Meeting Date: **5/5/2015**

Report Type: Staff/Discussion

Report ID: 2015-00089

City of SACRAMENTO **19**

City Council Report
915 I Street, 1st Floor
www.CityofSacramento.org

Title: (City Council/Redevelopment Agency Successor Agency) Purchase and Sale Agreement: Transfer of 2200-2224 Front Street to California Vehicle Foundation

Location: District 4

Recommendation: Pass 1) a City Council Resolution a) approving a Purchase and Sale Agreement for the sale of 2200 Front Street and adjacent parking lot (a portion of Assessor Parcel Number 009-0012-075), for $100 to California Vehicle Foundation; and b) authorizing the City Manager or the City Manager's designee to execute the Purchase and Sale Agreement and related documents and take any additional necessary actions to implement the agreement; and 2) a Redevelopment Agency Successor Agency Resolution a) approving the sale of 2224 Front Street (Assessor Parcel Number 009-0012-068) to the California Vehicle Foundation for $65,600; and b) authorizing the City Manager to execute the Purchase and Sale Agreement and related documents and take any additional necessary actions to implement the agreement.

Contact: Bill Sinclair, Facilities and Real Estate Superintendent, (916) 808-1905, Department of Public Works; Leslie Fritzsche, Senior Project Manager, (916) 808-5450, Economic Development Department

Presenter: Leslie Fritzsche, Senior Project Manager, (916) 808-7223, Economic Development Department

Department: Economic Development Dept

Division: Administration

Dept ID: 18001011

Attachments:

1-Description/Analysis
2-Location Map
3-Background
4-City Council Resolution
5-Exhibit A
6-RASA Resolution

City Attorney Review

Approved as to Form
Sheryl Patterson
4/28/2015 4:54:41 PM

Approvals/Acknowledgements

Department Director or Designee: John Dangberg - 4/23/2015 11:40:32 AM

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Description/Analysis

Issue Detail: The City and the Redevelopment Successor Agency (RASA) own the properties located at 2200 and 2224 Front Street. The City building at 2200 Front Street and an adjoining 1.73-acre parking lot have been leased to the California Vehicle Foundation (Foundation), operator of the California Automobile Museum (formerly Towe Auto Museum) since 1988 (refer to Attachments 1 and 2 for site location and photographs). The 70,000 square foot warehouse building at 2200 Front Street was constructed in the 1950's and has been adapted to its current use as an auto museum. The California Vehicle Foundation is interested in the continued operation of the California Automobile Museum (Museum) at this location, securing ownership of the building and completing significant structural and architectural improvements to the building. The City is interested in retaining this community asset and securing it as a long-term attraction along the waterfront. Ownership of the building will enhance the Foundation's ability to secure the funds necessary for building improvements. Disposition of the properties to the Foundation for $65,700, as further described in this report, is recommended.

Policy Considerations: The recommendations in this report are in accordance with the provisions of City Code Chapter §3.88.090 A.2. Staff recommends that the City Council provide for the sale of the property without calling for bids by finding that such action is in the best interest of the City. The sale of the property to the Foundation will support the City's policy of investing in civic amenities and quality of life. The Museum is an existing use in the Docks area, but the use is inconsistent with the 2035 General Plan, the 2009 Docks Area Specific Plan, and the goals of the Waterfront Master Plan. The sale of the RASA property conforms with requirements of the redevelopment dissolution law which require disposition of former redevelopment agency property assets at their fair market value.

Economic Impacts: The actions recommended in this report will result in cost savings to the City for the City will be released from any liability for future capital repair costs for the building. In addition, maintaining and enhancing attractions along the Sacramento River waterfront benefits Old Sacramento businesses, other nearby attractions, and supports the City's range of civic amenities.

Environmental Considerations:

> **California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA):** Under Section 15312 of the CEQA Guidelines, a title transfer of City surplus property where there is no change in its current use is categorically exempt from CEQA.

Sustainability: The actions outlined in this report will result in the continued use of the 2200 Front Street building, a building that by its condition could be considered functionally obsolete.

Commission/Committee Action: None.

Rationale for Recommendation: The City-owned property located at 2200 Front Street contains an approximately 70,000 square foot building constructed in the 1950s. The warehouse-type structure is characterized by a structural wood beam roof which is currently showing significant signs of decay and loss of structural integrity. The Museum has recently completed interim structural repairs under a City issued and inspected permit to ensure public safety. The costs for permanent repair or replacement of the roof are an offset to the building's estimated value. The alternative of building demolition is an offset to the land value. Since the property is currently City-owned, the City carries liability for the building condition and has no current budget to repair or demolish the building.

The Foundation is interested in obtaining ownership of the building. The Museum has operated in its current location since the early 1980s and attracts over 55,000 visitors annually. It serves as a showcase for an extensive collection of automobiles and displays of automobile history, a venue for local and regional events and as a long-standing community asset.

Since the passage of the Docks Area Specific Plan in 2009, which called for the development of the Front Street area as a mixed-use neighborhood, the future of the Museum in its current location has been uncertain. As a result, representatives from the Museum have been looking at options to relocate the facility, even considering locations outside the City limits.

The sale of the property to the Foundation will solidify the Museum's future and strengthen the resolve to have Front Street as their permanent home. In addition, the acquisition of the property will provide the Foundation a strong foundation to begin an aggressive fund-raising campaign to raise the capital for needed building improvements to stabilize the building, add necessary repairs to the roof structure and remodel the exterior and to enhance the Museum's offerings.

Keeping the Museum in its current location on Front Street is part of the City's desire to retain and further develop the Sacramento River waterfront as an active cultural and recreational corridor. The developing Powerhouse Science Center, Old Sacramento, Railroad Museum, Crocker Art Museum, and the Museum form a string of walkable attractions for visitors and locals alike.

The proposed Purchase and Sale Agreement includes the Museum building at 2200 Front Street, the gravel surface parking lot to the north of the building currently leased by the Museum for parking and a vacant 23,015 square foot property to the building's south owned by the RASA. The RASA parcel is recommended for inclusion in the transaction because it is a residual parcel that has limited development potential as an independent parcel. The Museum would like to purchase the property to allow for expansion. The sales price for the RASA parcel is based on an appraisal and RASA's transfer of this asset is subject to the approval of its Oversight Board (though they did approve the sale of the property for a museum in the Long Range Property Management Plan) and review by the State Department of Finance.

The proposed Purchase and Sale Agreement and related grant deeds include language prohibiting the Foundation to voluntarily grant or transfer ownership of the property for a period of ten years without receiving permission from the City. If the Foundation is proposing a sale to a third party, the City will have the option to purchase the property from the Foundation at the original price paid by the Foundation (i.e., $100 for the City-owned parcels and $65,600 for the RASA-owned parcel).

Financial Considerations: Currently the Museum building is in need of a new roof and related structural upgrades, which was estimated by a structural engineer in 2014 to be $1.2 million. Because of the size of this expenditure and the scope of work, it is likely that necessary roof work would trigger the requirement to bring the building into compliance with current codes, including the Americans with Disabilities Act and Title 24 energy standards. Staff has estimated these costs along with the roof would be over $4 million, significantly over staff's approximate $2 million estimate of value for the property after-renovation. Thus, the total costs to renovate exceeds the value of the building, yielding a transaction that is effectively a land transaction.

An appraisal was completed on the property in 2012; the appraised land value is $428,000. The staff estimate to demolish the building is estimated at $562,000. The effective value of the asset

being sold to the Foundation is a negative value of approximately $134,000. Thus the recommendation is to provide the City-owned parcels to the Foundation for $100.

As part of the redevelopment dissolution process, RASA-owned properties are to be disposed of at fair market value. The 2012 appraisal established a value for the RASA parcel at $65,600, thus that is the price included in the proposed Purchase and Sale Agreement. The combined total acquisition price is $65,700. The proceeds from the sale of the RASA-owned property will be provided to the County Auditor-Controller for distribution to the various taxing entities (e.g., the County, City and school districts) as required by the redevelopment dissolution law.

Local Business Enterprise (LBE): Not applicable.

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City of Sacramento, GIS

City of West Sacramento

Sacramento River

Pioneer Reservoir

City-Owned

V ST

City-Owned

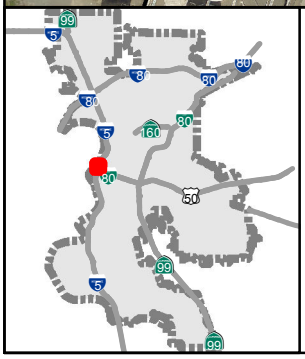
RASA-Owned

FRONT ST

U ST

INTERSTATE 5

HIGHWAY 50



0 250 500

Feet

Aerial and Land Use Map
California Automobile Museum-
Proposed Site Acquisition

N

Aerial Photo: 2014

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Background Information

In July, 2003, the City Council accepted the Sacramento Riverfront Master Plan, which identified the Sacramento Docks Project Area as an opportunity development site. The planning process resulted in a detailed concept plan, including a higher density residential and mixed-use neighborhood with a riverfront parkway/promenade.

The City Council adopted the 2030 General Plan in March 2009 and amended the docks area from Heavy Industrial to Urban Center High. The Urban Center High designation provides areas with concentrations of uses similar to downtown. The final EIR was released on October 23, 2009.

On December 15, 2009, the City Council adopted the Sacramento Docks Specific Plan (P08-058). The Specific Plan was designed to prepare the area for urban development.

However, existing within the Specific Plan area is the Pioneer Reservoir, a combined storm water/sewage enclosed holding facility. This reservoir is part of the combined storm water/sewage system that conveys up to 60 million gallons per day to the Sacramento Regional Wastewater Treatment Plant. The cost to remove and replace this facility was estimated in 2008 at between $81,000,000 to $102,000,000. This cost represents a significant drag on development prospects in the Docks area.

Further, the Pioneer reservoir sits on a site adjacent to 2200 Front Street. It has flooded the subject site once and outgases periodically. The fact that this facility will likely remain here indefinitely makes the subject site undesirable for most commercial and residential purposes development.

Therefore, the current and proposed use of the subject site as a special use/automobile museum is the site's highest and best use. However, the continued use of the site as a museum is inconsistent with Sacramento Riverfront Master Plan, the 2030 General Plan and the 2009 Docks Specific Plan.

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RESOLUTION NO. 2015-

Adopted by the Sacramento City Council

May 5, 2015

APPROVING THE SALE OF 2200 FRONT STREET PLUS A 1.73 ACRE PORTION OF ASSESSOR PARCEL 009-0012-075 TO THE CALIFORNIA VEHICLE FOUNDATION, INC.

BACKGROUND

A. The City of Sacramento owns a 66-year old 72,300 square foot industrial building on 2.15 acres located at 2200 Front Street. In addition, the City owns the adjoining 1.73 acre parking lot being used by the tenant at 2200 Front Street (the "Property").

B. The City desires to activate the Sacramento River Waterfront by developing and maintaining existing attractions including museums. Retention of the California Automobile Museum is part of that strategy.

C. California Vehicle Foundation, Inc., operator of the California Automobile Museum, desires to acquire the City's building and adjoining parcel to maintain its presence on Front Street and is undergoing a capital campaign to raise the funds necessary to improve and maintain the existing building or build a new museum at this site.

D. The Redevelopment Agency Successor Agency owns a property to the south of the California Automobile Museum that is surplus and that the California Vehicle Foundation, Inc. wants to purchase that parcel in conjunction with the purchase of the City-owned parcels.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager is hereby authorized to execute the Purchase and Sale Agreement with California Vehicle Foundation, Inc. substantially in the form attached to this resolution as Exhibit A. Under this agreement, California Vehicle Foundation, Inc. agrees to pay the City $100 for the 72,300 square foot building on 2.15 acres located at 2200 Front Street plus the adjoining 1.73-acre parking lot (collectively the "Property").

Section 2. The City Manager or the City Manager's designee is hereby authorized to execute such additional documents and take actions necessary to implement the Purchase and Sale Agreement.

Section 4. The City Council hereby finds that selling the Property without calling for competitive bids is in the best interest of the City. (City Code Chapter §3.88.090 A.2.)

Section 5, Receipt of proceeds from the sale of the City-owned Property and any distribution from the Sacramento County Auditor-Controller for proceeds from the sale of the Redevelopment Agency Successor Agency-owned parcel will be placed in the City's Innovation and Growth Fund (Fund 2031).

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Exhibit A – Purchase and Sale Agreement with California Vehicle Foundation, Inc.

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PURCHASE AND SALE AGREEMENT

AND JOINT ESCROW INSTRUCTIONS

SELLER:	**CITY OF SACRAMENTO, A MUNICIPAL CORPORATION, AND CITY OF SACRAMENTO REDEVELOPMENT AGENCY SUCCESSOR AGENCY**
BUYER:	**CALIFORNIA VEHICLE FOUNDATION INC. A CALIFORNIA NON-PROFIT CORPORATION**
PROPERTY:	**2200 FRONT STREET; APN 009-0012-005 and a portion of APN 009-0012-075; and APN 009-0012-068**
DATED:	**April ____, 2015**

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Joint Escrow Instructions (this "**Agreement**") is made and entered into as of the Effective Date by and between Buyer and Seller. The meanings set forth below hereof shall apply to capitalized terms not otherwise defined herein.

In consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the mutual promises contained in this Agreement, Buyer and Seller agree as follows:

1. Defined Terms. The terms listed below shall have the following meanings throughout this Agreement:

Effective Date:	The date this Agreement is executed by Seller after its approval by the Sacramento City Council.
Seller:	The City of Sacramento, a municipal corporation ("**City**"), and City of Sacramento Redevelopment Agency Successor Agency ("**RASA**").
Seller's Address:	City of Sacramento Real Estate Services Section Attention: Bill Sinclair New City Hall 915 I Street, 2nd Floor Sacramento CA 95814 Phone No.: (916) 808-1905 Fax No: (916) 808-8250 E-Mail: bsinclair@cityofsacramento.org
Seller's Counsel:	Office of the City Attorney 915 I Street, Fourth Floor Sacramento, CA 95814 Attention: Lan Wang Phone No.: (916) 808-5346 Fax No.: (916) 808-7455 E-Mail: lwang@cityofsacramento.org
Buyer:	California Vehicle Foundation Inc., a California Non-Profit Corporation ("**Buyer**")

Buyer's Address:	California Vehicle Foundation Attention: Executive Director 2200 Front Street Sacramento CA 95818 Phone No.: 916.442-6802 E-Mail: jhensler@calautomuseum.org
Buyer's Counsel:	The Law Offices of Gregory D. Thatch Attention: Michael Devereaux 1730 I Street, Suite 220 Sacramento, CA 95811 Phone: (916) 443-6956 Fax: (916) 443-4632 E-Mail: mdevereaux@thatchlaw.com
Property:	That certain real property together with all improvements situated thereon located in the City of Sacramento, County of Sacramento, State of California, consisting of approximately 3.88 acres of land area and a single story industrial building containing approximately 72,300 gross square feet encompassing APN No. 009-0012-005 and a portion of APN 009-0012-075 described in Exhibit 1-A, (the "**Legal Descriptions**") attached hereto, including, but not limited to, all mineral and water rights and with all of the existing easements, rights-of-way and other appurtenances used or connected with the use or enjoyment thereof (collectively the "**Property**"), together with the personal property located on the Property as described in the General Assignment and Bill of Sale attached hereto as Exhibit 2 (the "**General Assignment**").
RASA Property	That certain real property located in the City of Sacramento, County of Sacramento, State of California, consisting of an approximately 23,015 square foot parcel encompassing APN No. 009-0012-068 described in Exhibit 1-B attached hereto, including, but not limited to, all mineral and water rights and with all of the existing easements, rights-of-way and other appurtenances used or connected with the use or enjoyment thereof (collectively the "**RASA Property**").
Lease:	The Property is currently leased to the Buyer pursuant to City Agreement No. 2010-1016.
Property Purchase Price:	The Total Purchase Price for the Property is $100.00, ("**Purchase Price**") which is equivalent to the value of the Property based on Seller staff's analysis. The Purchase Price shall be paid as set forth in Section 3 herein.
RASA Property Purchase Price	The Total RASA Purchase Price for the RASA Property is $65,600.00, ("**RASA Purchase Price**") which is equivalent to the value of the RASA Property based on an independent appraisal. The RASA Purchase Price shall be paid as set forth in Section 20 herein.

Escrow Holder:	Fidelity National Title Company Attn: Paul Avila 1375 Exposition Blvd., Suite 240 Sacramento, CA 95815 Phone: (916) 646-6057 Fax: (916) 646-6043 E-mail: pavila@fnf.com
Escrow Instructions:	The instructions issued by Seller and Buyer to Escrow Holder attached hereto as Exhibit 3, in addition to the terms and conditions set forth in this Agreement for Escrow No.12-5014064-A-CD
Due Diligence Period:	Buyer shall have until 5:00 p.m. on May 15, 2015, to conduct its due diligence inspection of the Property and RASA Property and all matters associated therewith (the "Due Diligence Period").
Property Closing Date:	June 1, 2015 or such earlier date in accordance with Section 6 of this Agreement.
RASA Closing Date	Such date to be determined in accordance with Section 20 of this Agreement.
Title Company:	Fidelity National Title Company 1375 Exposition Blvd., Suite 240 Sacramento, CA 95815

Exhibits:

Exhibits 1-A & 1-B	Legal Descriptions
Exhibit 2	General Assignment and Bill of Sale
Exhibit 3	Escrow Instructions
Exhibit 4	City to Buyer Grant Deed – APN 009-0012-005
Exhibit 5	City to Buyer Grant Deed – APN 009-0012-075 (portion)
Exhibit 6	RASA to Buyer Grant Deed – APN 009-0012-068
Exhibit 7	Release of Financing Lease
Exhibit 8	Irrevocable Offer of Dedication
Exhibit 9	Option to Purchase – APN 009-0012-068
Exhibit 10	Memorandum of Option to Purchase

2. Purchase and Sale. Seller hereby agrees to sell the Property and RASA Property and Buyer hereby agrees to purchase the Property and RASA Property, subject to all of the terms, covenants and conditions hereinafter set forth in this Agreement. The Property shall be conveyed to Buyer by City by means of Grant Deeds in the forms attached as Exhibit 4 and Exhibit 5 and the RASA Property shall be conveyed to Buyer by RASA by means of the Grant Deed in the form attached as Exhibit 6. All other interests of Seller in the Property (including any personal property) shall be transferred and assigned by

Seller to Buyer pursuant to the General Assignment in the form attached hereto as Exhibit 2, which is incorporated herein by this reference.

(a) Seller's Reserved Easements. As part of the transaction Seller will be reserving easements across the Property for existing underground pipelines, underground vaults and associated appurtenant facilities in the locations as shown on the Grant Deed attached as Exhibit 5 from Seller to Buyer.

(b) Irrevocable Offer of Dedication. As part of the transaction, Buyer will execute an Irrevocable Offer of Dedication for the future extension of "U" Street on the northern property boundary of APN 009-0012-075 as shown in Exhibit 8.

(c) Option to Purchase. As part of the transaction, Buyer will grant to the City of Sacramento an Option to Purchase APN 009-0012-068 as shown in Exhibit 9.

3. Purchase Price. The Purchase Price for the Property shall be one hundred dollars ($100.00), and the Purchase Price for the RASA Property shall be Sixty Five Thousand Six Hundred dollars ($65,600), which Buyer shall pay to Escrow Holder prior to the Closing Date as set forth in Section 11.

4. As-Is Purchase. As a material inducement to Seller to execute this Agreement, Buyer acknowledges, represents and warrants as follows:

(a) During the Due Diligence Period, Buyer shall have the right to determine whether to proceed with the acquisition of the Property and RASA Property, in Buyer's sole and absolute discretion. During the Due Diligence Period the Buyer shall have the right to inspect and approve, in its sole and absolute discretion, the preliminary title report issued by the Title Company, as well as the condition of the Property and RASA Property, including, but not limited to, retaining consultants and professionals to perform all inspections, tests or reviews of the Property and RASA Property as Buyer deems necessary or desirable. Prior to the expiration of the Due Diligence Period, Buyer shall seek authorization from its Board of Directors to approve of the acquisition of the Property and RASA Property. If Buyer's Board of Directors decides to approve of the acquisition of the Property and RASA Property and the preliminary title report, Buyer shall give written notice of such approval to Seller ("Approval Notice") no later than the expiration of the Due Diligence Period. If Buyer gives Seller written notice that Buyer's Board of Directors has decided not to acquire the Property and RASA Property or disapproves of any matter shown on the preliminary title report ("Disapproval Notice") upon expiration of the Due Diligence Period, then this Agreement shall terminate and neither Party shall have any further rights or obligations hereunder.

(b) Prior to the Closing Date, Buyer shall have fully examined and inspected the Property and RASA Property, together with such other documents and materials with respect to the Property and RASA Property which Buyer deems necessary or appropriate in connection with its investigation and examination of the Property and RASA Property. By giving the Approval Notice, Buyer represents that it has accepted the foregoing and the physical condition, value, presence/absence of Hazardous Substances, use, leasing, operation, tax status, income and expenses of the Property and RASA Property

(collectively, the "**Properties Condition**"). The Property and RASA Property will be purchased by Buyer "AS IS" and "WHERE IS" and with all faults and, upon Closing, Buyer shall assume responsibility for the physical condition of the Property and RASA Property from the date of Closing and thereafter. Buyer will make its decision to purchase the Property and RASA Property solely on the basis of its own independent investigation.

(c) Other than as expressly set forth in Section 17 of this Agreement, Seller has not made, does not make, and has not authorized anyone else to make, any representation as to the present or future physical condition, value, presence/absence of Hazardous Substances, violation of any Environmental Laws, leasing, operation, use, tax status, income and expenses or any other matter or thing pertaining to the Property and RASA Property. Buyer acknowledges that other than the representations and warranties of Seller set forth in Section 17, no other representation or warranty has been made by Seller and that in entering into this Agreement Buyer does not rely on any other representation or warranty. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY AND THE RASA PROPERTY. Seller shall not be liable for or bound by any verbal or written statements, representations, or information pertaining to the Property and RASA Property furnished by any real estate broker, agent, employee, servant or any other person unless the same are specifically set forth in this Agreement.

(d) **Disclosure**. IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 25359.7, SELLER STATES THAT THERE MAY HAVE BEEN RELEASES OF HAZARDOUS MATERIALS ON OR BENEATH THE PROPERTY AND THE RASA PROPERTY AND THERE IS CONTAMINATION ON THE PROPERTY AND RASA PROPERTY AS DESCRIBED IN SECTION 17(g).

(i) FOR THE PURPOSES OF THIS AGREEMENT "HAZARDOUS MATERIAL(S)" AND "HAZARDOUS SUBSTANCES" MEANS ANY CHEMICAL, SUBSTANCE, MATERIAL, CONTROLLED SUBSTANCE, OBJECT, CONDITION, WASTE, LIVING ORGANISM OR COMBINATION THEREOF WHICH IS OR MAY BE HAZARDOUS TO HUMAN HEALTH OR SAFETY OR TO THE ENVIRONMENT DUE TO ITS IGNITIBILITY, CORROSIVITY, REACTIVITY, EXPLOSIVITY, TOXICITY, CARCINOGENICITY, MUTAGENICITY, PHYTOTOXICITY, REPRODUCTIVE TOXICITY, INFECTIOUSNESS, RADIOACTIVITY, OR OTHER HARMFUL OR POTENTIALLY HARMFUL PROPERTIES OR EFFECTS, INCLUDING, WITHOUT LIMITATION, PETROLEUM AND PETROLEUM PRODUCTS, ASBESTOS, RADON, POLYCHLORINATED BIPHENYLS (PCBs), AND ALL OF THOSE CHEMICALS, SUBSTANCES, MATERIALS, CONTROLLED SUBSTANCES, OBJECTS, CONDITIONS, WASTES, LIVING ORGANISMS OR COMBINATIONS THEREOF WHICH ARE NOW, OR BECOME IN THE FUTURE, LISTED, DEFINED, OR REGULATED IN ANY MANNER BY ANY ENVIRONMENTAL LAW BASED UPON, DIRECTLY OR INDIRECTLY, SUCH PROPERTIES OR EFFECTS.

(ii) FOR THE PURPOSES OF THIS AGREEMENT "ENVIRONMENTAL LAWS" MEANS ANY AND ALL FEDERAL, STATE, LOCAL OR OTHER GOVERNMENTAL ENVIRONMENTAL, HEALTH OR SAFETY RELATED LAWS, REGULATIONS, STANDARDS, DECISIONS OF THE COURTS, ORDINANCES, RULES, CODES, ORDERS, DECREES, DIRECTIVES, GUIDELINES, PERMITS OR PERMIT CONDITIONS, CURRENTLY EXISTING AND AS AMENDED, ENACTED, ISSUED OR ADOPTED IN THE FUTURE, WHICH, DUE TO THE PRESENCE OR POTENTIAL PRESENCE OF HAZARDOUS MATERIAL(S), ARE OR BECOME APPLICABLE TO: (1) THE PROPERTY AND RASA PROPERTY; OR (2) PERSONS OR ENTITIES WHO OWN, OCCUPY, USE, VISIT OR WORK ON THE PROPERTY AND RASA PROPERTY. ENVIRONMENTAL LAWS INCLUDE, BUT ARE NOT LIMITED TO, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT (42 USCA 9601 ET SEQ.) ("CERCLA") THE RESOURCE CONSERVATION AND RECOVERY ACT (42 USCA 6901 ET SEQ.), THE CALIFORNIA HAZARDOUS WASTE CONTROL LAWS (CALIFORNIA HEALTH & SAFETY CODE SECTIONS 25100 ET SEQ.) AND THE CALIFORNIA PORTER COLOGNE ACT (CALIFORNIA WATER CODE 13000 ET SEQ.).

(e) The provisions of this Section 4 shall survive the Closing and the RASA Closing. If Buyer shall proceed to Closing and RASA Closing with actual knowledge of any matter discovered during Escrow hereunder with respect to the Property and RASA Property which is in conflict with any of Seller's representations and warranties made pursuant to Section 17 of this Agreement, Buyer shall be deemed to have waived such Seller's representations and, warranties to the extent inconsistent with such actual knowledge discovered during Escrow hereunder, unless Seller has intentionally withheld or misrepresented material information regarding the Property and RASA Property and the Property Conditions as set out herein.

(f) Upon Closing and RASA Closing, Buyer shall assume the risk of the Property Conditions that may not have been revealed by Buyer's investigations. The release and waiver of claims set forth below shall be referred to as the "**Release**." Upon the Closing and RASA Closing, Buyer, on its own behalf and on behalf of each of its successors and assigns and each and all of its and their respective members, partners, officers, directors, employees, parents, affiliates and subsidiaries, and each of their respective successors and assigns (collectively, "**Waiver Parties**") hereby fully, forever, irrevocably and unconditionally waives and releases Seller and its respective officers, employees, agents, and representatives and their respective successors and assigns (collectively, "**Released Parties**") from (collectively, the "**Claims**"): (i) any and all claims, liabilities, demands, damages, counterclaims, suits, causes of action, costs and expenses (including, but not limited to, reasonable attorneys' fees and costs) of any kind and nature whatsoever, whether known or unknown, anticipated or unanticipated, and howsoever arising or accruing, that the Waiver Parties, or any of them, ever had, now have, or may have against the Property and RASA Property or the Released Parties pertaining to the Property and RASA Property; and (ii) any and all Properties Conditions, including, without limitation, any and all actual, threatened or potential claims, claims for contribution under any law relating to Hazardous Substances, suits, proceedings, actions, causes of action, demands, liabilities, losses, obligations, orders, requirements or restrictions, liens, penalties, fines, charges, debts, damages, costs, and

expenses of every kind and nature, whether now known or unknown, whether foreseeable or unforeseeable, whether under any foreign, federal, state or local law (both statutory and non-statutory) or Environmental Law (as hereinafter defined), and, whether asserted or demanded by a third party against any of the Waiver Parties or incurred directly or indirectly by any of the Waiver Parties themselves, that any of the Waiver Parties may now or hereafter have against any of the Released Parties and that arise in connection with or in any way are related to (a) the physical condition of the Property and RASA Property prior to the Property Closing Date and RASA Closing Date, the financial condition of the Property and RASA Property, the value of the Property and RASA Property or its suitability for Buyer's use, management or operation of the Property and RASA Property, or the accuracy or completeness of any information reviewed by Buyer in connection with its investigations of the Property and RASA Property and which may have been relied upon by Buyer in deciding to purchase the Property and RASA Property, (b) any handling of any Hazardous Substances at, beneath, to, from, or about the Property and RASA Property prior to the Property Closing Date and RASA Closing Date, (c) any compliance or non-compliance with Environmental Laws regarding any Hazardous Substances or any handling related thereto at, beneath, to, from, or about the Property and RASA Property prior to the Property Closing Date and RASA Closing Date, (d) any acts, omissions, services or other conduct related to any of the foregoing items "(a)" through "(c)," inclusive, and/or (e) any condition, activity, or other matter respecting the Property and RASA Property that is not addressed by any of the foregoing items "(a)" through "(d)," inclusive. Buyer acknowledges that any condition of the Property and RASA Property which Buyer discovers or desires to correct or improve after the Property Closing Date and RASA Closing Date shall be at Buyer's sole expense.

(g) Buyer shall defend, hold harmless, and indemnify the Released Parties and each of them from and against all third party Claims, suits, proceedings, actions, causes of action, demands, liabilities, losses, obligations, orders, requirements or restrictions, liens, penalties, fines, charges, debts, damages, costs, and expenses (including reasonable attorneys' and consultants' fees and costs) incurred, related to, arising or accruing as a result of the matters that are covered under the provisions of the foregoing Section 4 (e). Released Parties shall defend, hold harmless and indemnify the Waiver Parties and each of them from and against all third party Claims, suits, proceedings, actions, causes of action, demands, liabilities, losses, obligations, orders, requirements or restrictions, liens, penalties, fines, charges, debts, damages, costs, and expenses (including reasonable attorneys' and consultants' fees and costs), related to, arising or accruing prior to the Property Closing Date and RASA Closing Date, or Claims for Seller's obligations as set forth in Section 14, or that are incurred, related to or arising out of a breach of the Seller's representations and warranties set forth in Section 17. This Release and indemnity in Sections 4 (g) and (h) shall survive the Property Closing Date and RASA Closing Date and the recording of the Grant Deeds conveying the Property and RASA Property from Seller to Buyer.

(h) FOR THE RELEASED MATTERS HEREIN, TO THE FULLEST EXTENT NOT PROHIBITED BY LAW, BUYER HEREBY EXPRESSLY AND SPECIFICALLY WAIVES THE BENEFITS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE ("SECTION 1542") AND ANY SUCCESSOR LAWS. SECTION 1542 PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BUYER ACKNOWLEDGES THAT THIS WAIVER AND RELEASE IS VOLUNTARY AND WITHOUT ANY DURESS OR UNDUE INFLUENCE, AND IS GIVEN AS PART OF THE CONSIDERATION FOR THE AGREEMENTS SET FORTH HEREIN. BUYER EXPRESSLY ACKNOWLEDGES THAT IT MAY HEREAFTER DISCOVER FACTS DIFFERENT FROM OR IN ADDITION TO THOSE, WHICH IT NOW BELIEVES TO BE TRUE WITH RESPECT TO THE RELEASE OF CLAIMS. BUYER AGREES THAT THE FOREGOING RELEASE SHALL BE AND REMAIN EFFECTIVE IN ALL RESPECTS NOTWITHSTANDING SUCH DIFFERENT OR ADDITIONAL FACTS.

BUYER HAS BEEN ADVISED BY ITS LEGAL COUNSEL AND UNDERSTANDS THE SIGNIFICANCE OF THIS WAIVER OF SECTION 1542 RELATING TO UNKNOWN, UNSUSPECTED AND CONCEALED CLAIMS, AND BUYER HEREBY SPECIFICALLY ACKNOWLEDGES THAT BUYER HAS CAREFULLY REVIEWED THIS SUBSECTION AND DISCUSSED ITS IMPORT WITH LEGAL COUNSEL AND THAT THE PROVISIONS OF THIS SUBSECTION ARE A MATERIAL PART OF THIS AGREEMENT. BY ITS INITIALS BELOW, BUYER ACKNOWLEDGES THAT IT FULLY UNDERSTANDS, APPRECIATES AND ACCEPTS ALL OF THE TERMS OF THIS SUBSECTION AND RELEASE.

_____

BUYER'S INITIALS

(i) Buyer hereby represents and warrants to Seller that is has not heretofore assigned or transferred, or purported to transfer, to any person or entity any matter to be released herein or any portion thereof and shall indemnify, defend and hold Seller harmless from and against any and all claims based on or arising out of any such assignment or transfer or purported assignment or transfer.

5. Maintenance of Property and RASA Property and Commitments After Effective Date. From the Effective Date until the Closing Date or earlier termination of this Agreement, Seller shall not: (i) be obligated to undertake any maintenance or repairs of the Property and RASA Property, or (ii) take or authorize any action with regard to the Property and RASA Property, including making any commitments or representations to any third party, including governmental authorities, or adjoining or surrounding property owners except for affiliates of Buyer, but excluding actions necessary to protect the public health, safety or welfare.

6. Escrow and Closing.

(a) **Opening of Escrow.** The escrow ("**Escrow**") shall be deemed opened ("**Opening of Escrow**") on the date that Escrow Holder receives a copy of this Agreement fully executed by Buyer and Seller. Escrow Holder shall promptly notify Buyer and Seller in writing of the date of the Opening of Escrow. Provided as Exhibit 3, which is attached and incorporated herein by reference, are the "**Escrow Instructions**" which Buyer and Seller shall execute and deliver to Escrow Holder. Buyer and Seller agree to execute, deliver and abide by any reasonable or customary supplemental escrow instructions or other instruments reasonably required by Escrow Holder to consummate the transaction contemplated hereby; provided, however, no such instructions or instruments shall conflict with, amend or supersede any portion hereof. If there is any conflict or inconsistency between the terms of such instruments and the terms of this Agreement and the Escrow Instructions, then the terms of this Agreement and the Escrow Instructions shall control.

(b) **The Property Closing.** On the Property Closing Date, all matters to be performed under this Agreement incident to the sale of the Property and the payment of the Purchase Price (collectively, "**Closing**") shall be performed at the offices of Escrow Agent, or other mutually acceptable location agreed to in writing by Buyer and Seller. Notwithstanding anything in this Section 6 to the contrary, the Parties agree to use commercially reasonable efforts to pre-close the transaction contemplated hereby (*i.e.*, sign documents and deliver them into escrow) on the business day immediately preceding the then-scheduled date of Closing. For purposes of this Agreement, the actual Property Closing Date shall be the date that the City Grant Deeds in the forms attached as Exhibit 4 and Exhibit 5 are recorded pursuant to applicable law in Sacramento County, California. Unless changed in writing by the Parties, the Closing shall occur on the Property Closing Date, subject to Buyer's and Seller's rights to extend the Property Closing Date as defined in Exhibit 3 and the rights to terminate this Agreement that are expressly set forth herein.

(c) **The RASA Closing.** On the RASA Closing Date, all matters to be performed under this Agreement incident to the sale of the RASA Property and the payment of the RASA Purchase Price (collectively, "**RASA Closing**") shall be performed at the offices of Escrow Agent, or other mutually acceptable location agreed to in writing by Buyer and Seller. Notwithstanding anything in this Section 6 to the contrary, the Parties agree to use commercially reasonable efforts to pre-close the transaction contemplated hereby (*i.e.*, sign documents and deliver them into escrow) on the business day immediately preceding the then-scheduled date of RASA Closing. For purposes of this Agreement, the actual RASA Closing Date shall be determined by Seller and Buyer in accordance with Section 20 of this Agreement. Unless changed in writing by the Parties, the RASA Closing shall occur on the RASA Closing Date, subject to Buyer's and Seller's rights to extend the RASA Closing Date as defined in Exhibit 3 and the rights to terminate this Agreement that are expressly set forth herein.

(d) **Possession of the Property.** Without limiting the generality of the foregoing, at Closing full possession of the Property is to be delivered to Buyer.

(e) **Possession of the RASA Property.** Without limiting the generality of the foregoing, at RASA Closing full possession of the RASA Property is to be delivered to Buyer.

(f) **Extension.** The Escrow Instructions in the form attached hereto as Exhibit 3 set forth the expected Closing Date. If on the Closing Date, Seller is unable to give title, or to make conveyance, or to deliver possession, all as herein provided, then Seller shall have the right to extend the Closing for a period ("**Seller's Extension Period**") of up to thirty (30) days by giving Buyer written notice of such extension.

7. Independent Consideration. Contemporaneously with the execution and delivery of this Agreement, Buyer has delivered to Seller and Seller hereby acknowledges the receipt of funds in the amount of One Hundred Dollars ($100.00) (the "**Independent Contract Consideration**"), which amount the Parties bargained for and agreed to as consideration for Buyer's right to purchase the Property and RASA Property pursuant to this Agreement and for Seller's execution, delivery and performance of this Agreement. The Independent Contract Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is nonrefundable, and is fully earned and shall be retained by Seller notwithstanding any other provision of this Agreement.

(a) Liquidated Damages. BUYER RECOGNIZES THAT THE PROPERTY AND RASA PROPERTY WILL BE REMOVED BY THE SELLER FROM THE MARKET DURING THE EXISTENCE OF THIS AGREEMENT, AND THAT IF THIS TRANSACTION CONCERNING THE PROPERTY AND RASA PROPERTY IS NOT CONSUMMATED BECAUSE OF BUYER'S DEFAULT, IT WOULD BE EXTREMELY DIFFICULT AND IMPRACTICAL TO ASCERTAIN THE EXTENT OF THE DETRIMENT TO SELLER. THE PARTIES HAVE DETERMINED AND AGREED THAT THE ACTUAL AMOUNT OF DAMAGES THAT WOULD BE SUFFERED BY SELLER AS A RESULT OF ANY SUCH DEFAULT IS DIFFICULT OR IMPRACTICABLE TO DETERMINE AS OF THE DATE OF THIS AGREEMENT AND THAT THE AMOUNT OF THE INDEPENDENT CONTRACT CONSIDERATION PAID BY BUYER IS A REASONABLE ESTIMATE OF THE AMOUNT OF SUCH DAMAGES. FOR THESE REASONS, THE PARTIES AGREE THAT IF THE PURCHASE AND SALE IS NOT CONSUMMATED BECAUSE OF BUYER'S DEFAULT, SELLER SHALL BE ENTITLED TO RETAIN THE INDEPENDENT CONTRACT CONSIDERATION PAID BY BUYER AS LIQUIDATED DAMAGES. SELLER AGREES THAT THESE LIQUIDATED DAMAGES SHALL BE IN LIEU OF ANY OTHER MONETARY RELIEF OR OTHER REMEDY, INCLUDING, WITHOUT LIMITATION, SPECIFIC PERFORMANCE, TO WHICH SELLER MIGHT OTHERWISE BE ENTITLED UNDER THIS AGREEMENT, AT LAW OR IN EQUITY, AND SHALL BE SELLER'S SOLE AND EXCLUSIVE RIGHT AND REMEDY.

Seller's Initials: _____ **Buyer's Initials:** _____

8. **Buyer's Contingencies.** Buyer's obligation to consummate the transaction contemplated hereby are subject to the satisfaction or waiver, on or before the Closing Date and RASA Closing Date of the following conditions precedent (collectively, "**Buyer's Contingencies**"), which are for Buyer's benefit only:

(a) **Title Review.** Seller has caused the Title Company to deliver to Buyer a current preliminary title report(the "**Report**") describing the title to the Property and RASA Property. As part of the joint Escrow Instructions set forth in Exhibit 3, the exceptions which Buyer will permit to remain on title (the "**Permitted Exceptions**") shall be set forth therein. The Permitted Exceptions shall include any lien (or liens) to secure payment of real estate taxes or assessments and all other state, county and local taxes, charges, and bonds (general, special or otherwise), imposed or assessed, which are not yet due or payable and any recorded easement interests held by entities other than City. Buyer shall be satisfied with title to the Property and RASA Property, subject only to the Permitted Exceptions, as reflected in the Report, by the expiration of the Due Diligence Period.

(i) Property Agreements. The Property is currently subject to that certain existing lease with the California Vehicle Foundation. No other agreements exist concerning the Property.

(b) **Inspections and Studies.** Buyer will have investigated the suitability of the Property and RASA Property for Buyer's intended uses. Said investigation may cover, without limitation, budgetary limitations and funding availability, Subdivision Map Act requirements, zoning, availability and cost of providing utilities, sewers and storm drains, topographic studies, and environmental site assessments.

(c) **Representations and Warranties.** All representations and warranties of Seller contained herein shall be materially true and correct as of the Effective Date with the same effect as if those representations and warranties were made at and as of the Closing Date and the RASA Closing Date.

(d) **No Default.** As of the Closing and RASA Closing, Seller shall not be in default in the performance of any material covenant or agreement to be performed by Seller under this Agreement.

(e) **Title Insurance and Possession.** The close of the Escrow and Buyer's obligation to purchase the Property are subject to the following conditions precedent:

(i) The conveyance to Buyer of good and marketable fee title to the Property and RASA Property, as evidenced by a standard form California Land Title Association ("CLTA") title insurance policy in the amount of the Purchase Price and RASA Purchase Price and containing endorsements reasonably required by Buyer ("**Buyer's Title Policy**"), insuring fee simple title, which is free and clear of all liens and encumbrances subject only to the Permitted Exceptions.

(ii) Delivery of possession of the Property and RASA Property to Buyer immediately on Closing and RASA Closing, free and clear of all prior uses and/or

occupancies, and such other matters as Buyer has approved pursuant to the provisions of this Agreement.

9. Seller's Contingencies. At Closing and RASA Closing, the Seller's obligations with respect to the transactions contemplated by this Agreement are subject to the timely satisfaction or waiver of the following conditions precedent ("**Seller's Contingencies**"), which are for Seller's benefit only. If this Agreement is not terminated, then Seller shall be deemed to have waived all of Seller's Contingencies, this Agreement shall remain in full force and effect, and the Closing and RASA Closing shall occur subject to the terms and conditions of this Agreement.

(a) **Representations and Warranties.** All representations and warranties of Buyer contained in this Agreement shall be materially true and correct as of the date made and as of the Closing and RASA Closing with the same effect as if those representations and warranties were made at and as of the Closing and RASA Closing.

(b) **No Default.** As of Closing and RASA Closing, Buyer shall not be in default in the performance of any material covenant or agreement to be performed by Buyer under this Agreement.

10. Seller's Deliveries to Escrow Holder.

(a) **Seller's Delivered Items.** At least one (1) business day before the Property Closing Date, and at least one (1) business day before the RASA Closing Date, Seller shall deposit or cause to be deposited with Escrow Holder the following items, duly executed and, where appropriate, acknowledged ("**Seller's Delivered Items**"):

(i) Deeds. The City to Buyer Grant Deeds in the forms attached as Exhibit 4, and Exhibit 5 and the RASA to Buyer Grant Deed in the form attached as Exhibit 6. The title transferred hereunder shall be subject to all real property taxes and assessments and all other state, county and local taxes, charges, and bonds (general, special or otherwise), imposed or assessed, which are not yet due and payable as of the Property Closing Date and the RASA Closing Date, matters ascertainable by a reasonable inspection and survey of the Property and RASA Property, and the Permitted Exceptions as described herein and in Exhibit 3.

(ii) Title Affidavit. A customary "seller's affidavit" as may reasonably be required by Title Company in connection with issuance of Buyer's Title Policy with elimination of certain pre-printed exceptions.

(iii) Release of Finance Lease. The proof of the release of Finance Lease in form required by Title Company in connection with the release of the Property from the City's Master Finance Lease.

(iv) General Assignment and Bill of Sale. The General Assignment and Bill of Sale in the form attached hereto as Exhibit 2.

(v) Memorandum of Option to Purchase. The Memorandum of Option to Purchase in the form attached hereto as Exhibit 10.

(vi) Further Documents or Items. Any other documents or items reasonably required to close the transactions contemplated herein.

(b) **Failure to Deliver.** If Seller shall default in its obligation to deliver any of the Seller's delivered items and Seller's counterparts to the jointly delivered items into Escrow timely in accordance with the terms hereof, then Buyer shall be entitled to pursue any and all rights available to Buyer hereunder, at law or in equity, to enforce the performance of this Agreement.

11. Buyer's Deliveries to Escrow.

(a) **Buyer's Delivered Items.** At least one (1) business day before the Closing Date, Buyer shall deposit or cause to be deposited with Escrow Holder the following ("**Buyer's Delivered Items**"):

(i) Funds. The Purchase Price and RASA Purchase Price as defined in Section 1 of this Agreement, plus Buyer's share of closing costs and charges (as defined in Section 13 below) and Buyer's share of prorations set forth on the Proration and Expense Schedule (as defined in Section 14 below).

(ii) Preliminary Change of Ownership Report. A Preliminary Change of Ownership Report fully completed by Buyer (the "**Preliminary Change of Ownership Report**").

(iii) Authority. Such proof of Buyer's authority and authorization to enter into this Agreement, on the part of each individual or entity comprising Buyer, and to consummate the transaction contemplated hereby as may be reasonably requested by Seller or Title Company.

(iv) Irrevocable Offer of Dedication. The Irrevocable Offer of Dedication, in the form attached as Exhibit 8.

(v) Further Documents or Items. Any other documents or items reasonably required to close the transaction contemplated by this Agreement.

(b) **Failure to Deliver.** If Buyer shall default in its obligation to deliver any of the Buyer's delivered items and Buyer's counterparts to the jointly delivered items into Escrow timely in accordance with the terms hereof, then Seller shall be entitled to pursue any and all rights available to Seller hereunder, at law or in equity.

12. Joint Deposits Into Escrow. On or before one (1) business day before the Closing Date, Seller and Buyer shall execute, acknowledge where required, complete required insertions, and jointly deposit into Escrow two (2) original counterparts of the following documents:

(a) **General Assignment and Bill of Sale.** General Assignment and Bill of Sale in the form attached hereto as Exhibit 2.

(b) **Closing Statement.** Closing Statement in a form reasonably acceptable to Buyer and Seller showing the allocation of Buyer's Costs, Seller's Costs, General Expenses as described in Section 13, Prorations as defined in Section 14, and disbursements to be made by Escrow Holder.

13. Costs and Expenses. Should Buyer terminate this Agreement, Buyer will be responsible for any escrow costs incurred by Escrow Holder. Should Seller terminate this Agreement, then Seller shall be responsible for any escrow costs incurred by Escrow Holder.

(a) **Seller's Costs.** If the transactions contemplated hereby are consummated, then Seller shall bear the following costs and expenses at Property Closing and at RASA Closing: (i) Seller's share of prorations; (ii) the cost of recording all releases and other documents required to remove all monetary liens, if any, as well as the cost of removing the Financing Lease, that are recorded against the Property and RASA Property (collectively, "**Seller's Costs**").

(b) **Buyer's Costs.** If the transactions contemplated by this Agreement are consummated, then at the Property Closing and at the RASA Closing Buyer shall bear the following costs and expenses: (i) the premium for a CLTA standard coverage owner's title policy and any endorsements being paid by Buyer; (ii) the full cost of the Escrow Holder's fee, (iii) Buyer's share of prorations; and (iii) the cost of all of the document recording fees and (iv) all County and City documentary transfer taxes, if required (collectively, "**Buyer's Costs**").

(c) **General Expenses.** Buyer and Seller shall pay, respectively, Escrow Holder's customary and reasonable charges to buyers and sellers for document drafting and miscellaneous charges. If, through no fault of either Buyer or Seller, Escrow fails to close, Buyer and Seller shall share equally all of Escrow Holder's fees and charges; however, if the Property Closing or the RASA Closing fail to close as the result of the default of either Party, then such defaulting party shall bear the related Escrow Holder's fees and expenses. Each Party shall bear the costs of its own attorneys and consultants in connection with the negotiation and preparation hereof and the consummation of the transactions contemplated hereby. All other costs and expenses shall be allocated between Buyer and Seller in accordance with the customary practice in Sacramento County, California. The items provided in this subsection (c) are hereinafter referred to as "**General Expenses**."

14. Prorations. Income (if any) and expenses relating to the closing of the Property and RASA Property will be prorated as of 11:59 p.m. on the day immediately preceding the Property Closing Date and the RASA Closing Date. Prorations shall be governed by the provisions of this Section 14. Not less than three (3) business days before the Property Closing Date and the RASA Closing Date, respectively, Escrow Holder shall deliver to Buyer and Seller a tentative schedule of prorations ("**Proration and Expense Schedule**") for Buyer's and Seller's respective approval. If any prorations made under this Section 14 shall require final adjustment after Closing and RASA Closing, then the Parties shall make the appropriate adjustments promptly when accurate information becomes available and either Party hereto shall be entitled to an adjustment to correct the same. To

the extent any adjustment exceeds $250.00, any corrected or adjustment proration shall be paid promptly in cash to the Party entitled thereto.

(a) **Property Taxes.** All general and special real and personal property and ad valorem taxes, assessments and all other state, county and local taxes, charges, and bonds (general, special or otherwise), imposed or assessed, if any, whether payable in installments or not, including, without limitation, all supplemental taxes attributable to the period prior to the Property Closing Date or the RASA Closing Date for the calendar year in which the Closing and the RASA Closing occurs, shall be prorated to the Property Closing Date or the RASA Closing Date, based on the latest available tax rate and assessed valuation.

(b) **Utility Charges and Service Contracts.** Seller shall make arrangements with the utility companies to terminate such utility services as of the date of the Property Closing Date or the RASA Closing Date and shall be responsible for the payment of all final bills (relating to the period up to the Property Closing Date or RASA Closing Date) issued after the Closing and RASA Closing upon receipt of the final bills. All utility charges and payments required under service contracts which are not terminated prior to the Property Closing Date or RASA Closing Date shall be prorated as of the Property Closing Date or the RASA Closing Date and Buyer shall obtain a final billing thereafter. All utility security deposits, if any, shall be retained by Seller. After Closing and RASA Closing, all costs associated with any changes to any utility systems and services and the costs of resuming such utility systems and services for the Property and RASA Property for the period after Closing and RASA Closing shall be the full responsibility of Buyer. The preceding sentence shall survive Closing and RASA Closing.

15. **Closing Procedure.** When Title Company is ready to issue the Buyer's Title Policy and all required documents and funds have been deposited with Escrow Holder, Escrow Holder shall immediately close Escrow with respect to the Property Closing and the RASA Closing in the manner and order provided below.

(a) **Date; Counterparts.** Escrow Holder shall date all instruments as of the date of the Closing and RASA Closing (if not dated), and combine all counterparts of instruments delivered to Escrow Holder in counterparts.

(b) **Document Recordation.** Escrow Holder shall record the Grant Deeds, the Irrevocable Offer of Dedication and all other recordable instruments that are part of the Property Closing and subsequently record the Grant Deed and all other recordable instruments that are part of the RASA Closing in the Official Records of the Sacramento County Recorder's Office (the "**Official Records**").

(c) **Preliminary Change of Ownership Report.** Escrow Holder shall submit the Preliminary Change of Ownership Report to the Recorder's Office concurrently with the submission of the Deeds for recordation.

(d) **Notification; Disburse Funds.** Escrow Holder shall provide telephonic notice to Buyer and Seller (and their respective counsel) that the Closing and RASA Closing has occurred, deliver final Closing Statement delivered into Escrow in accordance with Section 16 hereof to each Party by facsimile, and disburse funds. In disbursing funds,

Escrow Holder shall debit or credit (as provided herein) all Buyer's Costs, Seller's Costs; prorate all matters based upon the agreed upon Proration and Expense Schedule; deliver the balance of the Purchase Price and RASA Purchase Prie for the Property and RASA Property to Seller; and disburse the remaining funds, if any, to Buyer.

(e) **Title Policy.** Escrow Holder shall cause Title Company to issue the Buyer's Title Policy to Buyer in accordance with the Escrow Instructions set out in Exhibit 3.

(f) **Informational Reports.** Escrow Holder shall file any information reports required by Internal Revenue Code Section 6045(e), as amended.

16. Post-Closing Instructions. Promptly after the Closing and RASA Closing, Escrow Holder shall deliver the following instruments:

To Seller.

(i) One (1) conformed copy of each of the recorded City to Buyer Grant Deeds and the RASA to Buyer Grant Deed;

(ii) One (1) copy of the recorded Irrevocable Offer of Dedication;

(iii) One (1) fully-executed original of the General Assignment;

(iv) One (1) fully executed original each of the Preliminary Change of Ownership Report, the Documentary Transfer Tax Statement, and the final Closing Statement.

(v) One (1) conformed copy of the recorded Memorandum of Option to Purchase.

To Buyer.

(i) One (1) conformed copy of each of the recorded City to Buyer Grant Deeds and the RASA to Buyer Grant Deed;

(ii) One (1) copy of the fully-executed General Assignment;

(iii) One (1) copy each of the Preliminary Change of Ownership, the Documentary Transfer Tax Statement, and the final Closing Statement.

(iv) One (1) conformed copy of the recorded Irrevocable Offer of Dedication.

(v) One (1) conformed copy of the recorded Memorandum of Option to Purchase.

To Counsel. Copies of all documents delivered to Buyer and Seller following the Closing and RASA Closing.

17. Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Property and RASA Property, Seller makes the following representations and warranties as of the Effective Date and as of the Property Closing Date and RASA Closing Date. By execution hereof, Buyer acknowledges and agrees that, with the exception of those representations and warranties set forth herein, Seller has not made, does not make, and specifically negates and disclaims any representations or warranties of any kind or character whatsoever, whether express or implied, oral or written, past or present (relative to the execution of this Agreement), with regard in any way to the transactions described herein, each of which is material and is being relied upon by Buyer and the truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder.

No person acting on behalf of Seller is authorized to make any representations or warranties of any kind or character whatsoever, with the exception of those representations and warranties set forth herein, whether express or implied, oral or written, past, present or future, with regard to the Property and RASA Property, including without limitation: (i) its value; (ii) its nature, condition or quality (including, without limitation, its water, soil and geology); (iii) its compliance with any laws, rules, ordinances or regulations of any applicable governmental authority or body; (iv) its suitability for activities which Buyer may desire to conduct thereon; (v) its suitability for the development, remodeling or improvements desired by Buyer, or the ability of Buyer to develop, remodel or improve the Property and RASA Property; (vi) the income to be derived from the Property and RASA Property; (vii) the habitability, merchantability, profitability, or fitness for a particular purpose of the Property and RASA Property; (viii) the environmental condition of the Property and RASA Property; and (ix) the manner quality, state of repair or lack of repair of any improvements on the Property and RASA Property.

Without limiting the foregoing limitations, and in consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Property and RASA Property, Seller makes the following representations and warranties as of the Effective Date and as of the Closing and RASA Closing, each of which is material and is being relied upon by Buyer, and the truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder.

(a) **Power.** Seller has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby.

(b) **Requisite Action.** All requisite action (including, without limitation, approval by the Sacramento City Council and all other pertinent review and approval or otherwise) has been taken by the Seller in connection with entering into this Agreement as of the Effective Date, entering into the instruments referenced herein, and to consummate the transactions contemplated by this Agreement. No additional consent of any individual, officer, director, shareholder, partner, member, manager, trustee, trustor, beneficiary, creditor, investor, judicial or administrative body, governmental authority or other party is required for Seller to execute this Agreement and the instruments referenced herein or to consummate the transactions contemplated hereby.

(c) **Individual Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Seller have the legal power, right and actual authority to bind Seller to the terms and conditions hereof and thereof.

(d) **No Conflict.** Neither the execution nor delivery of this Agreement or the documents or instruments referenced herein, nor incurring the obligations set forth herein, nor the consummation of the transactions contemplated herein, nor compliance with the terms hereof or the documents or instruments referenced herein or therein conflict with or will result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, lease or other agreement or instrument to which Seller is a party or that affects the Property and RASA Property.

(e) **Third Party Notices and Consents.** The assignment of the Personal Property as set forth in the General Assignment does not require notice to or the consent of any governmental entity or private party.

(f) **Specifically Designated National and Blocked Persons.** Seller (i) is not listed in the Annex to, or otherwise subject to the provisions of United States Presidential Executive Order 13224 issued on September 24, 2001 ("Executive Order"); (ii) does not have its name on the U.S. Department of the Treasury, Office of Foreign Assets Control's ("OFAC") most current list of "Specifically Designated National and Blocked Persons"; and (iii) is not otherwise affiliated with an entity or person listed above. This provision shall survive Closing.

(g) **Hazardous Materials.** Seller has made a good faith effort to find any and all information which Seller has in its possession regarding the potential presence and location of asbestos, PCB transformers, other toxic, hazardous or contaminated substances ("Hazardous Materials" as defined in Section 4), and underground storage tanks in, on or about the Property and RASA Property, and discloses to Buyer that to the best of its knowledge no such information exists. Buyer has obtained an asbestos inspection of the Property and RASA Property, which confirmed that such Hazardous Material exists within the building on the Property. Additionally, Seller has not received any notice from the United States Environmental Protection Agency or any other federal, state, county or municipal entity or agency that regulates Hazardous Materials or public health risks or other environmental matters or any other private party or person claiming any violation of, or requiring compliance with, any Environmental Laws or demanding payment or contribution for any Hazardous Materials in, on, under, upon or affecting the Property and RASA Property. Seller represents and warrants that to the best of its knowledge, there is no proceeding or inquiry by any governmental authority (including, without limitation, the State of California Department of Toxic Substances Control and the Sacramento County Environmental Management Agency) with respect to the presence of such Hazardous Materials on or under the Property and RASA Property. However, Seller does not warrant that the prior occupants of the building on the Property, including the City, did not release Hazardous Materials and due to the age of the building on the Property, it may also contain lead based paint.

(h) **Natural Hazards Disclosures.** Seller makes no representation or warranty with regard to disclosures required under the following statutes. As of the Closing and RASA Closing, to the extent permitted by law, Buyer shall be deemed to have knowingly, voluntarily and intentionally waived the right to the disclosures ("**Natural Hazards Disclosures**") set forth in: (i) California Government Code Section 8589.3 (a special flood area); (ii) California Government Code Section 8589.4 (dam failure inundation area); (iii) California Government Code Section 51183.5 (high fire hazard severity zone); (iv) California Public Resources Code Section 2621.9 (seismic hazard zone); (v) California Public Resources Code Section 4136 (wildland fire area); and (vi) California Public Resources Code Section 2694 (seismic hazard zone). This waiver by Buyer includes, to the extent permitted by law, any remedies Buyer may have for Seller's nondisclosure of the Natural Hazards Disclosures. At its sole discretion and expense, Buyer may elect to engage a consulting firm to conduct a natural hazards audit to ascertain whether or not the Property and RASA Property is subject to any natural hazards.

(i) **Third Party Payments**. To Seller's actual knowledge, all bills and claims for labor performed or materials furnished to or for the benefit of the Property and RASA Property for all periods of time prior to the Closing and RASA Closing have been paid in full and there are no mechanics' or materialmen's liens (whether or not perfected) on or affecting the Property and RASA Property.

(j) **Liens**. There is no lien or debt of any kind encumbering the Property and RASA Property that would need to be assumed by Buyer.

(k) **Defaults**. Seller is not in default under any contracts, leases, agreements, easements or any other documents or instruments relating to or affecting this Agreement or the Property and RASA Property.

(l) **Lawsuits**. To the best of Seller's knowledge, there is no pending or threatened suit, claim, action or arbitration, or legal, administrative, or other proceeding or governmental investigation, formal or informal, including but not limited to personal injury, eminent domain, condemnation, or any judgment, or moratorium which affects the Property and RASA Property or Buyer's anticipated development of the Property and RASA Property.

18. <u>Buyer's Representations and Warranties</u>. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property and RASA Property, Buyer makes the following representations and warranties as of the date hereof and at and as of the Closing and RASA Closing. By execution hereof, Seller acknowledges and agrees that, with the exception of those representations and warranties set forth herein, Buyer has not made, does not make, and specifically negates and disclaims any representations or warranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future (relative to the execution of this Agreement), with regard in any way to the transactions described herein. Each of the following Buyer representations and warranties each of which is material and is being relied upon by Seller, and the truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder.

(a) **Power.** Buyer's legal entity is in good standing with the Secretary of the State of California and Buyer has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby.

(b) **Requisite Action.** All requisite action (corporate, partnership, trust or otherwise) has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein, and consummating the transactions contemplated hereby. No additional consent of any individual, officer, director, shareholder, partner, member, manager, trustee, trustor, beneficiary, creditor, investor, judicial or administrative body, governmental authority or other party is required for Buyer to execute this Agreement and the instruments referenced herein or to consummate the transactions contemplated hereby.

(c) **Individual Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Buyer have the legal power, right and actual authority to bind Buyer to the terms and conditions hereof and thereof.

(d) **No Conflict.** Neither the execution nor the delivery hereof and the documents and instruments referenced herein, nor incurring the obligations set forth herein, nor the consummation of the transactions contemplated herein, nor compliance with the terms hereof and the documents and instruments referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreement or instrument to which Buyer is a party.

18.1 Remedies Upon Seller's Default. If Seller fails to perform its obligations for the Closing of the Property and the RASA Closing of the RASA Property as contemplated hereby in a timely manner because of a default by Seller (and Buyer is not in default hereunder), then Buyer may (i) terminate this Agreement by delivery of written notice to Seller and Escrow Holder, or (ii) purchase the Property (or if necessary, seek specific performance hereof) provided that Seller shall be provided ten (10) business days to cure such default.

18.2 Remedies Upon Buyer's Default. If Buyer fails to perform its obligations for the Closing and RASA Closing as contemplated herein because of a Buyer default, then the Seller may terminate this Agreement by delivery of written notice to Buyer and Escrow Holder, provided that Buyer shall be provided ten (10) business days to cure such default.

19. <u>General Provisions.</u>

(a) **Damage to Property and RASA Property.** If, prior to Closing and RASA Closing, all or any portion of the Property and RASA Property to be conveyed is damaged by earthquake, flood, fire or other casualty (collectively "**Damage**"), Seller shall immediately notify Buyer of such Damage. If such Damage is material, then Buyer may terminate this Agreement upon written notice to Seller and the Parties shall have no further obligations hereunder. Damage is considered material for the purposes of this paragraph if the cost to remedy such Damage to the Property and RASA Property, in Buyer's reasonable judgment,

would exceed the sum of Ten Thousand Dollars ($10,000). If the Damage is not material, then Buyer shall nonetheless proceed with the Closing and RASA Closing and take the Property and RASA Property with such Damage.

(b) **Condemnation.** If (i) prior to the Closing and RASA Closing any portion of the Property and RASA Property not previously conveyed to Buyer shall be taken or appropriated by a public or quasi-public authority exercising the power of eminent domain, (ii) prior to the Closing and RASA Closing there is any taking of land lying in the bed of any street, road, highway or avenue, open or proposed, in front of or adjoining all or any part of the Property and RASA Property not previously conveyed to Buyer, or (iii) prior to the Closing and RASA Closing there is any change of grade of such street, road, highway or avenue, then Buyer shall proceed with the purchase of the Property and RASA Property and receive all of the award or payment made in connection with such taking, providing such taking is not for a material portion of the Property and RASA Property as reasonably determined by Buyer. If such taking would be for a material portion of the Property and RASA Property, then Buyer, at its election, may terminate this Agreement and the Parties will have no further obligations hereunder. If Buyer does not elect to terminate this Agreement, then this Agreement shall remain in full force and effect, and Buyer shall proceed with the purchase of the Property and RASA Property and receive the award or payment made in connection with such taking.

(c) **Notices.** All notices, demands, requests or other communications required or permitted hereunder (collectively, "**Notices**") shall be in writing, shall be addressed to the receiving party, with a copy to such party's counsel, if any, as provided in Section 1, the "**Defined Terms**", and shall be personally delivered, sent by overnight mail (FedEx® or another carrier that provides receipts for all deliveries), or sent by certified mail, postage prepaid, return receipt requested. All Notices shall be effective upon receipt at the appropriate address. Notice of change of address shall be given by written notice in the manner detailed in this Section for the giving of notices. Rejection or other refusal to accept or the inability to deliver due to changed address of which no Notice in accordance with this Section was given shall be deemed to constitute receipt of such Notice. The providing of copies of Notices to the parties' respective counsels is for information only, is not required for valid Notice, and does not alone constitute Notice hereunder. Buyer and Seller agree that Notices may be given hereunder by the parties' respective counsel, and that, if any communication is to be given hereunder by Buyer's or Seller's counsel, such counsel may communicate directly with all principals as required to comply with the provisions of this Section.

(d) **Brokers.** Each Party hereto hereby represents and warrants to the other that it has dealt with no broker or finder in connection with these transactions. Each Party hereto agrees to indemnify, defend and hold harmless the other Party from and against any and all losses, liens, claims, judgments, liabilities, costs, expenses or damages (including, without limitation, reasonable attorneys' fees and court costs) of any kind or character arising out of or resulting from any agreement, arrangement or understanding alleged to have been made by such party or on its behalf with any broker or finder in connection herewith or transaction contemplated hereby. The foregoing indemnity shall survive both the Closing or the termination hereof.

(e) **Assignment.** This Agreement may not be assigned without the other Party's consent; provided, however that Buyer may assign this Agreement to an entity formed by Buyer and wholly owned by Buyer.

(f) **Survival.** All covenants, representations, warranties, releases, waivers and indemnities set forth herein shall, as of the Property Closing Date and the RASA Closing Date, merge with the Closing and RASA Closing upon the acceptance and recording of the City Grant Deeds to Buyer and the RASA Grant Deed to Buyer. Notwithstanding the aforementioned, the provisions of this Agreement which expressly survive Closing and RASA Closing shall so survive.

(g) **Cooperation.** Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be reasonably required in order to consummate the purchases and sales herein contemplated and shall use all reasonable efforts to accomplish the Closing and RASA Closing in accordance with the provisions hereof. Additionally, Seller hereby grants a right of entry to Buyer as may be reasonably required for the Buyer to undertake its inspections of the Property and RASA Property.

(h) **Computation of Time Periods.** Time is of the essence of every provision herein contained. All references herein to a particular time of day shall be deemed to refer to Sacramento, California time. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which said period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period shall be deemed to run until 5:00 p.m. of the next day that is not a Saturday, Sunday, or legal holiday. The term "business day" as used herein shall mean each day other than a Saturday, Sunday, or legal holiday. Except as otherwise expressly provided herein, all time periods expiring on a specified date or period herein shall be deemed to expire at 5:00 p.m. on such specified date or period.

(i) **Counterparts; Facsimile Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. A facsimile signature shall be deemed an original signature.

(j) **Captions.** Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

(k) **No Obligations to Third Parties.** Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties to this Agreement to, any person or entity other than the Parties hereto.

(l) **Exhibits and Schedules; Section References.** The exhibits and schedules attached hereto are incorporated herein by this reference for all purposes. References to numbered sections are references to sections of this Agreement unless otherwise indicated.

(m) **Amendment to this Agreement.** The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the Parties hereto.

(n) **Waiver.** The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

(o) **Applicable Law.** The Agreement was made in and is to be performed entirely within the State of California, and its interpretation, its construction and the remedies for its enforcement or breach are to be applied pursuant to, and in accordance with, the laws of the State of California for contracts made and to be performed therein.

(p) **Entire Agreement.** This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between, and the final expression of, Buyer and Seller with respect to the subject matter hereof. No subsequent agreement, representation or promise made by either Party hereto, or by or to an employee, officer, agent or representative of either party hereto shall be of any effect unless it is in writing and executed by the Party to be bound thereby.

(q) **Construction.** The Parties hereby acknowledge and agree that (i) each Party hereto is of equal bargaining strength; (ii) each Party has actively participated in the drafting, preparation and negotiation of this Agreement; (iii) each Party has consulted with such Party's own independent counsel and such other professional advisors as such Party has deemed appropriate, relating to any and all matters contemplated under this Agreement; (iv) each Party and such Party's counsel and advisors have reviewed this Agreement; (v) each Party has agreed to enter into this Agreement following such review and the rendering of such advice; and (vi) any rule of construction to the effect that ambiguities are to be resolved against the drafting parties shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

(r) **Possession.** Possession of the Property and RASA Property shall be delivered to Buyer on the Property Closing Date and the RASA Closing Date.

(s) **No Transfers.** Seller shall not, without Buyer's prior written approval: (i) sell, encumber or transfer any interest in all or any portion of the Property and RASA Property between the Effective Date and the Property Closing Date and RASA Closing Date; (ii) take any action that would adversely affect title to the Property and RASA Property after the Property Closing Date and RASA Closing Date; or (iii) enter into any other agreement of any type affecting the Property and RASA Property that would survive the Property Closing Date and RASA Closing Date.

20. **Purchase of RASA Property.** The RASA Property is currently owned by the City of Sacramento Redevelopment Agency Successor Agency (RASA). Seller and Buyer both acknowledge that it is the intention of the Buyer to purchase the RASA Property for the RASA Purchase Price. Buyer further acknowledges that purchase of the RASA Property is contingent upon approval of the sale of the RASA Property to Buyer by the Oversight Board of RASA ("**Oversight Board**") and the State of California Department of

Finance ("**DOF**"). Seller agrees to request such approval from the Oversight Board and the DOF. Upon receiving approval from the Oversight Board and the DOF of sale of RASA Property, Seller shall immediately notify Buyer and Escrow Holder, and Seller and Buyer shall notify Escrow Holder of the RASA Closing Date. The RASA Closing Date shall be thirty (30) days after Seller gives written notice to Buyer and Escrow Holder that the sale of the RASA Property has been approved by the Oversight Board and DOF. If either the Oversight Board or DOF do not issue approval of the sale of the RASA Property to Buyer, then Seller and Buyer agree to mutually terminate those portions of this Agreement applicable to the sale of the RASA Property.

[Signatures begin on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first written above.

ASSIGNEE:
California Vehicle Foundation,
A California Non-Profit Corporation

By: _____
Joe Hensler
Title: President

Dated: 4-22-15

By: _____
Karen McClaflin
Title: Executive Director

Dated: 4-22-15

ASSIGNOR:
CITY OF SACRAMENTO,
a municipal corporation

By: _____
John F. Shirey, City Manager

Dated: _____

APPROVED AS TO FORM:

BY: _____
Senior Deputy City Attorney

ATTEST:

By: _____
Assistant City Clerk

EXHIBIT 1-A

Legal Description of the Property

(Insert descriptions of APN 009-0012-005 and a portion of APN 009-0012-075)

All that real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:

All of Parcel 2 as shown on the *"Parcel Map of Block 10 and Portions of Block 9, 12, 13, & 14 of Brannan's Addition (1 B.M. 13)and a Portion of the Blocks Bounded by Front and 2nd, 'U' and 'W' Streets of the City of Sacramento According to the Official Plat Thereof"* in Book 145 of Parcel Maps, Page 3 filed in the office of the Recorder in the County of Sacramento.

APN 009-0012-005

EXHIBIT "A-1"
LEGAL DESCRIPTION

All that certain real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:

A Portion of Parcel 1 shown on the "Parcel Map of Block 10 and Portions of Block 9, 12, 13, & 14 of Brannan's Addition in Book 1 of Maps, Page 13 and a Portion of the Blocks Bounded by Front and 2nd, 'U' and 'W' Street of the City of Sacramento According to the Official Plat Thereof" in Book 145 of Parcel Maps, Page 3 filed in the office of the Recorder in the County of Sacramento described as follows:

Beginning at a point on the northeast corner of said Parcel 1 marked by a 1 ½ inch iron pipe with tag "LS 3185"; thence from said **Point of Beginning** along the east line of said Parcel 1, being also the west line of Front Street to the northeast corner of Parcel 2 as shown on said Parcel Map marked by a 1 ½ inch iron pipe with tag "LS 3185", South 18°26'41" West, 280.18 feet; thence along the north line of said Parcel 2 to the northwest corner of said Parcel 2, North 71°31'08" West, 268.55 feet; thence along the northerly projection of the westerly line of said Parcel 2 to the northerly line of said Parcel 1, North 18°28'51" East, 280.14 feet; thence along said northerly line South 71°31'38" East, 268.37 feet to the **Point of Beginning**, containing 75,211 square feet, more or less.

RESERVING therefrom to the CITY OF SACRAMENTO, a municipal corporation an easement for ingress and egress over and across all of the above described Portion of Parcel 1, containing 75,211 square feet, more or less.

EXHIBIT 1-B

Legal Description of the RASA Property

(Insert description of APN 009-012-068)

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

A portion of that certain parcel of land in "Brannan's Addition to the City of Sacramento", as per the official plat thereof, recorded in Book 1 of Maps, Map No. 13, records of said County, which parcel was acquired by the State of California by Deed recorded in Volume 5254 at Page 426, Official Records of Sacramento County.

Said portion is all that part thereof described as follows:

BEGINNING at the Northwesterly corner of said parcel; thence (1) along the Westerly line of said parcel South 18°28'06" West 126.38 feet to a point distant 229.52 feet Northeasterly, measured radially from the "C1" line at Engineer's Station "C1" 21+32.94 P.O.C. of the Department of Public Works' Survey on Road 03-Sac-80, Post Mile 0.0/2.5; thence (2) leaving said Westerly line South 88°12'09" East 269.03 feet; thence (3) from a tangent that bears North 35°34'34" East along a curve to the left with a radius of 470.00 feet, through an angle of 6°14'44", a length of 51.23 feet to the point in the Northerly line of said parcel; thence (4) along said Northerly line North 71°38'04" West 270.10 feet to the point of beginning.

APN: 009-0012-068-0000

EXHIBIT 2

GENERAL ASSIGNMENT AND BILL OF SALE

THIS GENERAL ASSIGNMENT AND BILL OF SALE (this "**Assignment**") is made and dated as of _____, 2015 (the "**Effective Date**"), by the City of Sacramento, a municipal corporation, ("**Assignor**"), in favor of the California Vehicle Foundation, Inc., a California non-profit corporation ("**Assignee**").

RECITALS

Assignor is the owner of that certain real property located in the County of Sacramento, State of California, more particularly described on **Exhibit A** attached hereto and incorporated herein by this reference (together with all improvements thereon, the "**Real Property**"). Assignor and Assignee are parties to that certain Purchase and Sale Agreement and Joint Escrow Instructions dated _____, 2015 (the "**Purchase Agreement**"). Concurrently herewith, Assignor is conveying to Assignee all of Assignor's interest in the Real Property pursuant to grant deeds.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. ASSIGNMENT. Assignor hereby grants, assigns, transfers, conveys, and delivers to Assignee and Assignee hereby assumes all of Assignor's right, title, and interest in and to the following described property to the extent it relates solely to the Real Property (collectively, the "**Personal Property**"):

(a) ***Tangible Personal Property***. All tangible personal property that is owned by Assignor, including, but not limited to, inventory, furniture, fixtures, equipment, machinery, appliances, fittings, and other removable or tangible articles of personal property of every kind and nature that are owned by Assignor and is or was used exclusively in the operation of the Real Property, including, without limitation, (i) furnishings, furniture, and equipment, (ii) art work and other decorative items, (iii) built-in appliances, (iv) office furniture and equipment, and all plans, specifications, drawings prepared for the construction of improvements on the Real Property. The Tangible Personal Property is in a used condition, and Assignor makes no representations or warranties, express, implied or statutory, as to the condition or state of repair of the Tangible Personal Property, including warranties of fitness or merchantability, it being expressly understood that the Tangible Personal Property is being sold to Assignee in its present "as is, where is" condition and with all faults. All such Tangible Personal Property is being transferred with the Real Property, and Assignor has no obligation to remove such Tangible Personal Property.

(b) ***Contracts***. All contracts listed below and attached hereto and incorporated herein (collectively, the "**Contracts**"):

None

(c) ***Entitlements***. All rights, entitlements and/or approvals to develop the Real Property which have been or may hereafter be granted by governmental bodies having

jurisdiction or authority over the Real Property, and any certificates evidencing compliance therewith, including, without limitation, all variances, conditional use permits, special permits, exceptions, rezonings, general plan amendments, parcel maps, tentative maps, development agreements, permits, licenses, applications, any other governmental approvals and consents (if any) relating to the Real Property.

2. GENERAL.

(b) ***Successors and Assigns.*** This Assignment shall be binding on the parties hereto and shall inure to the benefit of their respective heirs, successors, and assigns.

(c) ***Governing Law.*** The Assignment was made in and is to be performed entirely within the State of California, and its interpretation, its construction and the remedies for its enforcement or breach are to be applied pursuant to, and in accordance with, the laws of the State of California for contracts made and to be performed therein.

(SIGNATURES ON NEXT PAGE)

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first written above.

ASSIGNEE:
California Vehicle Foundation,
A California Non-Profit Corporation

By: _____
Joe Hensler
Title: President

Dated:_____

By: _____
Karen McClaflin
Title: Executive Director

Dated:_____

ASSIGNOR:
CITY OF SACRAMENTO,
a municipal corporation

By:_____
John F. Shirey, City Manager

Dated:_____

APPROVED AS TO FORM:

BY: _____
Senior Deputy City Attorney

ATTEST:

By:_____
Assistant City Clerk

EXHIBIT 3

ESCROW INSTRUCTIONS

_____, 2015

Fidelity National Title Company
Commercial & Industrial Division
1375 Exposition Blvd., Suite 240
Sacramento, CA 95815
Attention: Paul Avila
PAvila@fnf.com

Re: Conveyance of that certain real property located at 2200 Front Street in the City and County of Sacramento, State of California (the "Property"). Your Escrow No. 12-5014064-A-CD (the "Escrow").

Dear Mr. Avila:

This letter constitutes the joint escrow instructions of the City of Sacramento, a municipal corporation, City of Sacramento Redevelopment Agency Successor Agency ("**City**" or "**Seller**") and the California Vehicle Foundation, Inc., a California non-profit corporation ("**Buyer**") to Fidelity National Title Company (alternatively referred to herein as "**Escrow Holder**" or "**Title Company**"), with respect to the transfer of that certain real property located in the City and County of Sacramento, State of California, as described in Exhibit 1-A (the "**Property**") and in Exhibit 1-B (the "**RASA Property**") of the Purchase Agreement (as hereinafter defined), a copy of which is attached.

The Purchase Agreement.

These Escrow Instructions relate to that certain Purchase and Sale Agreement, dated as of _____, 2015 (the **"Purchase Agreement"**), by and between the Seller and Buyer. Capitalized terms not defined herein shall have the meaning ascribed to them in the Purchase Agreement. The transfer of the Property and RASA Property is to be consummated through the Escrow.

I. The Transaction.

Fee simple, free and clear title to the Property and RASA Property shall be conveyed directly to Buyer from Seller by Grant Deeds (the "**Grant Deeds**").

A. In consideration of the obligations and covenants of Buyer set forth in the Purchase Agreement, Buyer shall pay to Seller at Closing the amount of One Hundred Dollars ($100.00) (the "**Purchase Price**") for the Property and Buyer shall pay to Seller at RASA Closing the amount of Sixty-five Thousnd Six Hundred Dollars ($65,600.00) for the RASA Property (the "**RASA Purchase Price**").

II. Instructions.

A. Documents to Be Received in Escrow: Prior to and as a condition of closing the Escrow, you shall confirm receipt of the following documents, which may be executed in counterparts:

1. One (1) original Grant Deed for APN 009-0012-005 in favor of Buyer (executed and acknowledged by Seller);

2. One (1) original Grant Deed for APN 009-0012-075 (portion) in favor of Buyer (executed and acknowledged by Seller);

3. One (1) original Grand Deed for APN 009-0012-068 in favor of Buyer (executed and acknowledged by Seller acting on behalf of the RASA);

4. One (1) original Irrevocable Offer of Dedication (executed and acknowledged by Buyer);

5. One (1) original Memorandum of Option to Purchase (executed by Buyer and Seller)

6. One (1) original General Assignment and Bill of Sale (executed by Buyer and Seller) (the "**General Assignment**");

7. One (1) Form 1099-S, executed by Buyer (the "**1099**");

8. Such additional documents as may be required by you to establish to your satisfaction the authority of Buyer, Seller, and any persons signing documents on their behalf to complete this transaction.

B. Funds to Be Received in Escrow: Prior to and as a condition of closing the Escrow, you shall confirm receipt from Buyer of funds (the "**Funds**") in the amount of the Purchase Price and RASA Purchase Price.

III. Conditions to Closing.

Escrow Holder is authorized and instructed to close the Escrow and complete the transactions described herein when and only when all of the following conditions have been satisfied:

A. You have received written confirmation from Seller and Buyer that they have reviewed and approved a final closing statement prepared by you and approved by Seller and Buyer (the "**Final Statement**");

B. Escrow Holder has returned to Bill Sinclair, on behalf of Seller, and to the undersigned, on behalf of Buyer, a facsimile copy of this letter duly executed on behalf of Escrow Holder in the space provided below, with an original to follow by mail to the Buyer and Seller at the addresses listed in the Purchase Agreement;

C. Escrow Holder has received all of the above described documents, instruments and Funds, and shall have confirmed that all such documents are fully executed, in recordable form (if such documents are to be recorded) and that all exhibits have been attached thereto, including, without limitation, the legal descriptions;

D. The Title Company is irrevocably committed and prepared to issue, and immediately upon Closing does issue, to Buyer as the insured, an CLTA Owner's Policy, with coverage in the amount determined by buyer, insuring that free and clear fee simple title to the Property and immediately upon RASA Closing does issue, to Buyer as the insured, an CLTA Owner's Policy, with coverage in the amount determined by buyer, insuring that free and clear fee simple title to the and RASA Property is vested in Buyer (the "**Owner's Policy**"); and

E. Escrow Holder is in a position to comply with all instructions provided in connection with this Escrow and you are ready, willing and able to close the Escrow in accordance with such instructions and you receive oral or written confirmation from Bill Sinclair, on behalf of Seller, and from Joe Hensler, on behalf of Buyer, authorizing you to close this transaction.

III. Close of Escrow for Property.

Escrow Holder is authorized to close the Escrow on the Property Closing Date (as defined in Section VI below). On the Property Closing Date, Escrow Holder is to accomplish the following tasks, in the following order:

A. Verify that all documents are in recordable form and have all exhibits attached;

B. Attach the legal description to the documents as applicable;

C. Compile originals of any document delivered to you in counterparts, and verify that such documents are all fully executed and acknowledged where necessary for recording;

D. Insert the Property Closing Date into the various documents that have a blank space for the date;

E. Record the documents referenced below in the Official Records of Sacramento County in the following order:

1. Grant Deed from City to Buyer for APN 009-0012-005;

2. Grant Deed from City to Buyer for APN 009-0012-075 (portion);

3. Irrevocable offer of Dedication from Buyer to Seller.

F. Deliver to Seller the Purchase Price less Seller's share of any recording charges and costs, title exam fees, if any, escrow and other closing charges, costs and prorations, in such amount as provided in the Purchase Agreement and set forth on the Final Statement;

G. Issue the CLTA Owner's Policy;

H. Issue the Final Statement, certified by Escrow Holder; and

I. Within three (3) days of the Property Closing Date, Escrow Holder is to:

1. Deliver a conformed copy of the Grant Deeds, General Assignment, and any other documents where originals are not available to: The City of Sacramento, Real Estate Services, 915 I Street 2nd Floor, Sacramento CA 95814, on behalf of Seller; and

2. Deliver the original of the General Assignment, a conformed copy of the Grant Deeds, and any other documents where originals are not available to: Michael Devereaux, Esq., Law Offices of Gregory D. Thatch, 1730 I Street, Suite 220, Sacramento, CA 95811, on behalf of Buyer.

IV. Close of Escrow for RASA Property.

Escrow Holder is authorized to close the Escrow on the RASA Closing Date (as defined in Section VI below). On the RASA Closing Date, Escrow Holder is to accomplish the following tasks, in the following order:

A. Verify that all documents are in recordable form and have all exhibits attached;

B. Attach the legal description to the documents as applicable;

C. Compile originals of any document delivered to you in counterparts, and verify that such documents are all fully executed and acknowledged where necessary for recording;

D. Insert the RASA Closing Date into the various documents that have a blank space for the date;

E. Record the Grant Deed from RASA to Buyer in the Official Records of Sacramento County.

F. Record the Memorandum of Option to Purchase in the Official Records of Sacramento County.

G. Deliver to Seller the RASA Purchase Price less Seller's share of any recording charges and costs, title exam fees, if any, escrow and other closing charges, costs and prorations, in such amount as provided in the Purchase Agreement and set forth on the Final Statement;

H. Issue the CLTA Owner's Policy;

I. Issue the Final Statement, certified by Escrow Holder; and

J. Within three (3) days of the RASA Closing Date, Escrow Holder is to:

1. Deliver a conformed copy of the Grant Deed, Memorandum of Option to Purchase, and any other documents where originals are not available to: The City of Sacramento, Real Estate Services, 915 I Street 2nd Floor, Sacramento CA 95814, on behalf of Seller; and

2. Deliver a conformed copy of the Grant Deed, Memorandum of Option to Purchase, and any other documents where originals are not available to: Michael Devereaux, Esq., Law Offices of Gregory D. Thatch, 1730 I Street, Suite 220, Sacramento, CA 95811, on behalf of Buyer.

V. Closing Costs.

The Purchase Price and RASA Purchase Price, escrow fees, title insurance premiums and other closing costs and charges shall be allocated in accordance with the Purchase Agreement and set forth on the Final Statement.

VI. Time for Close of Escrow.

Escrow Holder is to close the Escrow on the Property on the "Property Closing Date" which shall be the earliest date on which Escrow Holder is able to comply with all of the conditions and requirements of the escrow instructions for the parties, but in any event on or before 5:00 p.m. Pacific Time on June 1, 2015. In the event that the Escrow on the Property is not consummated on or before June 1, 2015, you are directed to request further instructions from Bill Sinclair, on behalf of Seller, and from Joe Hensler, on behalf of Buyer, prior to closing the Escrow on the Property or terminating the Escrow on the Property.

Escrow Holder is to close the Escrow on the RASA Property on the "RASA Closing Date". Escrow Holder will be notified by Seller and Buyer of the RASA Closing Date in accordance with Section 20 of the Purchase Agreement.

VII. Permitted Title Insurance Exceptions.

Buyer hereby agrees to permit the following exceptions to the CLTA owner's title insurance as listed in the Preliminary Title Report dated _____, 2015:

Items _____

Please sign and return to the undersigned a copy of this letter of instructions, which signature shall serve to acknowledge your receipt and acceptance of these instructions. These instructions must be fully executed without deviation except to the extent that the instructions are amended by the undersigned. Thank you for your assistance with this matter.

Very truly yours,

Joe Hensler
President
California Vehicle Foundation

On behalf of Seller, the undersigned hereby joins in the foregoing escrow instructions.

The City of Sacramento,
a municipal corporation

Very truly yours,

John F. Shirey
City Manager

The City of Sacramento
Redevelopment Agency
Successor Agency

Very truly yours,

John F. Shirey
City Manager

ACCEPTANCE BY ESCROW HOLDER

The undersigned, on behalf of Fidelity National Title Company, hereby acknowledges that it has received a fully executed copy of the foregoing Escrow Instructions and the Purchase and Sale Agreement and Joint Escrow Instructions by and between the City of Sacramento and the City of Sacramento Redevelopment Agency Successor Agency as Seller, and the California Vehicle Foundation, Inc., as Buyer, and agrees to act as Escrow Holder thereunder and to be bound by and strictly perform the terms thereof as such terms apply to Escrow Holder. Escrow Holder shall execute two (2) originals of this Acceptance by Escrow Holder and deliver one (1) original to Seller and and one (1) original to Buyer promptly following the opening of Escrow.

Dated: _____, 2015

Fidelity National Title Company,

By:_____

Name:_____

Title:_____

EXHIBIT 4

GRANT DEED FOR APN 009-0012-005

RECORDING REQUESTED BY
AND FOR THE BENEFIT OF

CALIFORNIA VEHICLE FOUNDATION

WHEN RECORDED MAIL TO

CALIFORNIA VEHICLE FOUNDATION
2200 Front Steet
Sacramento CA 95818

SPACE ABOVE THIS LINE FOR RECORDER'S USE

No documentary transfer tax per R&T Code 11911; consideration less than $100.
No fee document per Government Code 27383

WRK-12-07-00	5014064	009-0012-005
City RESS File	Escrow	APN

GRANT DEED
(WITH PURCHASE OPTION RESERVATION)

CITY OF SACRAMENTO, a municipal corporation (Grantor), hereby grants to

CALIFORNIA VEHICLE FOUNDATION INC., a California non-profit corporation (Grantee),

all that real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:

All of Parcel 2 as shown on the *"Parcel Map of Block 10 and Portions of Block 9, 12, 13, & 14 of Brannan's Addition (1 B.M. 13)and a Portion of the Blocks Bounded by Front and 2nd, 'U' and 'W' Streets of the City of Sacramento According to the Official Plat Thereof"* in Book 145 of Parcel Maps, Page 3 filed in the office of the Recorder in the County of Sacramento.

The grant to the California Vehicle Foundation, Inc. set forth above is subject to the following terms and conditions:

1. Grantee cannot voluntarily grant or transfer any ownership interest in the real property described herein for a period of ten (10) years, beginning upon the date of recordation of this deed, without first obtaining express written permission from Grantor.
2. Grantor reserves the right to exercise an option to purchase the real property described herein for One Hundred Dollars ($100.00) for a period of ten (10) years, beginning upon the date of recordation of this deed. Grantor may only exercise said option to purchase following notification from Grantee indicating that Grantee has entered into a contract to sell said property to a third party. Grantee shall, within ten (10) days upon entering into a contract to sell said property, give written notification of said contract to the Real Estate Section of the Grantor. Upon receipt of written notification, Grantor shall have sixty (60) days to notify Grantee that Grantor will exercise the option to purchase said real property.
3. Paragraphs 1 & 2 shall be binding on Grantee's successors and assigns for a period of ten (10) years beginning upon the date of recordation of this deed.

CITY OF SACRAMENTO
a municipal corporation

By: _____
John Dangberg, Assistant City Manager
For John F. Shirey, City Manager

Dated: _____

"Approved as to form - City Attorney"

EXHIBIT 5

GRANT DEED FOR APN 009-0012-075(portion)

RECORDING REQUESTED BY
AND FOR THE BENEFIT OF

CALIFORNIA VEHICLE FOUNDATION

WHEN RECORDED MAIL TO

CALIFORNIA VEHICLE FOUNDATION
2200 Front Street
Sacramento CA 95814

SPACE ABOVE THIS LINE FOR RECORDER'S USE

No documentary transfer tax per R&T Code 11911; consideration less than $100.
No fee document per Government Code 27383

WRK-12-07-00	5014064	009-0012-075 (portion of)
City RESS File	Escrow	APN

GRANT DEED
(WITH EASEMENT AND PURCHASE OPTION RESERVATIONS)

CITY OF SACRAMENTO, a municipal corporation (Grantor), hereby grants to

CALIFORNIA VEHICLE FOUNDATION INC, a California non-profit corporation (Grantee),

all that real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:
SEE ATTACHED LEGAL DESCRIPTION MARKED EXHIBIT 'A-1'
AND DIAGRAMED IN THE CORRESPONDING PLAT MAP ATTACHED AS EXHIBIT 'A-2'
RESERVING to the Grantor an easement for ingress and egress as detailed in the legal description marked Exhibit 'A-1'.

FURTHER RESERVING to the Grantor an easement for public utilities and related appurtenances over, under, and across all that real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:
SEE ATTACHED LEGAL DESCRIPTION MARKED EXHIBIT 'B-1' and 'C-1'
AND DIAGRAMED IN THE CORRESPONDING PLAT MAP ATTACHED AS EXHIBIT 'B-2' and 'C-2'

The grant to the California Vehicle Foundation, Inc. set forth above is subject to the following terms and conditions:

1. Grantee cannot voluntarily grant or transfer any ownership interest in the real property described in Exhibit A-1 for a period of ten (10) years, beginning upon the date of recordation of this deed, without first obtaining express written permission from Grantor.
2. Grantor reserves the right to exercise an option to purchase the real property described in Exhibit A-1 for One Hundred Dollars ($100.00) for a period of ten (10) years, beginning upon the date of recordation of this deed. Grantor may only exercise said option to purchase following notification from Grantee indicating that Grantee has entered into a contract to sell said property to a third party. Grantee shall, within ten (10) days upon entering into a contract to sell said property, give written notification of said contract to the Real Estate Section of the Grantor. Upon receipt of written notification, Grantor shall have sixty (60) days to notify Grantee that Grantor will exercise the option to purchase said real property.
3. Paragraphs 1 & 2 shall be binding on Grantee's successors and assigns for a period of ten (10) years beginning upon the date of recordation of this deed.

CITY OF SACRAMENTO
a municipal corporation

Dated: _____

By: _____
John Dangberg, Assistant City Manager
For John F. Shirey, City Manager

"Approved as to form - City Attorney"

EXHIBIT "A-1"
LEGAL DESCRIPTION

All that certain real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:

A Portion of Parcel 1 shown on the "Parcel Map of Block 10 and Portions of Block 9, 12, 13, & 14 of Brannan's Addition in Book 1 of Maps, Page 13 and a Portion of the Blocks Bounded by Front and 2nd, 'U' and 'W' Street of the City of Sacramento According to the Official Plat Thereof" in Book 145 of Parcel Maps, Page 3 filed in the office of the Recorder in the County of Sacramento described as follows:

Beginning at a point on the northeast corner of said Parcel 1 marked by a 1 ½ inch iron pipe with tag "LS 3185"; thence from said **Point of Beginning** along the east line of said Parcel 1, being also the west line of Front Street to the northeast corner of Parcel 2 as shown on said Parcel Map marked by a 1 ½ inch iron pipe with tag "LS 3185", South 18°26'41" West, 280.18 feet; thence along the north line of said Parcel 2 to the northwest corner of said Parcel 2, North 71°31'08" West, 268.55 feet; thence along the northerly projection of the westerly line of said Parcel 2 to the northerly line of said Parcel 1, North 18°28'51" East, 280.14 feet; thence along said northerly line South 71°31'38" East, 268.37 feet to the **Point of Beginning**, containing 75,211 square feet, more or less.

RESERVING therefrom to the CITY OF SACRAMENTO, a municipal corporation an easement for ingress and egress over and across all of the above described Portion of Parcel 1, containing 75,211 square feet, more or less.

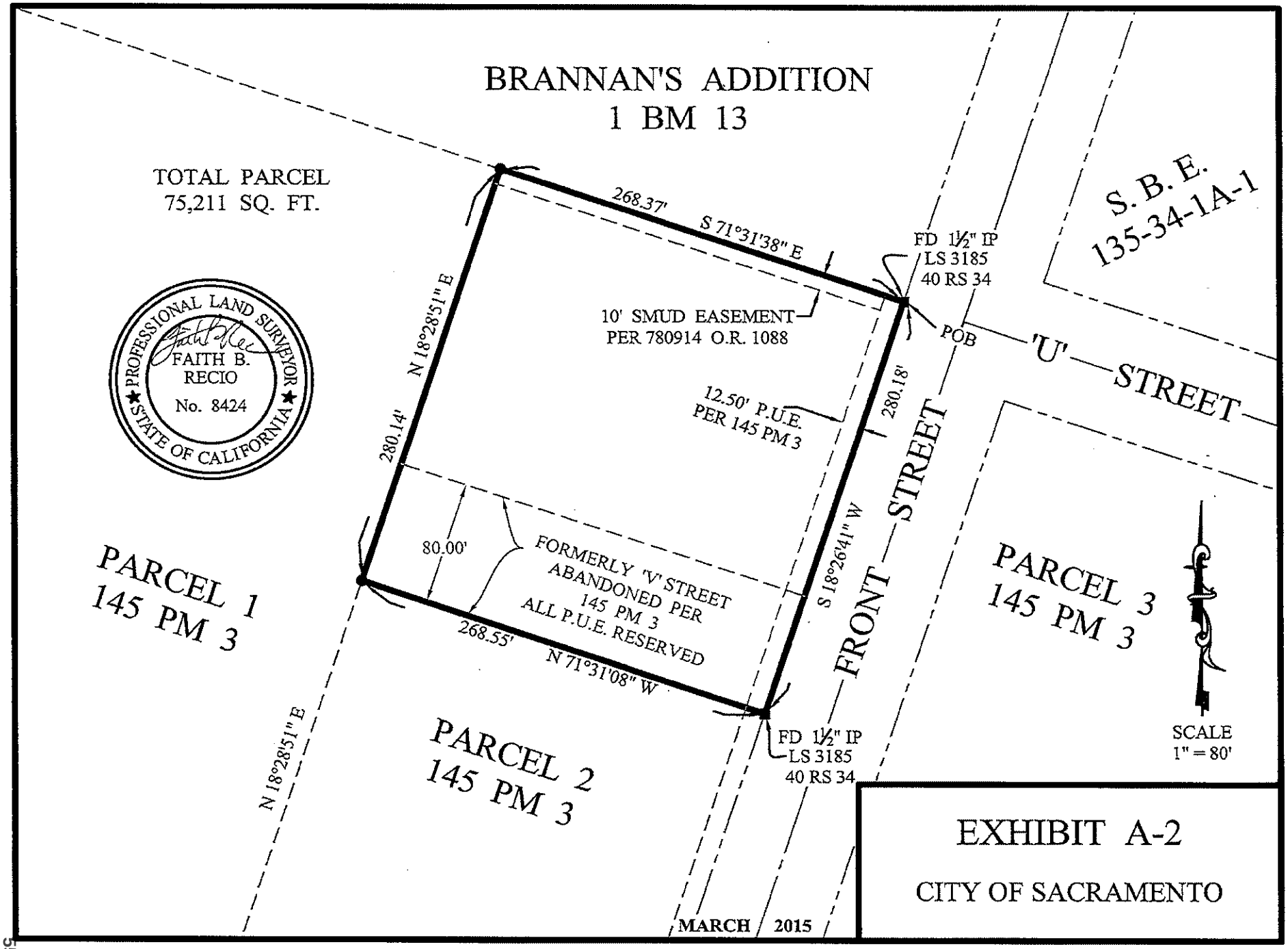

EXHIBIT A-2

CITY OF SACRAMENTO

EXHIBIT "B-1"
LEGAL DESCRIPTION

All that certain real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:

A Portion of Parcel 1 shown on the "Parcel Map of Block 10 and Portions of Block 9, 12, 13, & 14 of Brannan's Addition in Book 1 or Maps, Page 13 and a Portion of the Blocks Bounded by Front and 2nd, 'U' and 'W' Street of the City of Sacramento According to the Official Plat Thereof" in Book 145 of Parcel Maps, Page 3 filed in the office of the Recorder in the County of Sacramento described as follows:

An easement for public purposes over, under, and across a strip of land of variant width lying northerly, northwesterly, and westerly of the following described line:

Beginning at a point on the west line of said Front Street being also the east line of said Parcel 1, which bears South 18°26'41" West, 55.00 feet from the northeast corner of said Parcel 1 marked by a 1 ½ inch iron pipe with tag "LS 3185"; thence from said **Point of Beginning** along a line parallel with the northerly line of said Parcel 1, North 71°31'38" West, 208.62 feet; thence along a non-tangent curve to the left, having a radius of 142.54 feet, subtended by a chord bearing South 58°29'55" West, 75.09 feet; thence along a line parallel with the northerly projection of the westerly line of Parcel 2 of said Parcel Map, South 18°28'51" West, 87.63 feet to the northerly line of 'V' Street, now abandoned, as shown on said Parcel Map; thence along said northerly line of 'V' Street, North 71°31'08" West, 11.50 feet to a point on said northerly projection of Parcel 2, which bears South 18°26'51" West, 200.14 feet from the intersection of said northerly projection and the northerly line of said Parcel 1, containing 17,566 square feet, more or less.

PROFESSIONAL LAND SURVEYOR
FAITH B. RECIO
No. 8424
STATE OF CALIFORNIA

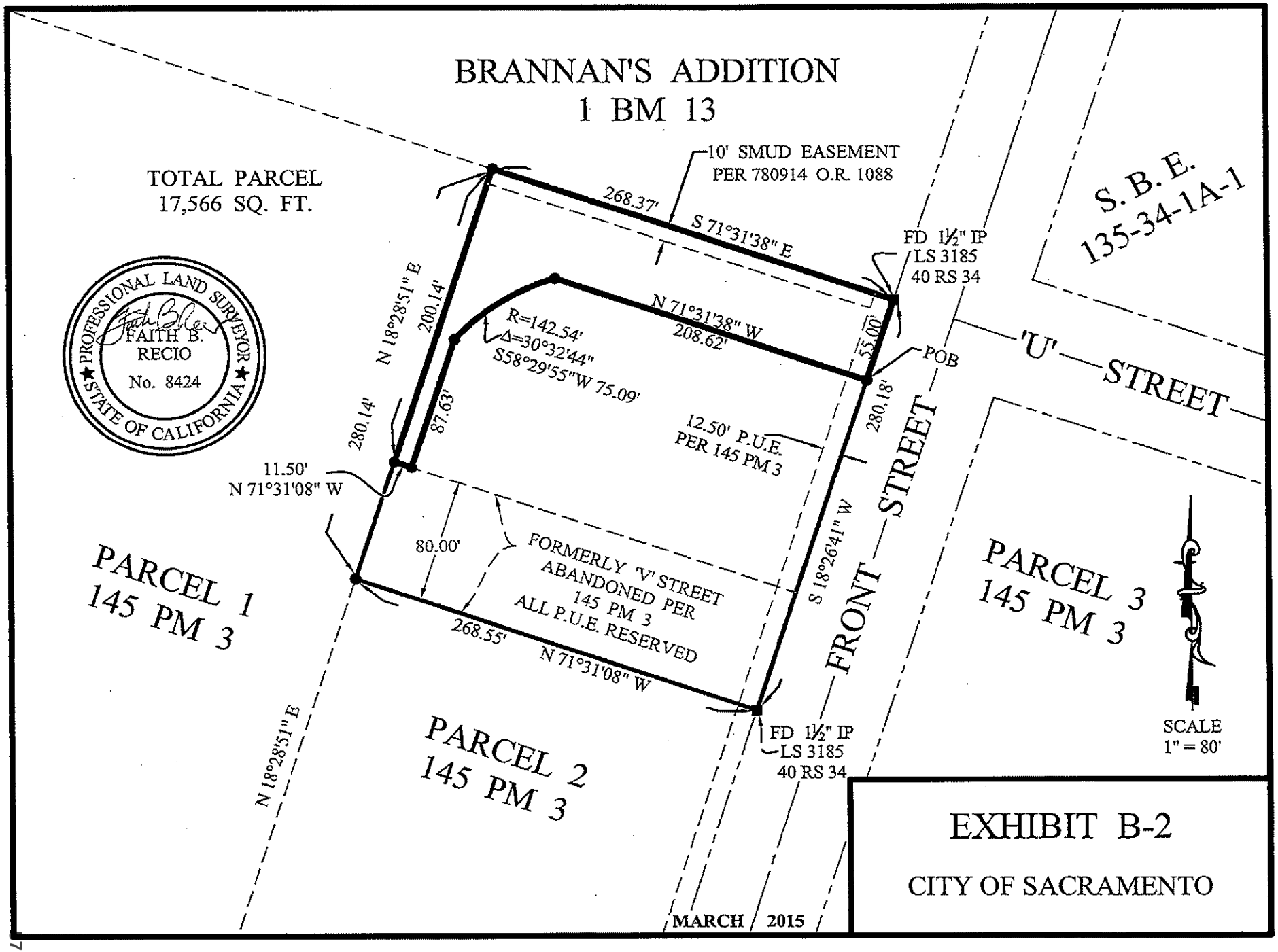

EXHIBIT B-2

CITY OF SACRAMENTO

EXHIBIT "C-1"
LEGAL DESCRIPTION

All that certain real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:

A Portion of Parcel 1 shown on the "Parcel Map of Block 10 and Portions of Block 9, 12, 13, & 14 of Brannan's Addition in Book 1 or Maps, Page 13 and a Portion of the Blocks Bounded by Front and 2nd, 'U' and 'W' Street of the City of Sacramento According to the Official Plat Thereof" in Book 145 of Parcel Maps, Page 3 filed in the office of the Recorder in the County of Sacramento described as follows:

An easement for public purposes over, under, and across a strip of land six (6) foot wide lying three (3) feet on each side of the following described line:

Beginning at a point on the west line of said Front Street being also the east line of said Parcel 1, which bears South 18°26'41" West, 153.08 feet from the northeast corner of said Parcel 1 marked by a 1 ½ inch iron pipe with tag "LS 3185"; thence from said **Point of Beginning**, North 71°51'20" West, 172.56 feet; thence North 70°47'08" West, 74.56 feet; thence North 82°44'49" West, 21.78 feet to a point on the northerly projection of the westerly line of Parcel 2 of said Parcel Map, which bears South 18°28'51" West, 157.34 feet from the intersection of said northerly projection and the northerly line of said Parcel 1, containing 1,613 square feet, more or less.

The sidelines of said strip shall be prolonged or shortened, as the case may be, to begin on the westerly line of said Front Street and to terminate on the northerly projection of the westerly line of said Parcel 2.

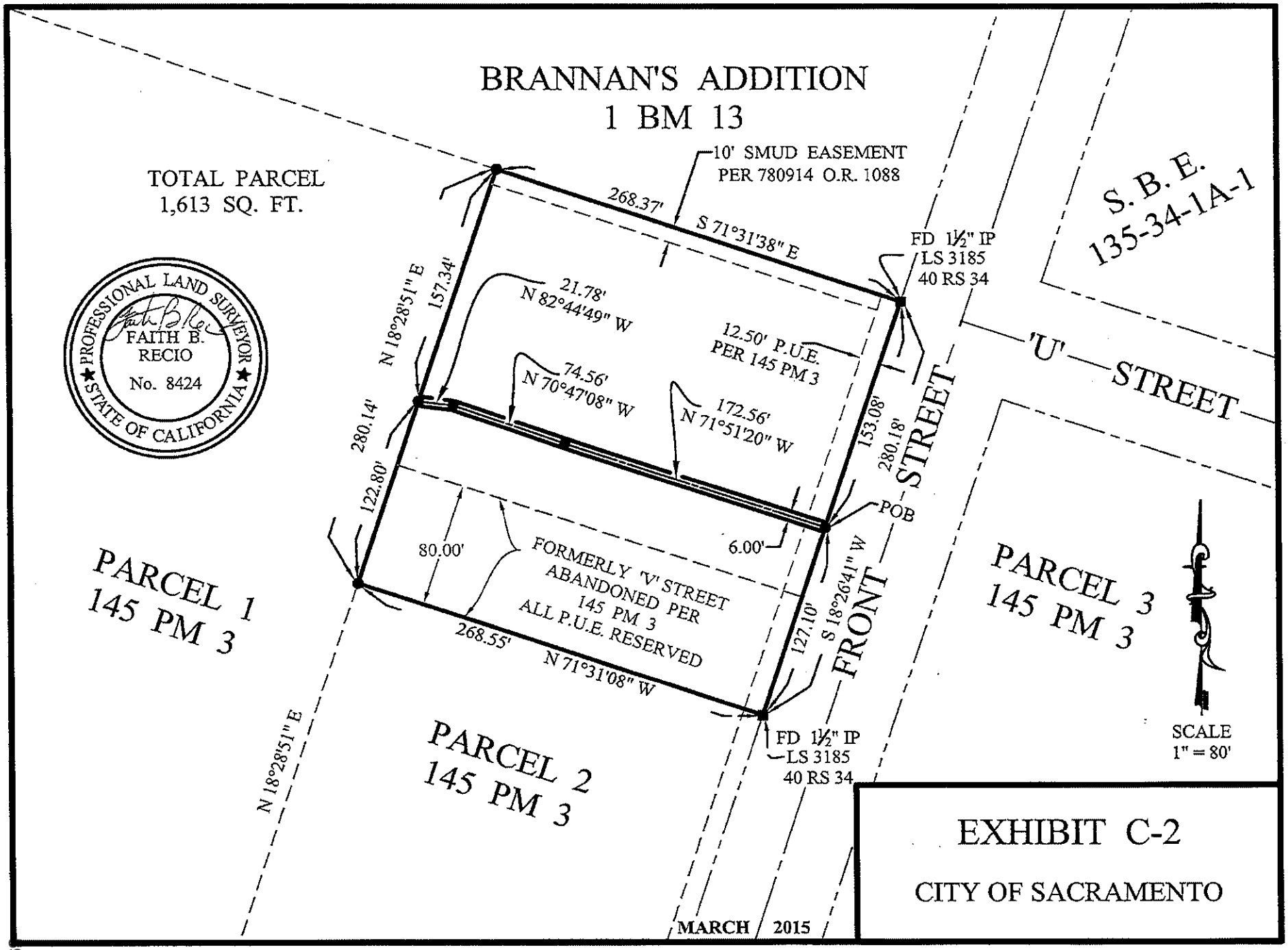

EXHIBIT C-2

CITY OF SACRAMENTO

EXHIBIT 6

GRANT DEED FOR APN 009-0012-068

NO FEE DOCUMENT:
Entitled to free recording
per Government Code 27383 and 6103

RECORDING REQUESTED BY
California Vehicle Foundation

AND WHEN RECORDED MAIL TO:
California Vehicle Foundation
2200 Front Street
Sacramento CA 95814

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor declares:
Documentary transfer tax is: $_____ City transfer tax: $_____
(X) Computed on full value of property conveyed, or
( ) computed on full value less value of liens and encumbrances remaining at time of sale.
( ) Unincorporated area (X) City of Sacramento

GRANT DEED
(Transfer of Interest in 2224 Front Street APN 009-0012-068)

I. BACKGROUND

On January 31, 2012, by action of the City Council of the City of Sacramento, Resolution No. 2012-018, the **City of Sacramento** elected to become the **Redevelopment Agency Successor Agency** to the **Redevelopment Agency of the City of Sacramento ("Redevelopment Agency")**. On January 31, 2012, by action of the Board of Directors of the **Redevelopment Agency**, Resolution No. 2012-001, the **Redevelopment Agency** transferred and assigned certain **Redevelopment Agency** assets and agreements to the **City of Sacramento** in its capacity as the **Redevelopment Agency Successor Agency**. In accordance with California Health and Safety Code Section 34173(g), the **Redevelopment Agency Successor Agency** is a separate legal entity from the **City of Sacramento**.

II. 2224 FRONT STREET (APN 009-0012-068)

On June 20, 2005, the **Redevelopment Agency** acquired from Ronald E. Watkins the property as described in Exhibit A of the Grant Deed which was recorded on **June 20, 2005** in **Book 20050620** at **Page 2075** in the office of the County Recorder of Sacramento County, California. The **Redevelopment Agency Successor Agency** now owns this property.

III. APPROVAL FOR TRANSFER OF 2224 FRONT STREET (APN 009-0012-068)

Pursuant to California Health and Safety Code Section 34181(a), the **Redevelopment Agency Successor Agency** is to dispose of all assets of the former Redevelopment Agency subject to approval of the **Oversight Board** and the **State Department of Finance**. On _____, by Resolution No. _____, the **Oversight Board** for the **Redevelopment Agency Successor Agency** approved transferring the **Redevelopment Agency Successor Agency's** interest in the property located at 2224 Front Street to the **California Vehicle Foundation**. On _____, the **State Department of Finance** confirmed that that this **Oversight Board** action was authorized pursuant to the **State Department of Finance's** approval on _____ of the Long Range Property Management Plan.

IV. TRANSFER OF PROPERTY AT 2224 FRONT STREET (APN 009-0012-068)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the REDEVELOPMENT AGENCY SUCCESSOR AGENCY, a municipal corporation, (**"Grantor"**) hereby grants to the CALIFORNIA VEHICLE FOUNDATION, a California non-profit corporation, ("**Grantee**"), all of Grantor's right, title, and interest in and to that interest in certain real property situated in the City of Sacramento, County Sacramento, State of California, as described in Exhibit A, which is attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, the **Redevelopment Agency Successor Agency** has caused this instrument to be executed by its duly authorized officer on the date set forth below.

REDEVELOPMENT AGENCY SUCCESSOR AGENCY

By:_____
John F. Shirey, City Manager

Dated:_____

[attach notary acknowledgement]

Exhibit A
Property Legal Description

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

A portion of that certain parcel of land in "Brannan's Addition to the City of Sacramento", as per the official plat thereof, recorded in Book 1 of Maps, Map No. 13, records of said County, which parcel was acquired by the State of California by Deed recorded in Volume 5254 at Page 426, Official Records of Sacramento County.

Said portion is all that part thereof described as follows:

BEGINNING at the Northwesterly corner of said parcel; thence (1) along the Westerly line of said parcel South 18°28'06" West 126.38 feet to a point distant 229.52 feet Northeasterly, measured radially from the "C1" line at Engineer's Station "C1" 21+32.94 P.O.C. of the Department of Public Works' Survey on Road 03-Sac-80, Post Mile 0.0/2.5; thence (2) leaving said Westerly line South 88°12'09" East 269.03 feet; thence (3) from a tangent that bears North 35°34'34" East along a curve to the left with a radius of 470.00 feet, through an angle of 6°14'44", a length of 51.23 feet to the point in the Northerly line of said parcel; thence (4) along said Northerly line North 71°38'04" West 270.10 feet to the point of beginning.

APN: 009-0012-068-0000

EXHIBIT 7

RELEASE OF FINANCING LEASE

Record for the Benefit of the City of Sacramento - Fee Exempt Pursuant to Government Code Section 6103 and 27383. Transfer Tax exempt under Revenue and Taxation Code 11921. When Recorded, Mail to: Office of the City Clerk City Hall 915 "I" Street Sacramento CA 95814-2604	Sacramento County Recorder David Villanueva, Clerk/Recorder BOOK 20140612 PAGE 0887 Thursday, JUN 12, 2014 3:14:23 PM Ttl Pd $0.00 Rcpt # 0008240300 DHB/58/1-70 This Space for Recorder's Use
Title Here: Eighth Amendment to Master Site Lease	

RECEIVED
MAYOR/COUNCIL OFFICE
CITY OF SACRAMENTO

JUN 23 2014

When Recorded Return to:

Office of the City Clerk
City of Sacramento
915 I Street, NCH, 5th Floor
Sacramento, CA 95814

EIGHTH AMENDMENT TO MASTER SITE LEASE

between the

CITY OF SACRAMENTO

and the

SACRAMENTO CITY FINANCING AUTHORITY

RELATING TO THE

DELETION OF REAL PROPERTY FROM THE SITE

Executed and Entered into as of June 5, 2014

EIGHTH AMENDMENT TO MASTER SITE LEASE

This Eighth Amendment to Master Site Lease (the "**Eighth Amendment**"), executed and entered into as of June 5, 2014, is between the City of Sacramento, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "**City**"), and the Sacramento City Financing Authority, a joint-powers agency duly organized and existing under and by virtue of the laws of the State of California (the "**Authority**").

WITNESSETH:

WHEREAS, the City and the Authority duly executed and entered into a Master Site Lease (the "**Master Site Lease**") that was executed and entered into as of December 1, 1999, and was recorded on December 14, 1999, in Book 1991214 of the Official Records of Sacramento County, at Page 1004, whereby the City leased to the Authority those certain parcels of real property described therein; and

WHEREAS, the Authority and the City thereafter amended the Master Site Lease seven times, as follows: an Amendment to Master Site Lease executed and entered into as of July 1, 2000, and recorded on July 25, 2000, in Book 20000725 of the Official Records of Sacramento County, at Page 1311; a Second Amendment to Master Site Lease executed and entered into as of April 1, 2001, and recorded on April 24, 2001, in Book 20010424 of the Official Records of Sacramento County, at Page 1415; a Third Amendment to Master Site Lease executed and entered into as of July 1, 2002, and recorded on July 1, 2002, in Book 20020701 of the Official Records of Sacramento County, at Page 1649; a Fourth Amendment to Master Site Lease executed and entered into as of September 1, 2003, and recorded on September 29, 2003, in Book 20030929 of the Official Records of Sacramento County, at Page 2762; a Fifth Amendment to Master Site Lease executed and entered into as of June 1, 2006, and was recorded on June 14, 2006, in Book 20060614 of the Official Records of Sacramento County, at Page 175; a Sixth Amendment to Master Site Lease executed and entered into as of December 1, 2006, and recorded on December 11, 2006, in Book 20061211 of the Official Records of Sacramento County, at Page 0598; and a Seventh Amendment to Master Site Lease executed and entered into as of February 22, 2011, and recorded on April 1, 2011, in Book 20110401 of the Official Records of Sacramento County, at Page 386; and

WHEREAS, the City and the Authority desire to amend the Master Site Lease an eighth time, by deleting certain real property from the Site, as provided in Section 14 of the Master Site Lease;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

SECTION 1. Amendment to Master Site Lease. The Authority and City hereby amend that certain Master Site Lease, dated as of December 1, 1999, as amended, to delete from the Site

those certain parcels of real property described in Exhibit A, thereby terminating the leasehold interest and all other rights, obligations, title, and interest in those parcels under the Master Site Lease. The deletion from the Site of the real property described in Exhibit A shall not be effective until the City complies with Section 14 of the Master Site Lease by delivering the required documents to each Bond Insurer, the Rating Agencies, and the Trustee.

SECTION 2. Effect of Eighth Amendment. Except as herein otherwise expressly provided, the Master Site Lease, as amended, remains in full force and effect, and will continue to encumber the real property, described in Exhibit B, that is not deleted from the Site pursuant to this Eighth Amendment. The Authority and the City do hereby ratify, confirm, and approve the Master Site Lease, as amended, in all other respects and agree to continue to be bound by, and perform under, the Master Site Lease.

SECTION 3. Execution. This Eighth Amendment, as amended, may be executed and entered into in several counterparts, each of which shall be deemed an original and all of which shall constitute the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed and entered into the Eighth Amendment by their officers thereunto duly authorized as of the day and year first above written.

CITY OF SACRAMENTO

By: _____
Russell T. Fehr
City Treasurer

(SEAL)

ATTEST:

By: _____
City Clerk 6-5-14

APPROVED AS TO FORM

By: _____
Joseph Cerullo
Senior Deputy City Attorney

SACRAMENTO CITY FINANCING AUTHORITY

By: _____
Russell T. Fehr
Treasurer

ATTEST:

By: _____
Secretary 6-5-14

EXHIBIT A

DESCRIPTION OF THE REAL PROPERTY DELETED FROM THE SITE

PARCEL "AA" (Pioneer Reservoir)

A portion of Parcel 1 as shown on the Parcel Map entitled "Parcel Map Of Block 10 And Portions Of Block 9, 12, 13 & 14 Of Brannan's Addition (1 B.M. 13) And A Portion Of The Blocks Bounded By Front And 2nd, 'U' and 'W' Streets Of The City Of Sacramento, According To The Official Plat Thereof", filed in the office of the Recorder of Sacramento County, California, on March 21, 1996, in Book 145 of Parcel Maps, Map No. 3, being more particularly described as follows:

Beginning at a point on the northeast corner of said Parcel 1, marked by a 1 ½ inch iron pipe with tag "LS 3185"; thence from said Point of Beginning along the east line of said Parcel 1, being also the west line of Front Street to the northeast corner of Parcel 2 of said Parcel Map marked by a 1 ½ inch iron pipe with tag "LS 3185", South 18°26'41" West, 280.18 feet; thence along the north line of said Parcel 2 to the northwest corner of said Parcel 2, North 71 °31 '08" West, 268.55 feet; thence along the northerly projection of the westerly line of said Parcel 2 to the northerly line of said Parcel 1, North 18°28'51" East, 280.14 feet; thence along said northerly line South 71°31'38" East, 268.37 feet to the Point of Beginning, containing 75,211 square feet, more or less.

RESERVING therefrom to the CITY OF SACRAMENTO, a municipal corporation an easement for ingress and egress over and across all of the above described Portion of Parcel 1, containing 75,211 square feet, more or less.

Part of APN: 009-0012-075

PARCEL "AF" (3rd Street Parking Lot G):

All that portion of Parcel B as shown on the Parcel Map entitled "Portion of Block Bounded by 3rd, 5th, J & L Streets", filed in the office of the Recorder of Sacramento County, California, on October 26, 1977, in Book 35 of Parcel Maps, Map No. 34, described as follows:

Beginning at the most Southerly corner of Parcel B; thence from said point of beginning, along the boundary of said Parcel B, the following six (6) courses and distances: (1) North 71° 35' 22" West 391.02 feet, (2) North 18° 28' 35" East 455.27 feet, (3) South 71° 37' 09" East 320.96 feet, (4) North 18° 28' 07" East 137.32 feet, (5) South 71° 36' 35" East 40.00 feet, and (6) South 71° 30' 59" East 24.00 feet; thence South 18° 28' 07" West 59.12 feet; thence North 71° 31' 53" West 9.00 feet; thence South 18° 28' 07" West 99.58 feet; thence North 71° 31' 53" West 8.00 feet; thence South 18° 28' 07" West 46.25 feet; thence South 26° 31' 53" East 30.14 feet; thence South 71° 37' 08" East 1.69 feet to the

boundary of Parcel B; thence along said boundary South 18° 28' 06" West 356.47 to the point of beginning.

APN: 006-0087-051 and 006-0087-055

EXHIBIT 8

IRREVOCABLE OFFER OF DEDICATION

RECORDED FOR THE BENEFIT OF
THE CITY OF SACRAMENTO
GOV. CODE 6103

WHEN RECORDED RETURN TO:
CITY OF SACRAMENTO
ATTN: JERRY LOVATO
Department of Public Works
300 Richards Boulevard, 3rd Floor
Sacramento, CA 95811

APN: 009-0012-075 (portion of).

IRREVOCABLE OFFER OF DEDICATION
EASEMENT FOR PUBLIC ROAD

THE UNDERSIGNED HEREBY CERTIFIES THAT I /WE /AM /ARE THE LEGAL OWNERS OF, OR ARE PARTIES HAVING AN INTEREST IN THE HEREINAFTER DESCRIBED REAL PROPERTY, AND THE UNDERSIGNED, FOR THEMSELVES, THEIR HEIRS, SUCCESSORS, AND ASSIGNS, DO HEREBY DESIGNATE AND SET ASIDE FOR FUTURE STREET, AND IRREVOCABLY OFFER TO DEDICATE TO THE CITY OF SACRAMENTO, A MUNICIPAL CORPORATION, IN, OVER, ALONG, UPON AND ACROSS THE HEREINAFTER DESCRIBED REAL PROPERTY. THE REAL PROPERTY BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES AND LOCATED IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS TO-WIT:

SEE EXHIBITS "A" (LEGAL DESCRIPTION) AND "B" (EXHIBIT MAP) ATTACHED HERETO AND MADE A PART HEREOF

RESERVING, HOWEVER, UNTO THE UNDERSIGNED, THEIR HEIRS, SUCCESSORS AND ASSIGNS ANY AND ALL PRESENT LAWFUL USES OF SAID LAND, UNTIL SUCH TIME AS THE CITY MANAGER'S DESIGNEE OF THE CITY OF SACRAMENTO GIVES WRITTEN NOTICE THAT SAID LAND WILL BE IMPROVED FOR PUBLIC STREET PURPOSES, AND IT IS ALSO HEREBY UNDERSTOOD AND AGREED BY THE UNDERSIGNED, THEIR HEIRS, SUCCESSORS, AND ASSIGNS, THAT ANY IMPROVEMENTS HEREINAFTER PLACED BY THEM IN OR UPON THE ABOVE DESCRIBED PROPERTY SHALL BE REMOVED WITHOUT COST OR EXPENSE TO THE CITY OF SACRAMENTO. UNTIL SUCH NOTICE IS GIVEN BY THE CITY MANAGER'S DESIGNEE, THE UNDERSIGNED, AND THEIR HEIRS, SUCCESSORS OR ASSIGNS AGREE TO ASSUME FULL RESPONSIBILITY OR LIABILITY FOR ANY INJURY OR DAMAGE TO ANY PERSON OR PROPERTY ON SAID LAND OR ARISING OUT OF ITS USE OR OCCUPANCY BY THEM. IT IS ALSO HEREBY UNDERSTOOD THAT ALL WORK TO BE DONE IN OR UPON THE ABOVE DESCRIBED PROPERTY SHALL BE DONE UNDER PERMIT AND DONE IN ACCORDANCE WITH PLANS TO BE FURNISHED BY THE PRINCIPAL AND APPROVED BY THE CITY MANAGER'S DESIGNEE OF THE CITY OF SACRAMENTO, AND IN ACCORDANCE WITH THE SPECIFICATIONS OF THE CITY MANAGER'S DESIGNEE OF THE CITY OF SACRAMENTO.

THE DEDICATION OFFERED HEREUNDER SHALL BE COMPLETE UPON ITS ACCEPTANCE BY THE CITY MANAGER'S DESIGNEE OF THE CITY OF SACRAMENTO.

OWNER'S NAME (PRINT): California Vehicle Foundation Inc, a California non-profit corporation

By: _____

Title: _____

By: _____

Title: _____

[ATTACH NOTARY ACKNOWLEDGEMENT]

EXHIBIT "A"
LEGAL DESCRIPTION

All that certain real property situated in the City of Sacramento, County of Sacramento, State of California, described as follows:

A Portion of Parcel 1 shown on the "Parcel Map of Block 10 and Portions of Block 9, 12, 13, & 14 of Brannan's Addition in Boo, 1 or Maps, Page 13 and a Portion of the Blocks Bounded by Front and 2nd, 'U' and 'W' Street of the City of Sacramento According to the Official Plat Thereof" in Book 145 of Parcel Maps, Page 3 filed in the office of the Recorder in the County of Sacramento described as follows:

An irrevocable offer of dedication for public usage over, across, and under a strip of land of variant width lying northerly and northwesterly of the following described line:

Beginning at a point on the west line of said Front Street being also the east line of said Parcel 1, which bears South 18°26'41" West, 40.00 feet from the northeast corner of said Parcel 1 marked by a 1 ½ inch iron pipe with tag "LS 3185"; thence from said **Point of Beginning** along a line parallel with the northerly line of said Parcel 1, North 71°31'38" West, 135.06 feet; thence South 76°40'12" West, 133.87 feet to a point on the northerly projection of the westerly line of Parcel 2 of said Parcel Map, which bears South 18°28'51" West, 52.00 feet from the intersection of said northerly projection and the northerly line of said Parcel 1, containing 11,535 square feet, more or less.

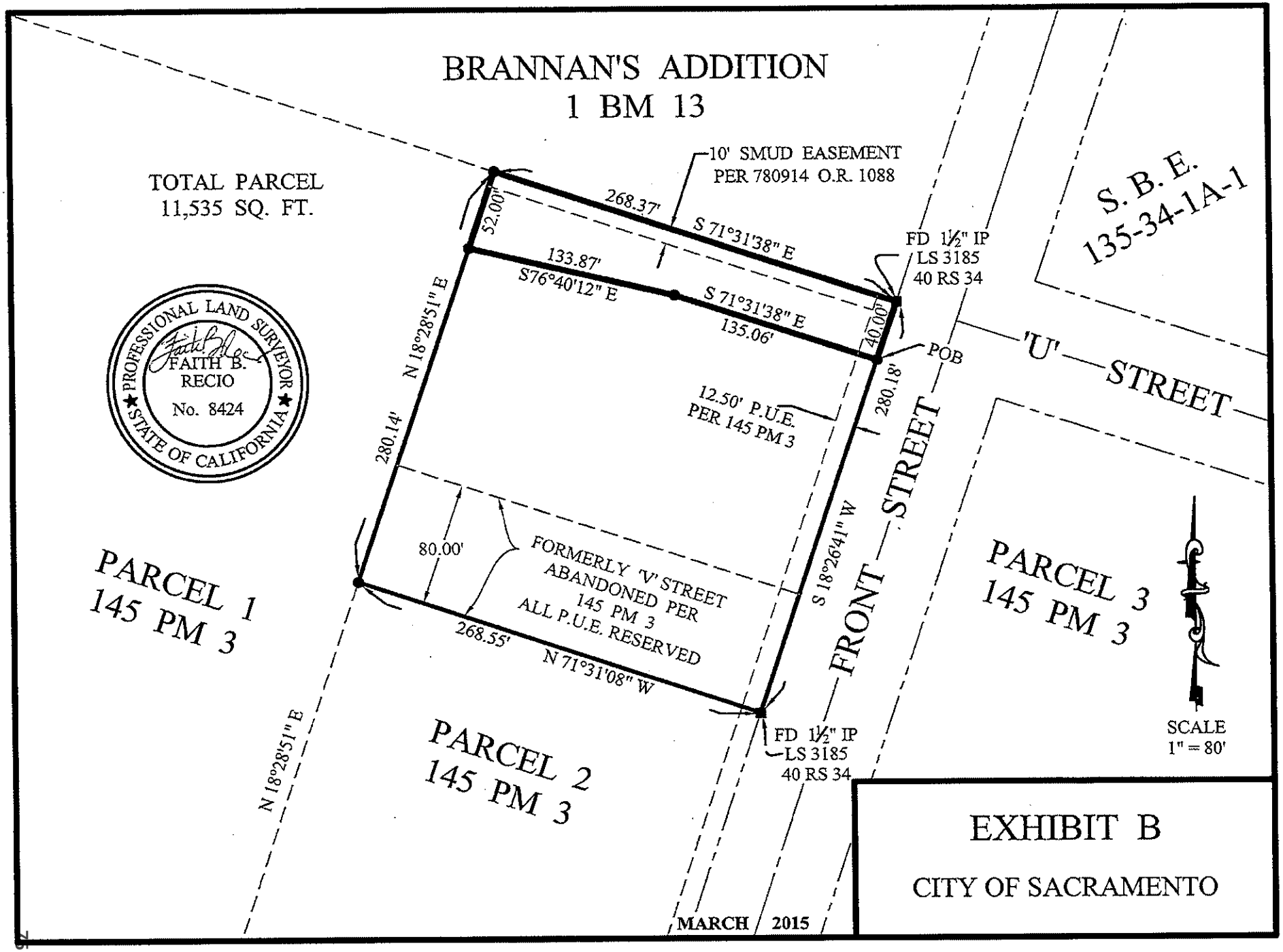
BRANNAN'S ADDITION
1 BM 13
TOTAL PARCEL
11,535 SQ. FT.
10' SMUD EASEMENT
PER 780914 O.R. 1088
268.37'
S 71°31'38" E
52.00'
133.87'
S76°40'12" E
S 71°31'38" E
135.06'
FD 1½" IP
LS 3185
40 RS 34
40.00'
POB
N 18°28'51" E
280.14'
280.18'
12.50' P.U.E.
PER 145 PM 3
S 18°26'41" W
80.00'
FORMERLY 'V' STREET
ABANDONED PER
145 PM 3
ALL P.U.E. RESERVED
268.55'
N 71°31'08" W
FD 1½" IP
LS 3185
40 RS 34
N 18°28'51" E
PROFESSIONAL LAND SURVEYOR
FAITH B.
RECIO
No. 8424
STATE OF CALIFORNIA
PARCEL 1
145 PM 3
PARCEL 2
145 PM 3
PARCEL 3
145 PM 3
S.B.E.
135-34-1A-1
'U' STREET
FRONT STREET
SCALE
1" = 80'
MARCH 2015
EXHIBIT B
CITY OF SACRAMENTO

EXHIBIT 9

OPTION TO PURCHASE

OPTION TO PURCHASE

This Option to Purchase (hereinafter the "Option") is made this _____ day of _____, 2015, by and between the **CALIFORNIA VEHICLE FOUNDATION INC.**, a California non-profit corporation (hereinafter the "Optionor" or "Foundation"), and the **CITY OF SACRAMENTO**, a municipal corporation (hereinafter the "Optionee" or "City"), with reference to the following facts:

RECITALS

A. Optionor is the sole owner of that certain real property situated in the City of Sacramento, commonly known as Assessor's Parcel Number (APN) 009-0012-068, as described in **Exhibit "A"** attached hereto and incorporated herein by reference (hereinafter referred to as the "Property"); and

B. Optionee desires to acquire the right to purchase the Property, without becoming obligated to purchase, at an agreed price and under specific terms and conditions.

AGREEMENT

NOW THEREFORE, incorporating the aforementioned Recitals by reference and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. GRANT OF OPTION

During the Option Term (defined below), Optionor hereby grants to Optionee the right to purchase the Property for the Purchase Price (defined below) and under the specific terms and conditions set forth in this Agreement.

2. OPTION TERM

The term of this option (hereinafter the "Option Term") shall commence and be effective on the date this Agreement is fully executed by all parties (hereinafter the "Effective Date") and shall expire and end at 11:59 PM local time, on the last day which completes ten (10) full years from the Effective Date (hereinafter the "Expiration Date").

3. CONSIDERATION

a. Option Fee – Optionor will not charge an option fee for this Agreement.

4. NOTIFICATION BY OPTIONOR OF SALE

Optionor shall notify Optionee of any voluntary transfer of the Property to a third party within ten (10) days of entering into a contract to transfer Property. Notification will be sent to Optionee at address indicated in Section 8 of this agreement.

5. EXERCISE OF OPTION

Upon receipt of notification from Optionor of voluntary transfer to a third party, Optionee shall have sixty (60) days to notify Optionor of Optionee's intention to exercise the option to purchase the Property at the Purchase Price (defined below).

6. PURCHASE PRICE

Purchase Price shall be Sixty five Thousand Six Hundred Dollars ($65,600.00).

7. NOTICES

a) Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party pursuant to this Agreement shall be in writing and either served personally or sent by prepaid, first class, certified mail. Such matters shall be addressed to the other party at the following address:

To Optionor:
California Vehicle Foundation
Attention: Executive Director
2200 Front Street
Sacramento CA 95818
Phone No.: 916.442-6802
E-Mail: jhensler@calautomuseum.org

To Optionee:
City of Sacramento
Real Estate Services Section
Attention: Bill Sinclair
New City Hall
915 I Street, 2nd Floor
Sacramento CA 95814
Phone No.: (916) 808-1905
E-Mail: bsinclair@cityofsacramento.org

or such other address either party may designate to the other by notice.

8. BINDING EFFECT

This Option shall be binding on and inure to the benefit of the parties to this Option and their heirs, successors and assigns during the Option Term.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

OPTIONOR:

California Vehicle Foundation Inc.,
a California non-profit corporation

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM

_____
Mike Devereaux
Law Offices of Gregory D. Thatch

OPTIONEE:

City of Sacramento,
a municipal corporation

By: _____
John F. Shirey, City Manager

APPROVED AS TO FORM

_____
Senior Deputy City Attorney

ATTEST

_____
City Clerk

Exhibit "A"

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

A portion of that certain parcel of land in "Brannan's Addition to the City of Sacramento", as per the official plat thereof, recorded in Book 1 of Maps, Map No. 13, records of said County, which parcel was acquired by the State of California by Deed recorded in Volume 5254 at Page 426, Official Records of Sacramento County.

Said portion is all that part thereof described as follows:

BEGINNING at the Northwesterly corner of said parcel; thence (1) along the Westerly line of said parcel South 18°28'06" West 126.38 feet to a point distant 229.52 feet Northeasterly, measured radially from the "C1" line at Engineer's Station "C1" 21+32.94 P.O.C. of the Department of Public Works' Survey on Road 03-Sac-80, Post Mile 0.0/2.5; thence (2) leaving said Westerly line South 88°12'09" East 269.03 feet; thence (3) from a tangent that bears North 35°34'34" East along a curve to the left with a radius of 470.00 feet, through an angle of 6°14'44", a length of 51.23 feet to the point in the Northerly line of said parcel; thence (4) along said Northerly line North 71°38'04" West 270.10 feet to the point of beginning.

APN: 009-0012-068-0000

EXHIBIT 10

MEMORANDUM OF OPTION TO PURCHASE

No Fee Document Per
Government Code 27383

Recording Requested By and
When Recorded Mail To:

City of Sacramento
915 I Street, 2nd Floor
Sacramento, California 95814
Attention: Real Estate Services Section

No documentary transfer tax per R&T Code 11911; no consideration.

APN 009-0012-068

MEMORANDUM OF OPTION TO PURCHASE

This Memorandum of Purchase Option, dated _____, 2015, for purposes of identification, is between the CALIFORNIA VEHICLE FOUNDATION Inc. (the "Foundation"), a California non-profit corporation and the CITY OF SACRAMENTO (the "City"), a municipal corporation.

Background

The Foundation and the City have entered into an *Option to Purchase* dated _____, 2015 (the "Option"), by which the Foundation has granted the City the option to purchase the real property described in Exhibit A (the "Premises") to this Memorandum of Option to Purchase.

The Foundation and the City entered into this Memorandum of Option to Purchase to give constructive notice to all third parties of the City's rights and obligations under the Option.

With these background facts in mind, the Foundation and the City agree as follows:

1. Term. The Foundation grants to the City the Option for a "Term" that shall begin on the date this Memorandum of Option to Purchase is recorded and shall extend for a period of 10 years from said date.

2. Other Provisions. City's option to purchase the Premises from the Foundation is subject to the terms and conditions of the Option, which are incorporated by reference into this Memorandum of Option to Purchase.

3. Assignment. A party to the Option may not assign its rights and obligations under the Option without the other party's prior written consent.

4. **Information Only.** This Memorandum of Option to Purchase is for informational purposes only. It does not modify or otherwise affect the Option in any way.

IN WITNESS WHEREOF, the Foundation and City have entered in this Memorandum as of the day and year first above written.

CITY OF SACRAMENTO, a municipal corporation By:_____ John F. Shirey City Manager Date:_____, 2015	SACRAMENTO VEHICLE FOUNDATION INC., a California non-profit corporation By: _____ Name:_____ Title:_____ Date:_____, 2015
Approved as to Form Sacramento City Attorney By:_____ Senior Deputy City Attorney	Approved as to Form Law Offices of Gregory D. Thatch By:_____ Michael Devereaux Attorney for Foundation

EXHIBIT A

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

A portion of that certain parcel of land in "Brannan's Addition to the City of Sacramento", as per the official plat thereof, recorded in Book 1 of Maps, Map No. 13, records of said County, which parcel was acquired by the State of California by Deed recorded in Volume 5254 at Page 426, Official Records of Sacramento County.

Said portion is all that part thereof described as follows:

BEGINNING at the Northwesterly corner of said parcel; thence (1) along the Westerly line of said parcel South 18°28'06" West 126.38 feet to a point distant 229.52 feet Northeasterly, measured radially from the "C1" line at Engineer's Station "C1" 21+32.94 P.O.C. of the Department of Public Works' Survey on Road 03-Sac-80, Post Mile 0.0/2.5; thence (2) leaving said Westerly line South 88°12'09" East 269.03 feet; thence (3) from a tangent that bears North 35°34'34" East along a curve to the left with a radius of 470.00 feet, through an angle of 6°14'44", a length of 51.23 feet to the point in the Northerly line of said parcel; thence (4) along said Northerly line North 71°38'04" West 270.10 feet to the point of beginning.

APN: 009-0012-068-0000

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RESOLUTION NO. 2015-

Adopted by the Redevelopment Agency Successor Agency

May 5, 2015

APPROVING THE SALE OF 2224 FRONT STREET TO THE CALIFORNIA VEHICLE FOUNDATION, INC.

BACKGROUND

A. The City of Sacramento owns a 66-year old 72,300 square foot industrial building on 2.15 acres located at 2200 Front Street. In addition, the City owns the adjoining 1.73 acre parking lot being used by the tenant at 2200 Front Street.

B. The California Vehicle Foundation, Inc. desires to acquire the City's property and the adjoining vacant parcel at 2224 Front Street owned by the Redevelopment Agency Successor Agency for possible future expansion.

C. Under Health and Safety Code Section 34181(a), the Redevelopment Agency Successor Agency is to dispose of all of its property assets expeditiously and in a manner to maximize value. The property owned by the Redevelopment Agency Successor Agency is a remnant parcel with minimal value unless it is merged with the abutting City property.

D. The Oversight Board for the Redevelopment Agency Successor Agency approved a list of appraisers and the property at 2224 Front Street was appraised in 2012 with a fair market value of $65,600. The market conditions have not changed with regard to this property location.

E. On December 15, 2014, the Oversight Board for the Redevelopment Agency Successor Agency approved the Long Range Property Management Plan for disposition of the prior Redevelopment Agency properties. The 2224 Front Street parcel was designated as a property to be sold in conjunction with the adjacent City-owned parcel at 2200 Front Street. However, before the property can be transferred, the Oversight Board must approve the appraisal and sales price and the State Department of Finance may review that Oversight Board action.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY SUCCESSOR AGENCY RESOLVES AS FOLLOWS:

Section 1. On behalf of the Redevelopment Agency Successor Agency, the City Manager is hereby authorized to execute the Purchase and Sale Agreement with California Vehicle Foundation, Inc. substantially in the

form attached as Exhibit A to the City Council resolution. Under this agreement, California Vehicle Foundation, Inc. agrees to pay the Redevelopment Agency Successor Agency $65,600 the fair market value of the vacant parcel at 2224 Front Street.

Section 2. The City Manager is hereby authorized to execute such additional documents and take actions necessary to implement the Purchase and Sale Agreement.

Section 3. The sale of this property is contingent upon approval of the Long Range Property Management Plan by the California Department of Finance, and approval of the appraisal and sales price by the Oversight Board for the Redevelopment Agency Successor Agency.

Section 4. The net proceeds of the sale of 2224 Front Street, after deduction of escrow expenses, will be provided to the Sacramento County Auditor-Controller for distribution to the taxing entities.