THE INTERSECTION OF THE CENTER LINE OF FRAONT STREET WITH THE CENTER LINE OF "Y" STREET IN SAID CITY OF SACRAMENTO; THENCE SOUTH 71° 01' 30" EAST, ALONG THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF SAID LOT "I", A DISTANCE OF 80.00 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT "R"; THENCE SOUTH 18° 46' 00" WEST, ALONG SAID EASTERLY LINE 47.00 FEET TO A POINT IN THE EASTERLY PROLONGATION OF THE SOUTHERLY LINE OF SAID LOT "I"; THENCE NORTH 71° 01' 30" WEST, ALONG SAID PROLONGATION AND SAID SOUTHERLY LINE, 293.70 FEET; THENCE NORTH 18° 46' 00" EAST, LEAVING SAID SOUTHERLY LINE, 47.00 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT "I"; THENCE SOUTH 71° 01' 30" EAST, ALONG SAID NORTHERLY LINE, 213.70 FEET TO THE POINT OF BEGINNING.

APN: 009-0030-037, 038, 039, 040 & 041

Exhibit B
Entry Permit

PERMIT FOR USE OF AGENCY-OWNED PROPERTY

Date	

AS OF THE ABOVE-WRITTEN DATE, AND IN CONSIDERATION OF THEIR MUTUAL OBLIGATIONS, THE AGENCY AND PERMITTEE (DEFINED BELOW) ENTER INTO THIS "PERMIT" AND AGREE AS FOLLOWS:

1. "Agency" is/are the following selected agency/agencies, which are public bodies, corporate and politic and which has/have the address of 801 - 12th Street, Sacramento, California 95814:

SELECT	AGENCY	SELECT	AGENCY
	Housing Authority of the City of Sacramento		Housing Authority of the County of Sacramento
	Sacramento Housing and Redevelopment Agency		

2. "Permittee" and Permittee's name and address for its principal place of business are the following:

Permittee is the following selected legal entity and Permittee represents that Permittee is licensed to do its business in California:

	Sole Proprietor		Corporation		Limited Liability Company		Non-profit Corporation

3. The address of the "Property" which is subject to this Permit is the following:

4. Subject to the conditions, stipulations and provisions stated in this Permit, Agency grants revocable, non-exclusive permission to Permittee to enter Property and perform the following Permitted Activities within the following stated time period. An activity listed as a Permitted Activity is not a Permitted Activity if it is not performed in the stated time period. Permittee is prohibited from doing any activity on the Property that is not expressly stated to be one of the Permitted Activities. Permittee's performance of any activity on the Property that is not a Permitted Activity terminates all of Permittee's rights to use the Property but not Permittee's obligations under this Permit.

5. "Permitted Activities" are the following:

"PERMITTED ACTIVITY"	BEGINNING OF ACTIVITY		ENDING OF ACTIVITY	
	DATE	TIME	DATE	TIME

Select one:	
	Construction, demolition, testing, or remediation will be done on the Property and no materials will be delivered to the Property for any work to be done on the Property. Permittee shall not enter the Property and shall take not action with respect to this Permit until a Notice of Nonresponsibility has been duly prepared, noticed and posted.
	Construction, demolition, testing, or remediation will not be done on the Property and no materials will be delivered to the Property for any work to be done on the Property.

6. Agency reserves the right to cancel or extend this permit at any time.

7. Permittee and its employees and agents have inspected the Property or will inspect the Property prior to commencement of any activities

under this Permit and represent to the Agency (a) that they are aware of or will make themselves aware of any dangerous conditions on the Property, whether or not readily discoverable, (b) that they accept the Property in its present condition, (c) that they will make the Property safe for any activity under their care and control on the Property, whether or not Permitted Activities, and (d) that Agency is not and shall not be obligated to make Property safe or suitable for use by Permittee or for anyone on the Property at the invitation or sufferance of Permittee, or otherwise to prepare the Property or access to the Property in any manner whatsoever. Entry by Permittee and its employees, agents and invitees onto the Property under this permit shall be deemed an acknowledgement by Permittee that all dangerous places and defects upon the Property are known to Permittee. Permittee shall make the Property safe for all persons entering the Property under this Permit or at Permittee's request, invitation, direction or sufferance. Permittee assumes full liability for any injury to such persons or their property while on the Property.

8. Agency does not assume, by this Permit or otherwise, any responsibility for, or to protect against, any loss, damage, theft or vandalism of any property or material which Permittee may place upon the Property.

9. Permittee and its employees and agents shall comply with, and shall assure the compliance of invitees with, all laws, statutes, ordinances and regulations that are applicable to any of its activities upon the Property, whether or not Permitted Activities, including and without limitation to, obtaining all approvals, permits and licenses required for such activity.

10. Permittee, its employees, officers and agents, shall protect, defend, indemnify and hold harmless the Agency from liability for any injury, death or property damage arising from or connected with the use of the Property by any of them, whether or not Permitted Activities. Permittee is liable to and shall reimburse Agency for all costs, expenses and losses in consequence of any claims, demands and causes of action which may be made or brought against it arising out of such use, including without limitation attorney's fees, witness fees, expert fees and investigation fees and costs.

11. Throughout the time period that Permittee has access to the Property under this Permit, or otherwise, Permittee shall obtain and maintain the following insurance coverage from insurance providers licensed to do business in California and having an industry rating that is reasonably acceptable to Agency. Failure to obtain and maintain the insurance as required immediately terminates all rights of Permittee under this Permit. As a condition to the rights of Permittee under this Permit, Permittee must provide Agency with certificates of insurance demonstrating the required coverage. Permittee shall assure that such certificates are in a form reasonably acceptable to the Agency and reflect fulfillment of all of the requirements of this Contract.

a) Permittee shall assure that the coverage afforded under the policies can only be canceled after thirty (30) days prior written notice to the Agency of the pending cancellation. Permittee must mark such notice to the attention of the Agency at the following address: SACRAMENTO HOUSING & REDEVELOPMENT AGENCY, Legal Department, 801 - 12th Street, Sacramento, California 95814.

b) The required insurance coverage is the following: (i) One Million Dollars ($1,000,000) or more of comprehensive general liability coverage including, without limitation, coverage for contractual liability, public liability and property damage and having a deductible of Twenty-five Thousand Dollars ($25,000) or less; and (ii) statutory limits or more of workers compensation coverage for all employees of Permittee and all others doing work on the Property.

c) Permittee shall cause the Agency to be an additional insured upon such policy or policies of insurance.

12. Upon termination of this Permit, Permittee shall remove all personal property from the Property. Should anyone on the Property at the invitation or sufferance of Permittee leave any personal property on the Property beyond the term provided in this Permit, Agency shall have the right without notice to sell, destroy, or otherwise dispose of such property or to remove and store such property at Permittee's expense.

13. Permittee agrees that it does not have and shall not claim any interest or estate whatsoever in the Property by virtue of this Permit or Permittee's occupancy or use under this Permit.

14. Permittee agrees that access to the Property and the surrounding area will be preserved for fire equipment at all times.

15. Permittee shall not permit any nuisance on the Property or disturb the quiet use and enjoyment by the tenants of the Property or any adjacent properties.

16. Permittee shall, at the Agency's request after termination of this Permit, deliver possession of any data, information, studies, plans, drawings and reports derived from activities under this Permit. Such data, information, studies, plans and drawings shall be the exclusive property of the Agency. Permittee may retain such copies as required in the ordinary course of their business.

17. Except as expressly provided in this Permit, Permittee shall return the Property to Agency in a condition which is at least as good as the condition in which the Property was delivered to Permittee. Permittee shall not remove any portion of the improvements or fixtures from the Property. At the option of the Agency, Permittee shall restore to its original condition any portion of the Property damaged, demolished or altered by Permittee. If Permittee fails or refuses to do such restoration, the Agency shall have the right to do such restoration and recover all costs of such restoration from Permittee. Agency shall be the sole judge of the repair and condition of the Property when it is returned to the Agency.

18. This Permit shall not be assigned. Any purported assignment of this Permit or of any interest in this Permit shall be void and of no effect.

19. Permittee shall pay immediately all costs of labor, services and materials supplied in prosecution of any work to be done on the Property under this Permit. Permittee shall keep the Property free and clear of all mechanic's liens and any other liens. If a lien is filed against the Property as a result of Permittee's use of the Property, Permittee agrees to immediately repay the lien and obtain full release from it.

20. If Permittee or anyone under Permittee's control or direction remains on the Property after the termination or cancellation of this Permit or acts in excess of the rights given under this Permit, Permittee and anyone on the Property at Permittee's invitation or sufferance shall be deemed a trespasser and shall be liable to Agency for damages as a trespasser.

IN WITNESS WHEREOF, the parties hereto have executed this permit as of this _____ day of _____, 20___.

AGENCY

By: _____
Executive Director

PERMITTEE

By:
Name: _____
Title: _____

Approved as to form: _____
Agency Counsel

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042913

Official Business:
Entitled to Free Recording per Govt. Cod3 §§6103 and 27383.
RETURN TO:
Sacramento Housing and Redevelopment Agency
Portfolio Management
801 - 12th Street
Sacramento, CA 95814

NOTICE OF NONRESPONSIBILITY

NOTICE IS HEREBY GIVEN THAT AGENCY, THE UNDERSIGNED OWNER, WILL NOT BE RESPONSIBLE FOR ANY CLAIMS ARISING FROM ANY WORK OR ACTIVITY OF PERMITTEE ON THE PROPERTY. (PERMITTEE AND THE PROPERTY ARE DESCRIBED BELOW.)

"Agency" is/are the following selected agency/agencies, which are public bodies, corporate and politic and which has/have the address of 801 - 12th Street, Sacramento, California 95814:

AGENCY (Select all that apply)			
	Housing Authority of the City of Sacramento		Housing Authority of the County of Sacramento
	Sacramento Housing and Redevelopment Agency		

Agency is the owner of that certain real property ("Property") located in the County of Sacramento, State of California, described as follows, and the nature of Agency's title or interest in the Property is fee simple. The description of the Property is the following:

PROPERTY DESCRIPTION

"Permittee", whose name and address are as follows, has been granted use of said Property under revocable use permit, for its own benefit.

PERMITTEE NAME AND ADDRESS

Permittee is the following selected legal entity and Permittee represents that Permittee is licensed to do its business in California:

	Sole Proprietor		Corporation		Limited Liability Company		Non-profit Corporation

I have read the foregoing Notice of Nonresponsibility and know of its contents, and the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed this _____ day of _____, 20___ in the City of Sacramento, County of Sacramento, California.

AGENCY

By: _____
Executive Director

Approved as to Form: _____
Agency Counsel

U:\DeptShare\Legal\Legal Intranet Doc\Forms\Entry Permits\Use Permit for Agency-Owned Property.doc

042913

ACKNOWLEDGEMENT

State of California

County of _____ } SS.

On _____ before me, _____

_____

personally appeared_____

_____

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

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

WITNESS my hand and official seal.

Signature _____

Description of Attached Document(s):

_____

_____

_____

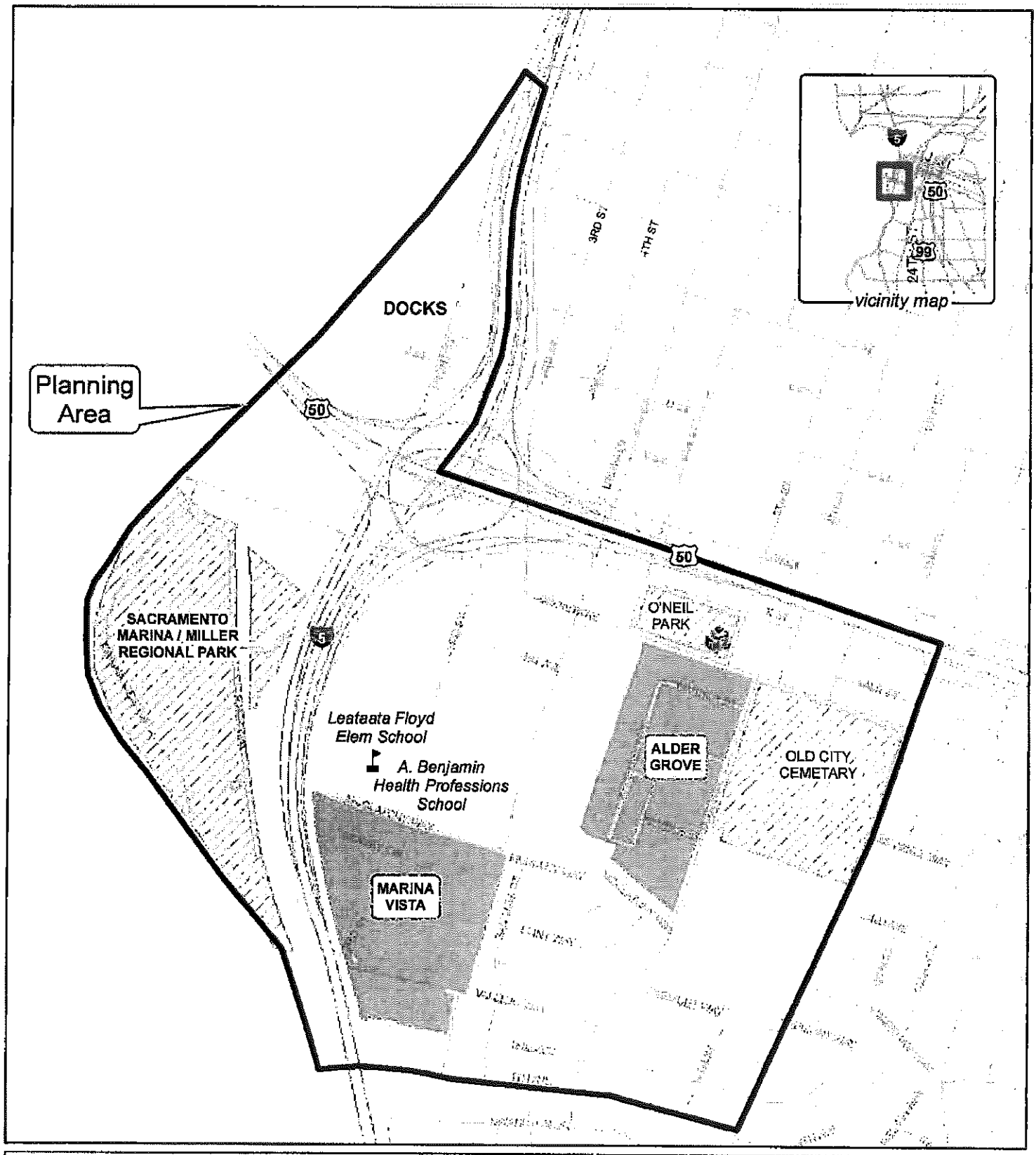
_____

_____

042913

Exhibit C
Map of Planning Area

2013 Choice Neighborhoods Initiative
Planning Area



CNI Planning Area Boundary
City Owned Parcel
Housing Authority Owned Parcel
School
Fire Station

0 600 1,200 Feet

N

SHRA GIS
May 14, 2013

Back to Report Table of Contents

CONTRACT
For
Predevelopment and Master Planning Services to Complete a Neighborhood Transformation Plan for Upper Land Park – Marina Vista/Alder Grove

Effective Date:	

AS OF THE ABOVE-WRITTEN "EFFECTIVE DATE", AND IN CONSIDERATION OF THEIR MUTUAL OBLIGATIONS, THE AGENCY AND CONTRACTOR (DEFINED BELOW) ENTER INTO THIS "CONTRACT" AND AGREE AS FOLLOWS:

1. "Agency" is/are the following selected agency/agencies, which are public bodies, corporate and politic, and which has/have the address of 801 12th Street, Sacramento, California 95814:

SELECT	AGENCY	
	XX Housing Authority of the City of Sacramento	Housing Authority of the County of Sacramento
	Sacramento Housing and Redevelopment Agency	

2. "Contractor" and Contractor's name and address for its principal place of business are the following:

Name	Land Park Broadway LLC, a California Limited Liability Company
Address	c/o Regis Homes of Sacramento 1800 Third Street, #250 Sacramento, CA 95814 with a copy to: c/o The Related Companies of California, LLC 18201 Von Karman Avenue, Suite 900 Irvine, CA 92612

Contractor is the following legal entity (select one):

Sole Proprietor/Individual(s)	Corporation	Nonprofit Corporation	General Partnership
Limited Liability Company	Limited Liability Partnership	Limited Partnership	Other:

Contractor is organized in (select one):

California	
in the following state and is licensed to do its business in California	State

3. "Funding Source" is the source of funding that the Agency is using to pay the Contract payments. Contractor must comply with each and every requirement of the Funding Source. Agency will cooperate with Contractor in determining the applicable requirements of the Funding Source. The Funding Source is:

Funding Source	CFDA#	Award #	Award Year	Jurisdiction	Amount
CDBG				**Federal** State Local	$400,000
CNI Planning Grant				**Federal** State Local	$200,000

4. "Attachments" for this Contract are the following, which are incorporated in this Contract as if included in full in the body of this document:

ATTACHMENT NO. CHECK APPLICABLE BOX	DESCRIPTION OF ATTACHMENT(Attachments marked N/A or stricken are not included)
1	Contract Provisions (This Contract is *invalid* without the Contract Provisions attachment)
2	CDBG and Other Federal Requirements
3	Scope of Work
4	Schedule of Performances
5	Contract Budget

Unless expressly stated otherwise, the Attachments shall supersede any provisions of this Contract with which they conflict.

5. "Scope of Work" for this Contract is attached hereto as Attachment 3.
"Schedule of Performance" for this Contract is attached hereto as Attachment 4.
"Contract Budget" for this Contract is attached hereto as Attachment 5.[This contract is *invalid* unless this section is completed. In addition to the Scope of Work here, there may be a detailed Scope of Work attached if that attachment is written by the Agency and the attachment must be in the same form as the following table, including all categories and tasks.]:

"PERFORMING PARTY"	"TASK/OBLIGATION":	"DEADLINE"
Contractor	*Scope of work or summary of scope of work* As detailed in Attachment 4, Contractor will carry out certain tasks in support of creation of a Neighborhood Transformation Plan for the Upper Land Park – Marina Vista/Alder Grove area.	
Contractor	"COMPLETION DATE": The date for completion of all of Contractor's Tasks/Obligations under this Contract	January 31, 2016
Contractor	"BILLING DATE": Contractor must submit the final bill for all work under this Contract no later than the BillingDate. Agency will not pay bills submitted after the Billing Date.	February 28, 2016
Agency	"FINAL DATE": Agency must make final payment for all bills submitted in accordance with the terms of this Contract.	March 30, 2016

6. "Contract Price" is the maximum amount that the Agency is required to pay Contractor under this Contract. The Contract Price for this Contract is the following:

CONTRACT PRICE	$600,000

7. "Payment Schedule" for this Contract, by which schedule Agency must make payments under this Contract, is following:

SELECT ONE	DATE, TIME PERIOD OR PERFORMANCE TO BE COMPLETED AS CONDITION OF PAYMENT (Only one payment schedule is selected, the others not selected included):	MAXIMUM AMOUNT OF PERIODIC PAYMENT:
X	As billed by Contractor on a monthly basis, for work actually performed and services actually provided in the Scope of Work attached hereto asAttachment 4. Subcontracts will be billed at actual cost (no markup management fee). A portion of the Contract Price shall include $180,000 in compensation to the Developer for performance of the Scope of Work (the "Contractor Fee"). Contractor Fee will be payable in monthly installments equal to $7,500 with any balance of the $180,000 sum due upon the end of this Contract term. Allowed Reimbursable Expenses include Contractor's travel expenses, expenses related to a stakeholder project visit and materials related to public presentations in an amount not to exceed $30,000.	Actual cost

Contractor shall not be reimbursed for expenses that are not specifically included in the Payment Schedule. Notwithstanding any other provision, reimbursable travel expenses shall not exceed the rates allowed by the Internal Revenue Service Standard Mileage Reimbursement and shall not include expenses for travel within a one hundred (100) mile radius from the Agency's place of business. Notwithstanding any other provision, reimbursable expenses shall not include any pro-rated overhead costs and expenses, facsimile or telecopier charges, copying costs (unless extraordinary and approved in advance by the Agency), courier charges, local and long distance telephone charges, and ordinary office and business supplies.

8. "Special Provisions" are the following provisions or additional recitals, which are a part of the contract only if approved by Agency counsel as indicated by the accompanying initials.

SPECIAL PROVISION	AGENCY COUNSEL
Contractor will enter into Master Planning, Architecture, and Community Supportive Services third party consultant contracts, as required by the Scope of Work. Housing Authority has the right to review and approve all Contractor contracts over Ten Thousand Dollars ($10,000).To the extent Housing Authority has not provided an approval or disapproval within thirty (30) calendar days of submittal, such consultant contract shall be deemed approved. Contractor will provide copies of all contracts to the Housing Authority. Contractor has been designated as the exclusive master developer for the revitalization of Marina Vista and Alder Grove public housing communities and the Upper Land Park Neighborhood pursuant to that certain Request for Qualifications #2012054-WW issued July 23, 2012 and Contractor's response to same. Concurrently with the performance of the services described above, pursuant to the terms of that certain Agreement for Exclusive Right to Negotiate for the Revitalization of the Marin Vista and Alder Grove Public Housing Sites (the "ENA") the parties agreed to negotiate in good faith the terms of a Master Development Agreement ("MDA") for such redevelopment consistent with the terms of such solicitation and response. In the event the ENA is terminated by the Contractor and the Agency in accordance with Section 3(e) of the ENA,the attached Scope of Work shall be automatically revised to delete section II. (F)(7) and III. (F)(5).	

THIS CONTRACT IS EXECUTED in Sacramento, California as of the date first above written.

AGENCY: Housing Authority of the City of Sacramento
By:

CONTRACTOR: Land Park Broadway LLC
By:

Name:	La Shelle Dozier	Name:	
Title:	Executive Director	Title:	
		Tax ID Number:	

Contractor must file a Conflict of Interest Statement with the Agency Clerk, unless this box is checked by the Agency signatory indicating that the Contractor is excluded from filing under the Agency Conflict of Interest Code.

CERTIFICATION OF AUTHORITY

I certify under penalty of perjury under the laws of the State of California that I am fully authorized to execute the attached document for Contractor in the capacity I have stated, and that such execution is sufficient to bind the Contractor. Executed in _____, California, on _____.

_____
Contractor's Signatory

ATTACHMENT 1
CONTRACT PROVISIONS

1. **CONTRACT CONTENTS, PRECEDENCE AND DEFINITIONS.** This Contract consists of this Contract document and all of the Attachments named in this Contract. Except for matters required by law or expressly stated otherwise, the provisions of the attachments supersede any provisions of the body of this Contract with which they conflict. Unless otherwise defined in this Attachment 1, capitalized terms shall have the definitions stated in this Contract.

2. **SCOPE OF WORK.** Notwithstanding the wording of the Scope of Work, unless a Task/Obligation is expressly described in the Scope of Work as one that is not mandatory, each Task/Obligation described in the Scope of Work is the mandatory obligation of the Performing Party, and it must be completed on or before its respective Deadline provided on the Schedule of Performance. As the context indicates the Task/Obligation must be performed at or delivered to the Location stated in the Scope of Work.

3. **CONTRACT TERM AND TIME OF PERFORMANCE.** The "Contract Term" shall begin on the date of this Contract and shall end at 5:00 p.m. on the Final Date or upon completion of all services, whichever shall first occur. The Final Date is the date for completion of all obligations of the parties under this Contract.

a) Certain of the Contract requirements, as expressly stated in this Contract, shall survive the completion or termination of this Contract.

b) The Contractor acknowledges that Contractor is not entitled to compensation for any work done or costs incurred prior to the date of this Contract or subsequent to the Completion Date. This contract cannot be revived, amended or extended by agreement made after the Final Date.

4. **COMPENSATION, REIMBURSEMENT AND METHOD OF PAYMENT.** Notwithstanding any other provision of this Contract, the parties agree that the total compensation and reimbursement for all services and expenses required during the term of this Contract shall not exceed the Contract Price. Agency shall pay the Contractor in the amounts and at the times specified in the Payment Schedule. Agency is not obligated to make any payment under this Contract for work Contractor has not yet performed or goods not delivered. Agency is not obligated to make any payment under this Contract for so long as Contractor is in material default of this Contract, subject to applicable notice and cure periods. Except as specified in writing in this Contract, Agency is not obligated or liable under this Contract to any party other than the Contractor.

5. **INSURANCE COVERAGE REQUIREMENTS.** During the Contract Term, Contractor must maintain the following insurance coverage from insurance providers licensed to do business in California and having an industry rating that is reasonably acceptable to Agency. Failure to maintain the required insurance is a material breach of this Contract. Before beginning any work under this Contract, Contractor must provide Agency with certificates of insurance or copies of the insurance policies demonstrating the required coverage, and the required endorsements naming Agency as an additional insured. Contractor must assure that such certificates and endorsements are in a form reasonably acceptable to the Agency and reflect fulfillment of all of the requirements of this Contract. Contractor must assure that the coverage afforded under the policies can only be canceled after thirty (30) days prior written notice to the Agency of the pending cancellation. Contractor must mark such notice to the attention of the Agency's Procurement Services Office at the following address:

HOUSING AUTHORITY OF THE CITY OF SACRAMENTO
801 12th Street – Procurement Services (PS)
Sacramento, California 95814

a) The required insurance coverage is the following: (i) Two Million Dollars ($2,000,000) or more of comprehensive general liability coverage including, without limitation, coverage for contractual liability, public liability and property damage and having a deductible of Twenty-five Thousand Dollars ($25,000) or less; (ii) if motor vehicles are used in connection with this Contract, Three Hundred Thousand Dollars ($300,000) or more of automobile liability coverage having a deductible of Five Thousand Dollars ($5,000) or less; and statutory limits or more of workers compensation coverage for all employees of Contractor and all others doing Contract work. The general liability and automobile policies shall be endorsed to name the Agency as an additional insured.

b) Cancellation: Contractor will provide the Agency with the cancellation clause and/or any amendatory endorsements that modify or change the policy cancellation clause of the insurance policies in force. It is the Contractor's responsibility to notify the Agency of any notice of cancellation, non-renewal or non-payment of premium in accordance with your policy provisions. In the event insurance is cancelled or not renewed, the Contractor shall notify the Agency within forty eight **(48)** hours of such cancellation or non-renewal.

_____Contractor's Initials

c) Contractor is in material breach of this Contract for so long as Contractor fails to maintain all of the required insurance. Agency has the right, but not the obligation, to pay any delinquent insurance premiums and any other charges to reinstate or maintain the required insurance policies and coverage. Upon Agency's demand, Contractor must immediately reimburse Agency for any and all costs incurred by Agency in so obtaining or maintaining insurance. If Agency does incur such costs, Agency shall have the right to withhold such amount from any payment due to Contractor under this Contract and to reduce the compensation payable to Contractor under this Contract by such amount.

6. **Billing Procedures and Conditions.** Agency must make the payments due under this Contract, as provided in Part I, subject to the following provisions.

a) Agency must pay the Contract Price to Contractor for performance of Contractor's obligations under this Agreement, or so much of the Contract Price as may be due for services actually performed and materials actually supplied by Contractoror its Subcontractors under this Contract. Agency must make such payments within thirty (30) business days following delivery by Contractor to Agency of invoices stating the amount then due and specifying the services performed for which payment is due. Agency is not required to make such payment more frequently than specified as the Time for Payment. Contractor will not be paid for expenses or overhead as separate items of cost unless such items are specifically listed in the Payment Schedule, and then not to exceed the amounts so provided. In any event, Agency is not required to pay Contractor a total amount for goods, services and expenses which exceed the Contract Price.

b) Contractor may make requests for payment, after the Completion Date and through the Billing Date, for services performed or materials provided to the Contract work on or before the Completion Date. The Agency shall make payments due under this Contract on or before the Final Date.

c) As a condition for payment, Contractor must submit billing statements, in duplicate. To the extent applicable, such billing statements shall specify the dates on which the work was performed; the nature of the work performed; the percentage of the total work performed; the name of the individual, or subcontractor, performing each element of the work; the respective hourly billing rates; a list of all expenses for which reimbursement is sought; and the requested payment date.

d) Within ten (10) days following a written request received from Agency, Contractor must provide a bill to Agency for all work done as of the request date. Agency is entitled to make similar requests at intervals of not less than thirty (30) days following the initial request.

7. **Indemnification.** Contractor shall indemnify, save harmless and defend, to the fullest extent permitted by law, the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Sacramento Housing and Redevelopment Agency, the City of Sacramento and the County of Sacramento, their respective officers, directors, commissioners, advisory committee members, agents, and employees from liability, claims, demands, attorney's fees or litigation and related costs, including without limitation, court costs and investigator, witness, arbitrator and mediator fees, for any injury or damages to persons or property resulting from Contractor's prosecution of work under the Contract, or otherwise related to this Contract, whether caused, in whole or part, by an intentional act, negligent act or omission by Contractor, its officers, employees, or agents.

8. **No Waiver of Rights and Remedies.** Agency's failure, at any time, to object to any breach of covenant or obligation, to any failure of performance, or to any other default on the part of the Contractor shall not constitute a continuing waiver of subsequent breaches or defaults. Agency's making of any payment to the Contractor shall not, under any circumstances, be considered as a waiver by Agency. Agency's making of any payment while any breach or default by Contractor exists shall in no way impair any right or remedy available to Agency related to such breach or default, including without limitation, the right to withhold future payments.

9. **Hiring of Others.** Unless consultants, specialists, experts or other third parties are listed in the Scope of Work or Contract Budget, Contractor must not employ any of them or incur any obligation to pay any of them for services performed under this Contract without the prior written approval of Agency. Agency's written approval shall not create any

obligation of the Agency with regard to any such third party. Contractor has no authority to, and must not purport to, employ, hire or contract with any such third party as agent of the Agency or otherwise on behalf of Agency.

10. **TERMINATION OF CONTRACT FOR CAUSE.** If either party fails to fulfill its obligations under this Contract in a timely and proper manner or violates any of the covenants, agreements, or stipulations of this Contract, and if such failure or violation is material and substantial, the other party shall have the right to terminate this Contract by written notice to the defaulting partyand thirty (30) days opportunity to cure after defaulting party's receipt of the written notice. In the event the default is not capable of being cured within such thirty (30) day period, the defaulting party shall have such additional time as is necessary to complete the cure provided the defaulting party commences the cure within the thirty (30) day initial period and diligently prosecutes such cure to completion.

a) If Contractor defaults and Agency terminates the Contract, all finished or unfinished work, products, documents, electronic media, data, studies, artwork, renderings, models, software programs, and reports prepared by Contractor under this Contract shall, at the option of Agency, become property of the Agency, upon payment to Contractor of out of pocket billings and receipts incurred as of the date of Termination and which is included in the Contract Budget,The foregoing shall constitute Agency's sole remedy for Contractor default hereunder.Notwithstanding the foregoing, the Agency acknowledges that delivery and transfer of ownership of the foregoing materials may require the consent of parties preparing such materials, and the agreement to delivery and transfer ownership of such materials set forth herein shall be subject to any such consent requirements and the interests of such parties in the materials.

b) If Agency defaults and Contractor terminates the Contract, upon Contractor's submission of the billings and receipts required by this Contract, Agency must pay to Contractor their monthly Contractor Fee up to the point of termination, less payments of compensation of Contractor Fee previously made. In addition, Agency must reimburse Contractor for all unreimbursed expenses that are reimbursable under this Contract upon Contractor's submission of the billings and receipts required by this Contract for reimbursement.

11. **TERMINATION FOR CONVENIENCE OF AGENCY.** Agency may terminate this Contract, at any time and without cause, by a notice in writing from Agency to Contractor. Upon such termination, Agency must pay Contractor the same amounts as Agency would have paid under Section 10 (b) as a termination for Agency default.

12. **CHANGES.** Agency may, from time to time, request changes in the Scope of Work to be performed by Contractor. Such changes, including any increase or decrease in Contractor's compensation, must be by written amendment to this Contract executed in advance by Agency and Contractor.

13. **PERSONNEL, FACILITIES AND EQUIPMENT.** Contractor represents that he has, or will, secure at his own expense all personnel, facilities and equipment required in performing the services under this Contract. Such personnel must not be Agency employees or have any contractual relationship with Agency, except with Agency's prior written approval.

a) All the services required under this Contract will be performed by Contractor or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform such services.

b) No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

14. **SUBCONTRACTING.** Other than allowed pursuant to Section 9, Contractor must not enter into any subcontract for performance of the services covered by this Contract without the prior written consent of Agency. In any event, Contractor shall be as fully responsible to Agency for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him. In any event, Contractor must insert in each subcontract appropriate provisions requiring compliance with the labor standards provisions, insurance and other relevant provisions of this contract.

15. **EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS.** During the performance of this Contract, Contractor agrees as follows:

a) Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising;

layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Agency setting forth the provisions of this nondiscrimination clause.

b) Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

16. **Interests of Officials.** No member of the governing body of Agency, and no other officer, employee or agent of Agency who exercises any functions or responsibilities in connection with the carrying out of the project to which this Contract pertains, shall have any personal interest, direct or indirect, in this Contract. No member of the governing body of the locality in which the project is situated, and no other public official of such locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the project to which this Contract pertains, shall have any personal interest, direct or indirect, in this Contract. If federal funds are expended by the Agency for this Contract, no member of or delegate to the Congress of the United States, and no Resident Commissioner, shall be admitted to any share or part of this Contract or to any benefit arising from this Contract. Contractor covenants that he presently has no interest and shall not acquire any interest, direct or indirect, in any portion of the project to which this Contract pertains, or any other interest which would conflict in any manner or degree with the performance of his services under this Contract. Contractor further covenants that in the performance of this Contract no person having any such interest shall be employed by Contractor.

17. **Conflicts of Interest Statement.** Contractor shall, upon Agency request, complete and submit a conflict of interest statement to the Agency in form approved by the Agency.

18. **Monitoring and Reporting.** Agency may monitor the adequacy of Contractor's performance in any manner which Agency deems most effective. Contractor must cooperate with Agency in such monitoring. If requested by the Agency staff, in writing, Contractor must provide Agency with detailed reports outlining the most current status involving all Agency activities and projects being handled by Contractor. Such reports may be required no more often than monthly. Agency shall have the right to audit such reports, including the right to review all records of Contractor related to such reports.

19. **Ownership of Professional and Technical Information.** Allprofessional and technical information, in the form of original designs, drawings, data, computations, specifications, report texts, estimates, writings, artwork, renderings, models, software programs, and any other material, data and information collected or developed in connection with the work under this Contract (the "Work Product"), and all original documents shall be forwarded to and become the sole property of Agency. Neither Contractor nor any of its associates or consultants shall have any rights or interest in such information, documents and material. Contractor and its associates and consultants may retain such copies or reproductions, at their expense, of the original documents as necessary for their files, records and reference.Notwithstanding the foregoing, the Agency acknowledges that delivery and transfer of ownership of certain of the Work Product may require the consent of parties preparing such Work Product, and the agreement to delivery and transfer ownership of such Work Product set forth herein shall be subject to any such consent requirements and the interests of such parties in the Work Product.

20. **No Intellectual Property Rights or Artist's Rights in Contract Work.** In any event, without the prior written approval of the Agency, Contractor and any person or entity acting on behalf of Contractor shall not obtain nor have, and expressly waives, any rights, in law or in equity, in any intellectual property developed in furtherance of this Agreement, including without limitation, copyright, trademark, service mark, patent or rights of an artist in a work of art. Artists preparing any artwork under this Agreement waive any rights to notice or to take any action regarding the use, removal, relocation or destruction of any artwork so prepared. Contractor represents and acknowledges that Contractor has or shall obtain such waivers in writing for all persons or entities doing work under this Agreement

21. **Compliance with Laws.** Contractor must comply with all applicable laws, ordinances and codes of the federal, state and local governments, and must commit no trespass on any public or private property in performing any of the work embraced by this Contract.

22. **Child Support Compliance Act.**If this Agreement is in amount that exceeds $100,000, then following is acknowledged and agreed to by the Contractor: (1) Contractor recognizes the importance of child and family support and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including but not limited to, disclosure of information and compliance with earnings assignment orders as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and (2) contractor, to the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new

employees to the New Hire Registry, maintained by the California Employment Development Department.

23. **ASSIGNABILITY.** Contractor is prohibited from assigning and waives all rights to assign or transfer any interest in this Contract without the prior written approval of Agency. Any purported assignment of any of Contractor's rights and obligations under this Contract without the prior written consent of the Agency is a breach of this Contract.

24. **AGENCY COOPERATION.** Agency will reasonably cooperate with Contractor regarding this Contract. As and when requested by Contractor, Agency will furnish to Contractor any and all pertinent information which Agency may possess during the time of performance of Contractor's duties under this Contract.

25. **CONFIDENTIALITY.** Unless otherwise provided in this Section 25, all information prepared or assembled by the Contractor under this Contract is confidential. Contractor must not make this information available to any individual or organization without the prior written approval of Agency. Contractor must immediately forward to Agency all requests for information related to this Contract made by a third party to Contractor. Contractor must not disclose or permit the disclosure of any confidential information of the Agency, except to its agents, employees and other consultants, approved by Agency, who need such confidential information for the proper performance of their duties related to this Contract or on behalf of the Agency. Notwithstanding the foregoing, all documentation or information prepared by Contractor or its subcontractors for use in community, resident or public meetings, or prepared for distribution to the Community Advisory Committee and Task Force members (as such terms are defined in the Scope of Work) in order to comply with the community outreach components of the CNI Planning Grant (as such term is defined below) regulations and guidelines is not confidential and may be made available to any individual or organization without the prior written approval of Agency.

26. **CONTRACTOR'S STATUS.** Contractor for all purposes under this Agreement is an independent Contractor and must maintain any and all licenses required by law for the performance of Contractor's obligations under this Contract. Except as expressly stated in this Contract, Agency is prohibited from directing the methods of Contractor's work under this Contract, requiring Contractor's use of an Agency office for Contractor's performance or setting regular working hours for Contractor or Contractor's employees.

27. **CONTRACT CONSTRUCTION AND ENFORCEABILITY.** The existence, validity, construction and operation of this Contract, and all its representations, terms and conditions shall conform to the laws of the State of California, exclusive of its conflicts of law rules. Throughout this contract, the use of singular and plural forms, or the various gender forms, shall each include the other as the context may indicate. If any provision of this Contract is held in whole or in part to be unenforceable for any reason, the remainder of that provision and the entire Contract will be severable and remain in effect.

28. **NOTICES.** Any notices, bills, invoices, or reports required by this Contract shall be sufficient if sent by the parties in the United States mail, postage paid, to the address of the other party as indicated in this Contract.

29. **ENTIRE CONTRACT.** This Contract contains the entire agreement of the parties. No other agreement, statement or promise made on or before the date of this Contract will be binding on the parties. No changes to this Contract are valid unless they are made by written amendment duly executed by the parties.

30. **VENUE.** Unless otherwise agreed in writing by the parties, the venue for all actions related to this Contract is Sacramento County, California.

31. **AWARD OF CNI GRANT.** The parties acknowledge the submittal of a U.S. Department of Housing and Urban Development Choice Neighborhood Initiatives (CNI) Planning Grant application for the ULP Broadway Community (the "CNI Planning Grant"). In the event the CNI Planning Grant is not awarded in response to the application submitted prior to the date of this Contract, the Agency and the Developer shall meet to revise the Scope of Work, and the Schedule of Performance, and, if necessary, adjust the Contract Amount as a result of revisions to the Scope of Work.

32. **TRANSFORMATION PLAN.** In the event the term of the ERNA expires without execution of an MDA, or the ERNA is terminated in accordance with Section 3(d) of the ERNA, the Scope of Work shall be automatically modified to remove Developer's obligation to draft the "Housing" and "People" components of the Transformation Plan required by the terms of the CNI Planning Grant.

33. **CONTRACTOR FEE.** In the event the Agency and Developer execute an MDA, a portion of the Contractor Fee in an amount equal to approximately $60,000 will be deferred and paid to Developer as a developer fee pursuant to the terms of the MDA, and Developer shall be authorized to submit a bill for such payment after the Billing Date.

ATTACHMENT 2: CDBG AND OTHER FEDERAL REQUIREMENTS

The following provisions shall be applicable to this Contract and binding on Subrecipient and Agency only if all or part of the funds to be paid for work performed under this Contract are provided under the Community Development Block Grant Program administered by the United States Department of Housing and Urban Development. In the event of a dispute as to the applicability of any of the following provisions to Subrecipient's work under this Contract, Agency's determination shall be final.

1. **DEFINITIONS.** For purposes of this Contract and in addition to definitions made elsewhere in this Contract, the following capitalized words and phrases contained in this Contract shall have the following meanings:

a) The "Act" is the federal Housing and Community Development Act of 1974, as amended.

b) "CDBG" is the federal Community Development Block Grant program administered by HUD. "CFR" is the Code of Federal Regulations.

c) The "CDBG Requirements" are the laws, rules and regulations (other than the Act) which are specifically applicable to this Contract. A substantial portion of the Federal Requirements included in this Attachment 2.

d) "Contract Provisions" refers to "Attachment 1: Contract Provisions". This Attachment 2 contains the provisions common to all Agency administered CDBG agreements.

e) "Exhibits" to this Attachment 2 contain a substantial portion of the Federal Requirements, and are incorporated into this Contract in the form of a Compact Disc (CD). Subrecipient acknowledges receipt of the CD by initialing here:___ The Exhibits include the following:

I. Exhibit 1 – CDBG Regulations: 24 CFR 570 et seq.

II. Exhibit 2 – Requirements for Nonprofit Subrecipients. 24 CFR 84

III. Exhibit 3 – OMB Circular A-110; Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations *[applies only to Subrecipients who are not a state or local government or a public agency]*

IV. Exhibit 4 – OMB Circular A-122; Cost Principles for Nonprofit Organizations *[applies only to Subrecipients who are not a state or local government, a public agency or an educational institution]*

V. Exhibit 5 – OMB Circular A-133; Audits of Institutions of Higher Education and Other Nonprofit Organizations *[applies only to Subrecipients who are not a state or local government or a public agency]*

VI. Exhibit 6 – OMB Circular A-21; Cost Principles for Educational Institutions *[applies only to Subrecipients who are an educational institution]*

VII. Exhibit 7 – OMB Circular A-87; Principles for determining Costs Applicable to Grants and Contracts with State, Local and Federally-Recognized Tribal Indian Governments *[applies only to Subrecipients who are a state or local government, a public agency.* 2 CFR Part 225

VIII. Exhibit 8 – Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. 24 CFR 85

IX. Exhibit 9 – New Restrictions on Lobbying. 24 CFR 87

X. Exhibit 10 – Federal Labor Standards Provisions; 29 CFR 5.5

XI. Exhibit 11 – Executive Order 12432 – M/WBE

XII. Exhibit 12 – Executive Order 12138 – M/WBE

XIII. Exhibit 13 – Executive Order 11625 – M/WBE and Agency-assembled M/WBE material

XIV. Exhibit 14 – Executive Order 11246, as amended – Equal Opportunity

XV. Exhibit 15 – Executive Order 13166 – Limited English Proficiency Access

XVI. Exhibit 16 – Equal Access to Housing and HUD Programs Regardless of Sexual Orientation or Gender Identity: 24 CFR Parts 5, 200, 203, 236, 400, 570, 574, 882, 891 and 982.

XVII. Exhibit 17 – Annual Reports

f) "HUD" is the United States Department of Housing and Urban Development.

g) "OMB" is the federal Office of Management and Budget.

h) "Subrecipient" is the Contractor as defined elsewhere in this Contract.

i) "Program Income" is defined in 24 CFR 570.500(a). Generally, Program Income is income to Subrecipient that is generated from the use of CDBG funds under this Contract. Program Income may include, without limitation, proceeds of the sale, rent or lease of real or personal property acquired with such CDBG funds, principal and interest payments on loans of such CDBG funds, and interest earned on other Program Income.

j) "Project Funds" are the funds to be paid to Subrecipient under this Contract. All Project Funds are funds disbursed to the Recipient and Agency under the CDBG Program.

k) "Quarterly Reports" are the reports required to be submitted by Subrecipient under Attachment 2 Exhibit 14 - Quarterly Reports.

2. **Findings and Representations.** This Contract has been made for the following purposes and based upon the following representations of the parties:

a) In accordance with the provisions of California Government Code Section 53703, Agency possesses full powers for the purpose of administering the expenditure of funds received under the federal Housing and Community Development Act of 1974, as amended, Community Development Block Grant program, administered by the United States Department of Housing and Urban Development.

b) Agency has determined that the fulfillment of Subrecipient's obligations under this Contract serves the purposes of community improvement and welfare.

c) Pursuant to the provisions of California Government Code Section 53703 and after public hearing, Subrecipient has been allocated CDBG funds for the uses and activities of this Contract.

d) Agency and Subrecipient are subject to all laws, rules and regulations regarding the use of CDBG funds for the purposes and activities stated in this Contract.

3. **Additional Restrictions on Funds.** Subrecipient acknowledges that the funds for this Contract are CDBG funds, the amount of which has been established after public hearing and that Agency has no authority to change the Project Funds except after public hearing and Recipient approval. Therefore, and notwithstanding any other provision of this Contract, the parties agree that the total compensation and reimbursement for all services and expenses required during the term of this Contract shall not exceed the Project Funds. Subrecipient shall provide, from whatever source, all additional funds necessary to fulfill Subrecipient's obligations under this Contract

a) If Subrecipient incurs additional expenses or does additional work related to this Contract, Subrecipient shall bear all such costs and expenses unless the Agency has executed a written amendment to this Contract prior to Subrecipient's having incurred such costs and expenses.

b) Subrecipient shall use proceeds of this Contract only for the purposes stated in this Contract, as described in the Scope of Work, and strictly in compliance with all applicable laws, rules and regulations.

c) If Subrecipient is not a state or local government, educational institution or public agency, Subrecipient shall fully comply with the regulations, policies, guidelines and requirements of OMB Circular No. A-122 and applicable provisions

of OMB Circular No. A-110 (specifically including Attachments A "Cash Depositories" except Paragraph; B "Bonding and Insurance"; C "Retention and Custodial Requirements for Records" except the starting date for the retention period; F "Standards for Financial Management Systems" except the provisions of paragraph 2(h) superseded by OMB Circular A-133; H "Monitoring and Reporting Program Performance" paragraph 2; N "Property Management Standards" with modifications to paragraphs 6 and 7 regarding sale or retention of personal property; and O "Procurement Standards") and 24 CFR 85 as outlined in 24 CFR 570.502 (a) as they relate to the application, acceptance, and use of federal funds. If Subrecipient is a state or local government or a public agency, Subrecipient shall fully comply with the regulations, policies, guidelines and requirements of OMB Circular No. A-133 and OMB Circular No. A-87. Educational institutions shall comply with Circular A-21, A-133 and applicable provisions of OMB Circular No. A-110.

d) Subrecipient shall deposit any advance under this Contract in an interest bearing account and, unless specified otherwise in this Contract, shall remit any interest earned over $100 to the Agency.

e) Project Funds shall not be used for any religious purposes, which prohibition is further described in 570 CFR 200(j).

f) In the event of suspension or termination of this Contract, Subrecipient shall return unused funds to the Agency in accordance with 24 CFR 570.503(b)(7). If the Subrecipient improperly retains funds, the Agency may retain funds from future disbursements to the Subrecipient in accordance with the procedures described in 24 CFR 570.504 (b) (2). In accordance with 24 CFR 85.43, suspension or termination may occur if Subrecipient materially fails to comply with any term of the award, and the award may be terminated for convenience in accordance with 24 CFR 85.44.

4. **Return of Program Income.** Subrecipient shall report receipt of all Program Income and return all Program Income to the Agency.

5. **Anti-Kickback Rules.** Monthly, or more often, Subrecipient must, without condition, pay the salaries of architects, draftsmen, technical engineers and technicians performing work under this Contract. Such payments shall be made without deduction or rebate, excepting only such payroll deductions as are mandatory by law or permitted by applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1937 (48 U.S.C. 948; 62 U.S.C. 740; 63 U.S.C. 108; 18 U.S.C., Section 874; and 40 U.S.C., Section 276(C)). Subrecipient shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Contract to insure compliance by subcontractors with such regulations. Subrecipient shall be responsible for the submission of affidavits required of subcontractors under this Contract, except for such variations or exemptions as the Secretary of Labor may specifically allow.

6. **Work Hours.** Subrecipient must comply with the provisions of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333) and must cooperate with Agency in implementing and enforcing the provisions of such Act. Among other requirements of the act, Subrecipient must pay not less than one and one-half times the basic rate of pay for the work of Subrecipient's employee in excess of eight hours in one day or forty hours in one week in the performance of this Contract. Subrecipient must insert appropriate provisions in all subcontracts covering work under this Contract to insure compliance with such Act. Subrecipient must meet and cooperate with Agency's Labor Compliance officer to assure compliance with such Act.

7. **Withholding of Salaries.** If, in the performance of this Contract, there is any underpayment of salaries by Subrecipient or by any subcontractor, Agency must withhold from Subrecipient out of payments due to him any amount sufficient to pay employees underpaid the difference between the salaries required under this Contract to be paid and the salaries actually paid such employees for the total number of hours worked. The amounts withheld shall be disbursed by Agency for and on account of Subrecipient or subcontractor to the respective employees to whom they are due.

8. **Claims and Disputes Pertaining to Salary Rates.** Claims and disputes pertaining to salary rates or to classification of architects, draftsmen, technical engineers and technicians performing work under this Contract must be promptly reported in writing by Subrecipient to Agency for the latter's decision which shall be final with respect thereto.

9. **Equal Employment Opportunity Requirements.**

a) Subrecipient will send to each labor union or representative of workers with whom he has a collective bargaining agreement or other contract or understanding, a notice to be provided by Agency, advising the labor union or workers representative of Subrecipient's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

b) Subrecipient will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

c) Subrecipient will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by Agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

10. **Conflict of Interest.** No member, officer or any employee of Subrecipient, or its designees or agents, who exercises any functions or responsibilities with respect to the program during his tenure or for one (1) year thereafter, shall have an interest, direct or indirect, in any contract or its proceeds, for work to be performed in connection with the program assisted under this Contract. Subrecipient must incorporate, or cause to be incorporated, in all subcontracts a provision prohibiting such interest pursuant to the purposes of this Section. In the procurement of supplies, equipment, construction, and services by Subrecipient, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, shall apply.

11. **Discrimination Because of Certain Labor Matters.** No person employed on the work covered by this Contract shall be discharged or in any way discriminated against because he has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable to his employer under this Contract.

12. **Records and Monitoring.** Subrecipient must keep all necessary books and records, including loan documentation and financial records, in connection with the operation and services performed under this Contract, in accordance with the provisions of OMB Circular No. A-102 Attachment G (as amended), and must document all transactions so Agency may properly audit all expenditures made pursuant to this Contract. Subrecipient must maintain and preserve all records related to this Contract in its possession for a period of three (3) years from the effective date of this Contract, unless otherwise directed by Agency. All books, records and accounts kept by Subrecipient in connection with the performance of this Contract shall be made available for inspection by representatives of the federal government and/or Agency staff as required to monitor or audit the program.

In addition to the reports specified in this Contract, Subrecipient shall retain the records required by the applicable provisions of 24 CFR 570.506 and provide the Agency with the reports required pursuant to 24 CFR 570.507, and such other records and reports as the Agency may reasonable require in the administration of this Contract. Subrecipient shall keep all other necessary books and records, including property, personnel, loan documentation and financial records, in connection with the operation and services performed under this Contract, in accordance with the provisions of OMB Circulars No. A-102, A-110 and A-122, and Executive Order 11246 and 24 CFR 85.42 . Subrecipient shall conduct annual audits in accordance with OMB Circular A-133 (as set out in 24 CFR Part 45). Subrecipient shall document all transactions sufficiently for Agency to properly monitor and audit all expenditures made pursuant to this Contract.

13. **Drug Free Workplace.** Subrecipient must comply with the Drug-Free Workplace Act of 1988 (final rule published on May 25, 1990) and Agency's policies and rules promulgated under the Act. Subrecipient must obtain such policies and rules from the Agency.

14. **Restrictions on Lobbying; Filing Certification and Disclosure Forms.** Subrecipient shall not use any funds paid under this Contract, directly or indirectly, for any political activity, whatsoever or to influence any public official or employee. In any event, Subrecipient shall comply with the restrictions on lobbying stated in 24 CFR Part 87. Subrecipient shall sign and return to the Agency the certification described in 24 U.S.C.F.R. 87, Appendix A and the disclosure form described in 24 CFR Part 87, Appendix B. Subrecipient shall require any person receiving proceeds of this Contract from Subrecipient to comply with 24 CFR Part 87, including the submission to Agency of completed certifications under Appendix A and disclosure forms under Appendix B.

15. **Eligibility and Non-Discrimination (Section 109).** Subrecipient shall not employ discriminatory practices in the provision of services, employment of personnel, or in any other respect on the basis of race, color, religion, sex, national origin, ancestry, or physical or mental handicap, or age as more specifically set forth in 24 CFR 570.602 which requires compliance with Section 109 of the Act (42 USC 5301) and Section 504 of the Rehabilitation Act of 1973.

16. **Civil Rights Covenant.** As provided in 24 CFR 570.600 and 570.601, and depending upon the type and nature of the grant of CDBG funds, this Contract may be subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and Title VIII of the Civil Rights Act of 1968 (P.L. 90-284) and HUD regulations. Subrecipient certifies that its activities under this Contract shall be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and Title VIII of the Civil Rights Act of 1968 (P.L. 90-284) and that it will comply with the other provisions of Title 24 of the CFR and with other applicable laws, to the full extent of their application. Further pursuant to

Executive Order 11063 (as amended pursuant to Executive Order 12259) set out in 24 CFR Part 107, in the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under the Contract, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination upon the basis of race, color, religion, sex, or national origin, in the sale, lease or rental, or in the use or occupancy of such land or any improvements erected or to be erected thereon, and providing that the Agency and the United States are beneficiaries of and entitled to enforce such covenant. Subrecipient, in undertaking its obligation in carrying out the program assisted hereunder, shall take such measures as are necessary to enforce such covenant and shall not itself so discriminate.

17. **MINORITY/WOMEN'S BUSINESS ENTERPRISES REQUIREMENTS.** This Contract is subject to minority and women's business enterprises requirements set forth in Executive Order 12432, Executive Order 11625, and Executive Order 12138. Subrecipient shall take all reasonable steps necessary to encourage the participation of minority and female owned businesses in work under this Contract.

i) With regard to any work of construction funded with Project Funds, such steps may include, without limitation, the following:

(1) Obtaining the minority and Women's Business Enterprises Registry from the Agency MBE/WBE Coordinator to ensure such contractors receive an invitation to bid.

(2) Advertising the invitation to bid or to submit proposals in the El Hispano and the Sacramento Observer as well as in a newspaper of general circulation in the Sacramento metropolitan area.

(3) Reviewing the telephone directory or professional organization membership lists, or making direct contact with minority- or female-owned businesses for specialized trades and services, and inviting such firms to bid.

b) Subrecipient shall include the Minority and Women's Business Enterprises requirements, in the form prescribed by the Agency, in all contracts for use of funds under this Contract, and Subrecipient shall coordinate purchases of goods and services over $10,000 with the Agency's MBE/WBE Coordinator.

Subrecipient shall maintain documentation of outreach efforts to minority and/or female owned businesses. Additionally, Subrecipient shall maintain documentation of contract awards for the Quarterly Reports.

18. **FLOOD DISASTER PROTECTION.** Pursuant to the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4104), Subrecipient shall not use or permit the use of any portion of the assistance provided under this Contract for acquisition or construction purposes as defined by the Director of the Federal Emergency Management Agency (42 USC 4003(a) (4)), for use in an area identified by the Director of the Federal Emergency Management Agency as having special flood hazards unless the community in which such area is located is then participating in the national flood insurance program (described at 42 USC 4011) and the use of any such assistance shall be subject to the mandatory purchase of flood insurance requirements of 42 USC 4012a.

Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Contract shall contain, if such land is located in an area identified by the Director as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, 42 USC 7401 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under the Flood Disaster Protection Act of 1973 (42 USC 4012a). Such provisions shall be required notwithstanding the fact that the construction on such land is not itself funded with assistance provided under this Contract.

19. **COMPLIANCE WITH AIR AND WATER ACTS.** This Contract is subject to the applicable requirements of the Clean Air Act (42 USC 7401 et seq.), the Federal Water Pollution Control Act, (33 USC 1251 et seq.), and the corresponding regulations of the Environmental Protection Agency (40 CFR Part 15). In compliance with said regulations, Subrecipient shall cause or require to be inserted in all contracts and subcontracts funded with Project Funds, and with respect to any transaction which is not otherwise exempt from such laws and regulations, all of the following requirements:

a) A stipulation by the contractor or subcontractor that any facility to be utilized in the performance of the contract or subcontract is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR 15.10.

b) Compliance with all the requirements of Section 114 of the Clean Air Act, (42 USC 7414c-8) and Section 308 of the Federal Water Pollution Control Act, (33 USC 1318) relating to inspection, monitoring, entry, reports, and information,

as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

c) A stipulation that, as a condition for the award of the contract, prompt notice shall be given to Agency by Subrecipient or the prospective contractor or subcontractor of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized or to be utilized for the contract is under consideration to be listed on the EPA List of Violating Facilities.

d) Contract by the contractor that he shall include or cause to be included the criteria and requirements in this Section 19a. through 19c. of this Section in every non-exempt subcontract and requiring that the contractor shall take such action as the government may direct as a means of enforcing such provisions.

e) In no event shall any amount of the assistance provided under this Contract be utilized with respect to a facility which has given rise to a conviction under Section 113(c)(1) (42 USC 7413) of the Clean Air Act or Section 309(c) (42 USC 1319) of the Federal Water Pollution Control Act.

20. **RELOCATION.** This Contract is subject to the requirements of Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601 et seq.) and HUD implementing regulations at 24 CFR Part 42 and CFR 570.606. Subrecipient shall not undertake any of the work contemplated under this Contract if relocation is involved without first obtaining written approval from Agency. Subrecipient shall inform affected persons of the relocation assistance policies and procedures set forth in the regulations at 24 CFR Part 42 and 24 CFR 570.606.

21. **PROPERTY OWNERSHIP AND PROCUREMENT.** The Subrecipient, shall, in the acquisition or improvement of real and personal property with funds provided under this Contract, be subject to all applicable provisions of the Federal Requirements.

a) Any real property under Subrecipient's control which was acquired or improved in whole or in part with CDBG funds in excess of $25,000 must be either used to meet one of the national objectives in 24 CFR 570.208 for five years after the expiration or termination of this Contract, or disposed of in a manner that results in the Agency being reimbursed in the amount of the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property.

b) General property and procurement guidelines are contained in 24 CFR Part 570 and OMB Circular Number A-133, Attachments N and O (attached hereto and made a part hereof). In all cases in which personal property is sold, the proceeds shall be transferred to Agency for the CDBG program or shall be Program Income, and, personal property not needed by the Subrecipient shall be transferred to Agency for the CDBG program or shall be retained by Subrecipient after compensating the Agency.

c) Real property shall be acquired in accordance with Title III, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (at CFR Part 42).

22. **USE OF DEBARRED, SUSPENDED OR PROHIBITED PARTIES.** Subrecipient shall not use any Project Funds, directly or indirectly, to award contracts to, or otherwise engage the services of, or fund any contractor or subrecipient during any period of debarment, suspension or placement in ineligibility status under the provisions of 24 CFR Part 570. Subrecipient will verify that the Federal Debarred List Registry does not include any contractor or subrecipient prior to awarding contracts and that they will record the date that the Registry was consulted. Subrecipient acknowledges this requirement by initialing here:

___ Subrecipient initials

23. **DAVIS-BACON ACT AND STATE PREVAILING WAGES.** If this Contract is for construction, alteration, or repair (including painting and decorating) of public buildings or public works, Subrecipient must comply with the provisions of the Davis-Bacon Act (40 U.S.C. 276a - 276a-5) and all rules, regulations and orders promulgated under said act, unless a determination of exemption from requirements of the Davis-Bacon Act is made and unless the exemption is expressly stated elsewhere in this Contract. Among other provisions, said act establishes minimum wages and fringe benefits; prohibits deductions or rebates from payments; provides for the withholding of funds to assure compliance with wage provisions; and provides for the termination of the Contract and debarment of the Subrecipient for failure so to comply. Additionally, California State Prevailing wages may apply (Section 1720 et seq. of California Labor Code), in which case prevailing wages shall be the higher of either the Davis Bacon wages or the State prevailing wage, as determined by trade.

Prior to starting Project construction, Subrecipient must obtain the Department of Labor General Wage Decision for Sacramento County. The Bid opening shall serve as the Subrecipient's federally-required ten (10) day call, and serves to lock-in applicable prevailing wages throughout the construction phase.

24. **CONSTRUCTION PROVISIONS.** Subrecipient shall comply with the provisions of this Section 24 for all activities pertaining to the construction, prosecution, completion or repair of any building or work financed in whole or in part by CDBG funds provided pursuant to this Contract.

25. **FEDERAL LABOR STANDARDS.** Pursuant to 24 CFR 570.603, for construction, rehabilitation, alteration, or repair of real property (other than residential property containing less than eight units) funded with Project Funds, Subrecipient shall comply, and shall cause all subcontractors on such work to comply, with the applicable provisions of the Davis-Bacon Act, as amended, (40 USC 276a, 276a-5), the Contract Work Hours and Safety Standards Act, as amended, (40 USC 327 et seq.) and all rules, regulations and orders promulgated under said Acts. Among other provisions, said Acts establish minimum wages and fringe benefits; prohibit deductions or rebates from payments; provide for the withholding of funds to assure compliance with wage provisions; and provide for the termination of the contract and debarment of the contractor for failure so to comply. Subrecipient shall also comply, and shall cause all subcontractors on such work to comply, with all other applicable HUD labor requirements, including, without limitation, the requirements of 29 CFR Parts 3 and 5 which govern the payment of wages and the ratio of apprentices and trainees to journeymen. If wage rates higher than those required under such regulations are imposed by state or local law, nothing in this Contract is intended to relieve Subrecipient of its obligations, if any, to require payment of the higher rates. Subrecipient shall cause or require to be inserted, in all such contracts, provisions which subject the parties to the Federal Labor Standards Provision and all other applicable regulations and requirements of HUD. Subrecipient shall not award any contract subject to the provisions of this Section 24.a. of the Contract to any contractor who is at the time ineligible under the provisions of any applicable regulations of the Department of Labor to receive an award of such contract.

26. **SECTION 3 CLAUSE.** For construction work in excess of $100,000, Subrecipient shall be subject to the following clause (commonly referred to as the "Section 3 Clause"), and shall cause the following clause to be included in all contracts for work funded pursuant to this Contract:

a) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u ("Section 3"). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing, residents of the project area, and business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.

b) The parties to this contract will comply with the provisions of said Section 3 and HUD's regulations in 24 CFR Part 135, which implement Section 3, and all applicable rules and orders of the Department issued thereunder prior to the execution of the contract. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with these requirements.

c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under Section 3 , and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

d) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

f) Good Faith Effort. The contractor and subcontractors undertaking work in connection with a Section 3 covered project must fulfill their obligation to utilize lower income project area residents as employees to the greatest extent feasible by:

(1) Identifying the number of positions in the various occupational categories including skilled, semi-skilled, and unskilled labor, needed to perform each phase of the Section 3 covered project;

(2) Identifying within the positions described in Subparagraph (f)(i) of this Section, the number of positions in the various occupational categories which are currently occupied by regular, permanent employees;

(3) Identifying the positions described in Subparagraph (f)(i) of this Section, the number of positions in the various occupational categories which are not currently occupied by regular permanent employees;

(4) Establishing for the positions described in Subparagraph (f)(iii) of this Section, a goal which is consistent with the purpose of this subpart within each occupational category of the number of positions to be filled by lower income residents of the Section 3 covered project area; and

(5) Making a good faith effort to fill all of the positions identified in Subparagraph (f)(iv) of this Section with lower income project area residents.

Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

g) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

27. **ARCHITECTURAL BARRIERS ACT.** Subrecipient shall comply with the Architectural Barriers Act of 1968 (42 USC 4151), as applicable, which Act requires that the design of any facility, except a private residence, that is constructed, renovated, remodeled or rehabilitated with funds received pursuant to this Contract shall comply with the "American Standard Specification for Making Buildings and Facilities Accessible, and Usable by, the Physically Handicapped", as described in 41 U.S.C.F.R. 10119.6, and Subrecipient shall cooperate with the Agency in its inspections pursuant to such provisions.

28. **LEAD-BASED PAINT.** The use of lead-based paint is prohibited in any residential structure constructed or rehabilitated with Project Funds, which prohibitions are further described in 24 CFR Part 35, Subpart F. For those properties constructed prior to 1978, Subrecipient shall assure that rehabilitation applicants, purchasers or tenants, as the case may be, shall be notified (i) that the property may contain lead-based paint, (ii) of the hazards of lead-based paint, (iii) of the symptoms and treatment of lead-based poisoning (iv) of the precautions to be taken to avoid lead-based paint poisoning (including maintenance and removal techniques for eliminating such hazards), (v) of the advisability and availability of blood level screening for children under the age of seven years of age, and (vi) that in the event lead-based paint is found on the property, appropriate abatement procedures may be undertaken. Subrecipient shall follow the procedures for the elimination of lead-based paint hazards, to the extent required under 24 CFR 570.608 (c).

29. **OTHER PROGRAM REQUIREMENTS.** Agency must provide Subrecipient with all relevant program information regarding the federal programs having jurisdiction over this Contract. Agency must assist Subrecipient in the interpretation of the requirements of such programs. Subrecipient shall be considered to be familiar with the requirements of such programs and shall comply with such requirements.

ATTACHMENT 3: SCOPE OF WORK

Upper Land Park-Marina Vista/Alder Grove Transformation Plan

Agency and Contractor will work together to undertake the task of preparing a Transformation Plan for the area known as Upper Land Park-Marina Vista/Alder Grove. The Transformation Plan, and the planning process utilized to achieve the plan, will be completed in conformance with the proposal submitted by the parties to the U.S. Department of Housing and Urban Development (HUD) in May 2013, in the form of a Choice Neighborhoods Initiative (CNI) Planning Grant application. In furtherance of this plan, the parties anticipate the Transformation Plan will ultimately result in the following accomplishments:

- Robust Community Involvement: A successful process of engaging the greater community and integrating the community's input throughout, plus establishment of a system of maintaining ongoing community involvement;
- Guidance for the Future: Adoption of a set of project goals that can be used to guide future decisions for physical, economic, community and economic programs within the Transformation Planning area;
- Comprehensive Redevelopment Plan: Adoption of a redevelopment plan for Marina Vista/Alder Grove that is financially feasible, reflects the community's input, respects the needs of the existing residents, and is coordinated with the greater neighborhood's Transformation Plan;
- Plan for implementing a robust and well coordinated system and package of services available for residents and the neighborhood, which is customized for the specific needs of this effort, with special emphasis on economic development, economic mobility, and educational advancement;

Responsibility assignments between the Agency and Contractor are included as an appendix to this Scope of Work. The Agency and Contractor agree that there is certain work that is anticipated to be completed by the City of Sacramento.

Contractor Scope of Work

I. General Responsibilities:

Throughout the term of the Contract, Contractor will undertake the following ongoing activities:

A. Community Engagement

1. Manage "Housing" and "People" planning activities, including coordination and support of Task Forces as they are constituted;
2. Assist in constituting and participate in supporting the Agency's management of the Community Advisory Committee;
3. Support Agency's outreach to and communications program with established neighborhood community organizations, policy leaders, residents, service providers and other stakeholders;
4. Support Agency's community-oriented communications tools (e.g. website, newsletters, etc);

B. Coordination & Integration

1. Participate in regular coordination with Agency;
2. Coordinate closely with City Planning and other appropriate City functions.
3. Ensure that the schedule and plans for physical transformation (i.e., housing, neighborhood and other real estate, essential services, transportation and transit) are well integrated with schedule and plans for people transformation (i.e., recreation, employment/economic development, youth/family development, health and safety, education);

4. Work with project partners to incorporate resident input and findings from the Resident Assessment into the Site and Human Capital Planning process including considerations for safety, transportation, and community facilities (health clinics, childcare, learning centers).

C. HUD Requirements: Work closely with the Agency and City to ensure timely submittal of deliverables required under the CNI Transformation Planning Grant, including (a) an Annotated Outline, (b) Draft Transformation Plan, (c) Final Draft Transformation Plan, and (d) Final Transformation Plan.

II. Housing Scope of Work

With respect to Marina Vista and Alder Grove redevelopment opportunities:

A. Data Collection and Interpretation

1. Work with City and the Agency to identify and review existing data regarding area wide plans, systems, conditions and capacity to accommodate growth;
2. Based on existing available information, establish high level conceptual capacity with respect to existing systems, including sewer, storm water, roadways, etc. and identify potential shortfalls in capacity;
3. Review market feasibility for a variety of real estate product types, including housing, retail, commercial, etc.;

B. Replacement Housing and Relocation: In consultation with the Agency, identify and evaluate priority offsite replacement housing opportunities;

C. Planning and Design

1. Conduct community workshop, identifying opportunities, constraints and areas of concern with respect to Marina Vista and Alder Grove sites, as well as immediate surrounding neighborhood;
2. Identify possible building types/densities for new development;
3. Create and study options for redevelopment, with alternatives addressing the amount of on-site replacement housing, amount and type of market rate housing, plus commercial and community uses, density, building form;
4. Conduct follow up community planning workshop to inform the physical plan, addressing density, building form, site uses, etc.
5. Create alternative plans that meet the Agency's adopted priorities, seek community feedback
6. Adopt and refine preferred plan

D. Financial Feasibility and Timing

1. Conduct high level financial feasibility studies for redevelopment options;
2. Working in coordination with Agency, identify and confirm potential sources of financing;
3. Create preferred phasing scenario and overall project schedule for planning, design, relocation, entitlements and construction

E. Community Engagement

1. With input from community, policy leaders and Agency, identify, vet and recruit members of the Housing Task Force
2. Convene and manage the Housing Task Force
3. Participate in City organized Visioning exercises
4. Identify and establish relationships with community stakeholders. Identify issues of concern among stakeholders

F. Expected Outcomes:

At the end of the Contract Period, the Housing component of the work will result in the following:

1. Establishment of Goals (at a minimum those that address the CNI HUD requirements) for redevelopment of Marina Vista and Alder Grove
2. A preferred physical plan for redevelopment, including building types and form, site plan, program elements/site uses
3. A plan for replacement housing and relocation, including how much replacement housing will be located on site and at other properties
4. A high level financial plan for carrying out the redevelopment plan, including identification of all required resources needed and likelihood of obtaining them
5. Preliminary phasing and relocation Plan
6. Schedule for redevelopment
7. Written Narrative of the Housing Component of Transformation Plan

III. People Component

A. Resident Assessment

1. Work with Agency's consultant to develop survey instrument for resident assessment
   - Review Twin Rivers questionnaire to ensure that survey captures data needed for both "Housing" and "People" work, namely household demographic information as well as data needed for Choice Neighborhoods Initiative (CNI) Implementation grants

2. Work with project partners and Agency to develop focus groups with:
   - Teens and Transition Aged Youth regarding employment, education and safety.
   - Heads of household and seniors regarding health care coverage, access, and usage

3. Work with Agency's consultant to analyze survey results and summarize for project partners
   - Housing implications, including mobility, unit mix, affordability, accessibility and other considerations
   - Site planning implications, including assets and deficits related to basic services and other needs
   - Service needs/assets, with a near-term focus on health

B. Stakeholder Outreach and Engagement

1. People Task Force
   a. With input from community, policy leaders and Agency, identify, vet and recruit members of the People Task Force
   b. Convene and manage the People Task Force
   c. Participate in City organized Visioning exercises
   d. Identify and establish relationships with community stakeholders. Identify issues of concern among stakeholders

2. Work with Agency to develop an understanding of the Twin Rivers process and opportunities for coordination
   a. Work with Twin Rivers development team to understand strengths and weaknesses of Twin Rivers assessment process
   b. Evaluate potential for joint resident leadership training
   c. Evaluate potential for Task Force collaboration in key functional areas such as workforce development and education

C. Assist in the Short-Term Implementation of Health-Related activities ("Doing While Planning" focus)
   1. Ensure that Resident Assessment incorporates key health data including insurance coverage, primary care access, hospital/acute care usage, and information needed to assess program eligibility
   2. Work with Deputy County Executive to assess resident access to quality primary care and behavioral health services
   3. Evaluate potential for Peer Leadership model for health care related activities as either volunteer or paid work for residents

D. Develop Plan for Educational Opportunities
   1. Work with the Sacramento Unified School District, Sacramento State University, and the Education Taskforce to identify the education vision and goals, with a particular focus on Leataata Floyd Elementary School
   2. Review assessment data and meet with residents to identify key resources and gaps in early learning centers, summer and afterschool programs
   3. Identify any key barriers to educational opportunities such as childcare access, safety, or transportation
   4. Identify effective strategies for:
      - Increasing access to and usage of early learning centers such as Head Start, including feasibility analysis and planning for any needed facility development
      - Increasing access to a continuum of comprehensive community services, family support and afterschool educational programming
      - Addressing the educational and workforce/college preparation needs of school-aged, transition-aged youth and young adults

E. Develop Plan for Employment, Health, and Safety Aspects of the People Component: Work with the appropriate Taskforces to identify the vision and goals for employment and economic development; housing, relocation and mobility; health; and safety

1. Work with consultant to review baseline data collection and provide analysis to Task Forces
2. Identify potential program partners and assess their capacity to provide employment, health and mental health, safety and other critical humans services
3. Identify "gaps" in services if any, and capacity building strategies for closing the "gaps"
4. Identify existing and potential Service Partners and Funders to address unmet needs of MV/AG residents and community members related to Employment and Economic Opportunity, Health, and Case Management
5. Transportation: Developing short-term and longer term solutions to the problems of access to jobs, healthcare and all necessary human services
6. Safety: Addressing the pertinent crime and safety issues as appropriate
7. Mobility: Increasing access to a continuum of services to ensure housing and family stability prior to re-occupancy; case management support during the re-occupancy process; and ensuring opportunities for economic mobility and a range of housing options for assisted households

F. Expected Outcomes:

At the end of the Contract Period, the People component of the work will result in the following:

1. Establishment of Goals for redevelopment of Marina Vista and Alder Grove
2. Establishment of a plan for providing access and utilization of education and enrichment opportunities at all levels (e.g. pre-K, school age, college prep, workforce)
3. Establishment of a plan for enhancing economic development and employment opportunities
4. A financial plan for carrying out the redevelopment plan, including identification of all required resources needed and likelihood of obtaining them
5. Written Narrative of the People Component of Transformation Plan

Attachment 4
Schedule of Performance

#	Task	Milestone Deadline*	Target Date*
1.	Complete Housing Background Reports	4/30/14	2/28/14
2.	Housing Task Force Members Recruited	2/28/14	2/28/14
3.	People Task Force Members Recruited	2/28/14	1/31/14
4.	Existing Services Assessment and Gap Analysis Complete	4/30/14	2/28/14
5.	Replacement Housing Options Evaluation Complete	5/31/14	5/31/14
6.	Draft Preferred Site Plan for Marina Vista/Alder Grove Submitted to Agency	12/31/14**	12/31/14
8.	HUD Annotated Outline Complete	30 days prior to HUD Due Date	11/30/14
7.	Final Site Plan for Marina Vista/Alder Grove Submitted to Agency	4/30/15**	3/30/15
9.	First Draft of Housing and People Component of Transformation Plan Complete	30 days prior to HUD Due Date	5/31/15
10.	Final Draft of Housing and People Component of Transformation Plan Complete	30 days prior to HUD Due Date	8/30/15
11.	Final Housing and People Component of Transformation Plan Complete	30 days prior to HUD Due Date	11/30/15

* Deadlines assume execution of Contract on or before December 1, 2013. Milestone and Target Dates will be extended accordingly if the Contract execution date is extended.

** Assumes Resident Needs Assessment and Community Needs Assessment completed by 3/1/14. Deadline to be extended accordingly if completion date for Assessments extended.

Attachment 5
Contract Budget

MASTER PLAN BUDGET v3.3a

Marina Vista/Twin Rivers

	Housing Authority Contract		Comments/Notes
USES OF FUNDS			
Community Engagement			
Community Bldg Staff	139,000	Mercy Housing California	3 mths @.25 FTE, 6 mths @ .5 FTE, 15 mths at .75 FTE
Community Building Activity/Office Costs	0		
Out of Pocket Reimb Expenses	18,750		Assume 3 workshops and LA Tour
Total Community Costs	**157,750**		
SOFT COSTS			
Architecture/Engineering			
Architecture/ Master Planning	185,000	VMWP/Mogavero Notestine	Prelim Feas. Includes Renderer + Reimb.
Landscape Architect	10,000	CMG & Adrienne Wong Assoc	No workshop participation - design support only
Structural Engineer	0		Defer review of existing buildings re: demolition
Infrastructure/Civil/Phasing Engineering	40,000	Cunningham	Rvw (e) cond., infrastructure options, phasing
Construction Management/Estimating	0	CRM (Constr Resource Mgt)	Construction Cost estimating
Sustainability Planning			Civil, Architect, Sustainability Cons. Assume LEED deferred
Historic Review			HACS responsibility
Other Consultants	0		
Total Arch./Engineer. Fees	***235,000***		
Survey & Engineering Studies			
Survey	3,500	Cunningham	No Topo or Boundary - time to look for base drawings to work from
Geotechnical studies			Geotech Overview only - no actual testing
Phase I Reports			HACS responsibility
Traffic	3,500	tbd	Interpret background reports
Asbestos/Lead			Defer Lead/Asbestos Sampling
Other Engineering			
Total Survey & Engineering	***7,000***		
Legal Costs			
Land Use Attorney		tbd	
Developer Legal Counsel		Bocarsly Emden	
Total Legal Costs	***0***		
Other Soft Costs			
Appraisal			No Appraisal
Relocation			HACS responsibility for hiring consultant
CEQA Environmental Review			
Entitlement/Permit Fees			
Market Studies			HACS responsibility
NEPA/106 Review			HACS responsibility
Financial Consultant Fees			
Other (Reg fee for LEED ND)			Defer LEED Work
Total Other Soft Costs	***0***		
Soft Cost Contingency	**13,000**		
DEVELOPER COSTS			
Contractor Fee	180,000	Related	HACOS share of fee calculated at $7,500 per month, 24 months
Out of Pocket Reimb Expenses	7,250		
TOTAL DEVELOPER COSTS	**187,250**		
TOTAL BUDGET	**600,000**		