



DATE: **June 17, 2022**

TO: Honorable Chairperson & Members of the Sonoma County Oversight Board

FROM: Noah Housh, City of Cotati Successor Agency

SUBJECT: Resolution Approving a Land Purchase Agreement Between David McDonald and Brion Wise of B Wise Inc, and the City of Cotati Regarding Real Property Commonly Known as 950 E. Cotati Avenue (APN 144-320-026) and Authorizing the Executive Director to Execute all Documents Necessary to Complete the Sale

RECOMMENDATION

It is recommended that the Sonoma County Oversight Board adopt a Resolution approving the Land Purchase Agreement Between David McDonald and Brion Wise of B Wise Inc and the City of Cotati Regarding real at 950 E. Cotati Avenue (APN 144-320-026) and authorize the Executive Director to execute all documents necessary to complete the sale.

BACKGROUND

The Cotati Successor Agency is required to sell a 0.42 acre parcel located on E. Cotati Avenue (See Attachment 1) as part of the dissolution of the former Cotati Community Development Commission. The parcel is adjacent to the Cotati SMART Station and is part of the Santero Way Specific Plan which allows mixed use residential and commercial development.

The property was listed for sale based on equivalent properties zoned for mixed use development, as identified in the City of Cotati Long Range Property Management Plan (LRPMP) for an estimated price of between \$287,000 and \$350,000. This price is supported by the appraisal completed for the LRPMP, which is dated December 2015.

After procuring the services of a local real estate broker, the property was listed for sale and received no offers or bids. A second real estate broker was selected, and the property re-listed in August 2020. A final offer to purchase the property for \$350,000 was submitted to the City of Cotati, for a proposed mixed-use development. On June 1, 2021, a Surplus Land Act, notification was sent out for the required 60-day notification period to allow affordable housing developers to make an offer on the property. No such offers were received.

DISCUSSION

The Successor Agency has directed staff to move forward with negotiations with the offering party, and the Agency is seeking Oversight Board approval to sell the property for three hundred fifty thousand dollars (\$350,000). This offer is within the appraised value and within the estimated range of value of two hundred fourteen thousand nine hundred and sixty six dollars and three hundred fifty nine thousand one hundred and thirty dollars (\$214,966 - \$359,130) per the Long Range Property Management Plan.

The agreement requires development of the property with the mixed-use project inclusive of a minimum of six multi-family housing units and a similar amount of commercial square footage in keeping with the direction and requirements of the Cotati LRPMP. The offering party is a general contractor as provided information regarding their participation in several successful development projects. The final purchase agreement requires the buyer provide a down payment deposit and obtain all necessary City entitlements and CEQA approvals prior to the property being transferred upon demonstration of a viable construction financing plans. Given the limited number and schedule of Oversight Board meetings, and the complexity of development financing and entitlement approval timing, staff brought the conceptual purchase agreement and there were no significant comments at that time outside of the requirement of the sales price to meet or exceed the valuation. The final resolution presented is not substantially different in form from that presented at the prior meeting. One item of note is that the agreement includes dual Exhibit B sections which describe the easement requirements.

At the request of the Rancho Adobe Fire Protection District (RAFPD), the City has recorded a 20-foot emergency evacuation easement across the eastern boundary of the property. Supplementing this 20-foot evacuation easement (also at the request of the RAFPD), the City also recorded a 5-foot "no build" easement adjacent to the evacuation easement. This supplemental easement is intended to ensure adequate access and circulation remain in place as the property develops. Both easements are labeled Exhibit B to the sales agreement given that they function together and total a 25-foot easement limiting development across the property.

Staff recommends the Oversight Board authorizes the Agency to transfer the property to allow the development of the site with a mixed-use project in keeping with the direction of the LRPMP, for a sales price of \$350,000. The proposed mixed-use project would be consistent with the Santero Way Specific Plan however, the site is a challenge to develop given the constrains of the adjacent SMART parking lot, existing City infrastructure and access easements and municipal site ownership as well as the requirement for Site Plan and Architectural Review by the Planning Commission and potentially the City Council before any project could move forward to construction.

FINANCIAL IMPACT

The sale of the property would provide funds for each of the taxing agencies based on their share of property tax.

ATTACHMENTS

1. Resolution authorizing the sale of the property with Exhibit "A", Purchase and Sale Agreement
2. Successor Agency to the Cotati Redevelopment Agency - Long Range Property Management Plan -December 2015

**Resolution No. _____
Of the Sonoma County Oversight Board**

RESOLUTION APPROVING A LAND PURCHASE AGREEMENT BETWEEN DAVID MCDONALD AND BRION WISE OF B WISE INC. AND THE CITY OF COTATI REGARDING REAL PROPERTY COMMONLY KNOWN AS 950 E. COTATI AVENUE (APN 144-320-026)

WHEREAS, as authorized by applicable law, the City of Cotati has elected to serve as the Successor Agency to the former Cotati Community Development Commission (“CCDC”); and,

WHEREAS, Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a Long-Range Property Management Plan (“Plan”) to address the disposition and use of the real property of the former PCDC; and,

WHEREAS, the Successor Agency received, reviewed, considered, and approved the Plan in December, 2015; and,

WHEREAS, one of the properties identified in the plan was a 0.46-acre parcel located on E. Cotati Avenue, identified as Assessor Parcel Number 144-320-026, (“The Property”); and,

WHEREAS, The Property is zoned as part of the Santero Way Specific Plan which calls for mixed-use development; and,

WHEREAS, The Property was listed for sale in 2019; and,

WHEREAS, an offer to purchase the property for \$350,000 was received; and,

NOW, THEREFORE, BE IT RESOLVED BY THE COTATI COMMUNITY DEVELOPMENT SUCCESSOR AGENCY AS FOLLOWS:

Section 1. The Purchase and Sale Agreement attached to this Resolution as Exhibit “A” hereby approved to substantial form.

Section 2. The City Manager, as Executive Director, is hereby authorized to execute all documents necessary to complete the sale.

PASSED, APPROVED and ADOPTED at a meeting of Sonoma County Consolidated Oversight Board held this 17 day of June, 2022 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Attest:

Sonoma County Consolidated Oversight Board Chair

DISPOSITION AND DEVELOPMENT AGREEMENT

by and between

THE CITY OF COTATI

and

**DAVID MCDONALD AND BRION WISE OF B WISE INC, A NEVADA
CORPORATION. 50-50 PARTNERSHIP**

_____TBD_____, 2022

Exhibit A

LEGAL DESCRIPTION OF PROPERTY

(see attached)

Exhibit B

EMERGENCY EVACUATION AND NO BUILD EASEMENT

(see attached)

Exhibit C

FINANCING PLAN

(see attached)

Exhibit D

DEVELOPMENT AND PERFORMANCE SCHEDULE

(see attached)

Exhibit E

CONCEPTUAL PROJECT PLANS

(see attached)

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (this “**Agreement**” or “**DDA**”) is entered into effective as of ____TBD_____, 2022 (“**Effective Date**”) by and between the City of Cotati, a California municipal corporation (“**City**”), and David McDonald and Brion Wise of B Wise Inc., an Nevada Corporation 50-50 partnership (“**Developer**”). City and Developer are hereinafter individually referred to as “**Party**” and collectively referred to as the “**Parties.**”

RECITALS

A. The **City** owns a parcel located at 950 E. Cotati Avenue in Cotati, California, known as Sonoma County Assessor’s Parcel No. 144-320-026 and more particularly described in Exhibit A attached hereto and incorporated herein by reference (the “**Property**”). The **Property** was formerly owned by an agency of the State of California (“**Caltrans**”) and is currently undeveloped and is underutilized.

B. **City** desires to convey **Property** to Developer for the purpose of development of a mixed-use residential and commercial project (the “**Project**”) consisting of approximately 6 units of multi-family residential development with associated amenities and 7,000 square footage of commercial space, all subject to final plans and City regulatory approval, on the **Property**. **Property** and **Project** are more particularly described in Sections 5.1 and 5.2 herein, respectively.

C. **City**, prior to commencing discussions with **Developer**, issued notices pursuant to the Surplus Land Act, and it received no requests from negotiate.

D. The **Parties** desire to enter into an agreement setting forth the terms under which the **City** would convey **Property** to **Developer** and **Developer** would construct the **Project**. Title to the **Property** would transfer to **Developer** upon completion and approval of **Project’s** design through City’s entitlement and environmental review process. Developer explicitly acknowledges that this Agreement is intended to allow for the development of a mixed-use project, explicitly requires compliance with all applicable City regulations and does not allow it to rely on provisions of state law, such as the Housing Accountability Act or SB 35, to avoid those requirements or to construct a purely residential development on the site.

E. On August 10, 2001, the **City** adopted Ordinance No.721 formally amending the past approval and establishing the current Santero Way Specific Plan (“**SWSP**”), amending the Land Use Code, and amending zoning map designations for the properties within the **SWSP** area. The **City** earlier had approved and certified the Environmental Impact Report (“**EIR**”) prepared for the **SWSP on May 1, 2000**. Subsequently, an amendment to the **SWSP** was analyzed under an Addendum to the EIR and a Notice of Determination was filed for the Addendum.

F. The **City** has determined that development of the **Property** with the **Project** can act as a catalyst for subsequent development projects, further the State and City’s housing goals by adding to the City’s supply of market rate and affordable housing units, and will be of benefit to the **SWSP** Specific Plan Area and the City as a whole. The purpose of this Agreement is to facilitate development of the **Project**.

G. A material inducement to the **City** to enter into this Agreement is the agreement by **Developer** to develop the **Project** within the time periods specified herein and in accordance with the provisions hereof, and the **City** would be unwilling to enter into this Agreement in the absence of an enforceable commitment by **Developer** to complete the **Project** in accordance with such provisions and within such time periods, subject to the terms and conditions set forth herein.

H. In connection with this Agreement, **Developer** shall provide such documentation as **City** shall reasonably require in connection with the **Project** and its financing. This Agreement, and all **City** financing or sale documents are collectively hereinafter referred to as the “**City Documents**.”

I. The **Parties** acknowledge that the effectiveness of any **City Documents** and related documents requiring City participation will be contingent upon the approval of the **City Council**. The **Parties** recognize that the participation and cooperation of **Sonoma County Transit** may be essential to the implementation of the **Project** and continuing operation of adjacent parking spaces. Accordingly, the **Parties** are committed to engaging in ongoing communications and participation with **Sonoma County Transit**.

J. The **Parties** further acknowledge that the City has recorded an 20-foot wide Emergency Vehicle Access (EVA) and a 5-foot wide “no-build” easement (totalling 25-foot wide) across the entire eastern portion of the property.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the **Parties** agree as follows.

ARTICLE I

RECITALS AND DEFINITIONS

1.1. Recitals. The foregoing recitals are incorporated in and made a part of this Agreement.

1.2. Definitions. The following terms shall have the meanings set forth in the Sections referenced below whenever used in this Agreement and the Exhibits attached hereto. Additional terms are defined in the Recitals and text of this Agreement.

- a. “**Certificate of Completion**” is defined in Section 5.13.
- b. “**City**” is the City of Cotati, California.
- c. “**City Council**” is City Council of the City of Cotati.
- d. “**City Documents**” is defined in Recital G.
- e. “**Claims**” is defined in Section 5.16.

- f. **“Conditions of Approval”** is defined in Section 5.2.
- g. **“Construction Plans”** shall mean all plans, studies, modeling results, details and samples required to complete the City’s entitlement and permitting processes and obtain Project approval to construct.
- h. **“Developer”** is defined in the Preamble.
- i. **“Environmental Laws”** is defined in Section 9.4.
- j. **“Financing Plan”** is defined in Section 5.7.
- k. **“Hazardous Materials”** is defined in Section 9.3.
- l. **“Improvements”** is defined in Section 5.2.
- m. **“Indemnitees”** is defined in Section 5.15.
- n. **“Official Records”** means the Official Records of Sonoma County.
- o. **“Project”** shall mean development detailed in Section 5.2.
- p. **“Property”** shall mean the site addressed as 950 E. Cotati Avenue (APN 144-320-026) consisting of approximately 0.42 acres of vacant land as further described on Exhibit A. The Property as used herein includes the land and all tangible and intangible rights and assets appurtenant thereto, including: (i) any structures, buildings, fences and related improvements, (ii) any and all contracts, leases, permits, licenses, easements, rights of way, water rights and such other rights that may be appurtenant or attributable to the Property and any tangible personal property located at the Property (iii) any and all improvements, buildings and fixtures located on the Property.
- q. **“Sale Proceeds”** is defined and further described in Section 6.1.
- r. **“Transfer”** is defined in Section 7.2.

ARTICLE II

REPRESENTATIONS; EFFECTIVE DATE; MEMORANDUM

2.1. City’s Representations. City represents and warrants to Developer as follows, and City covenants that until the expiration or earlier termination of this Agreement, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 2.1 not to be true, City shall immediately give written notice of such fact or condition to Developer. City acknowledges that Developer shall rely upon City’s representations made herein notwithstanding any investigation made by or on behalf of Developer:

- a. No Violations/No Litigation. The execution, delivery and performance by City of its obligations under this Agreement will not conflict with or result in a breach of any

law, governmental rule, regulations, judgment, decree or order by which the City or the Property is bound, or by the provisions of any contract, written or oral, understanding, or promise to which City is a party, or by which City or the Property is bound. City has not received notice of any, and to the best of City's knowledge there is no action, suit, proceeding, or investigation pending or threatened, before any agency, court or other governmental authority which relates to the Property or the use thereof, nor to the best of City's knowledge are there any facts or circumstances which could give rise to such an action, suit, proceeding, or investigation.

b. No Known Hazardous Substances. To the best of City's knowledge, there are no Hazardous Substances (as defined below) nor any underground storage tanks on the Property in which any Hazardous Substance has been or is being stored, nor has there been any storage, production, manufacture, generation, treatment, handling, refinement, spill, disposal, discharge or release of any Hazardous Substance into, on, from or over the Property, or into or upon ground or surface water on or under the Property. City hereby represents and warrants that, to the best of City's knowledge, there are no asbestos-containing materials incorporated into any buildings or improvements that are part of the Property.

c. No Tenancies or Occupancies. There are no tenancies, rental or lease agreements with respect to occupancy possession or use of the Property by tenants or concessionaires. City covenants and agrees that from the date of this Agreement through the close of escrow or termination of this Agreement, City shall not enter into any other agreement regarding occupancy, possession, or any purchase or transfer of any interest in of the Property, or any portion thereof.

d. Due Authority. City warrants that City has full and lawful authority to enter into and carry out the terms and provisions of this Agreement and to execute and deliver all documents which are contemplated by this Agreement, and all actions of City, if required, necessary to confer such power and authority upon the persons executing this Agreement and all documents which are contemplated by this Agreement on behalf of City have been taken. City has not previously transferred or conveyed any interest in or right pertaining to the Property, or agreed or promised to do so, and to the best of City's knowledge there are no facts or circumstances which could give rise to any claim of such a transfer, conveyance, promise or agreement.

e. Insurance. From the date of this Agreement until the Close of Escrow, City shall keep in effect all currently existing insurance policies pertaining to the Property.

f. Disclosures. Within 5 business days of Developer's request, City will provide Developer complete copies of all documents, reports and materials pertaining the Property or Project in City's possession or reasonable access ("Disclosure Documents") as Developer may request as material to the Property or Project in its discretion. City represents that all such Disclosure Documents and any other disclosures made to Developer orally or in writing shall be true and accurate to the best of City's knowledge.

2.2. Representations. Developer represents and warrants to City as follows, and Developer covenants that until the expiration or earlier termination of this Agreement, upon learning of any fact or condition which would cause any of the warranties and representations in

this Section 2.2 not to be true, Developer shall immediately give written notice of such fact or condition to City. Developer acknowledges that City shall rely upon Developer's representations made herein notwithstanding any investigation made by or on behalf of City.

a. Authority. Developer is a Nevada Corporation. However, in the event Developer transfers his interest in the Agreement to an entity in accordance with the provisions of 7.3 hereof, Developer agrees that such entity shall be duly organized, validly existing and in good standing under the laws of the State of California. Developer shall have the full right, power and authority to undertake all obligations of Developer as provided herein, including, without limitation, the power and authority to own, develop, construct, operate and maintain the Property and the Project, and the execution, performance and delivery of this Agreement by Developer has been duly authorized by all requisite actions. In the event of such a transfer, all actions required under Developer's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement, and the other City Documents and all documents executed and delivered, or to be executed and delivered pursuant to this Agreement, shall have been duly taken. Except as expressly provided herein, this Agreement and the other City Documents constitute valid and binding obligations of Developer, enforceable in accordance with their respective terms.

b. No Conflict. Developer's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any statute, rule, regulation, judgment, contract, agreement or order to which Developer is a party or by which it is bound.

c. No Litigation or Other Proceeding. No litigation or other proceeding (whether administrative or otherwise) is outstanding or has been threatened which would prevent, hinder or delay the ability of Developer to perform its obligations under this Agreement.

d. No Developer Bankruptcy. Developer is not the subject of a bankruptcy or insolvency proceeding.

2.3. Effective Date. The obligations of Developer and City hereunder shall be effective as of the Effective Date. The City will not withhold consent to reasonable requests for subordination of the Agreement to deeds of trust and related documents provided for the benefit of Project lenders approved pursuant to the Financing Plan (defined below), provided that the instruments effecting such subordination include reasonable protections to the City in the event of default.

ARTICLE III

CONDITIONS PRECEDENT TO CONVEYANCE OF LAND

3.1. Conditions Precedent. City shall convey the **Property** to **Developer** in accordance with Article IV following **Developer's** satisfaction of the conditions set forth in this Agreement and within the time limits specified in the Development and Performance Schedule attached hereto as Exhibit D, unless such time is extended by the **City** at the discretion of the City Manager.

3.2. Scope of Development; City Land Use Approval. **Developer's** proposed Scope of Development includes the Improvements and amenities generally described in Section 5.2. Final scope of the **Project** has been approved by the City pursuant to the requirements of the City of Cotati Land Use Code following appropriate environmental analysis and the public hearing process. **Developer** expressly acknowledges that such approval is subject to all applicable City regulations and that it may not rely on provisions of state law, such as, but not limited to, the Housing Accountability Act or SB 35, to avoid those requirements. By execution of this Agreement, **City** hereby approves the preliminary Scope of Development for the **Project** as is specified in Section 5.2 and as is reflected in Exhibit E (Conceptual Project Plans).

3.3. Financing Plan. As set forth in the attached Exhibit C and more particularly described in Section 5.7, herein, **Developer** has provided **City** with a Financing Plan for the **Project**. Section 5.7 imposes certain obligations on the Developer with respect to financing the Project.

3.4. Due Diligence Period and Environmental Review. During the period commencing on the Effective Date (or commencing upon such earlier date as agreed upon by the Parties) and extending to the date that is one hundred twenty (120) days thereafter (the "Due Diligence Period"), Developer and Developer's authorized representatives shall have the right, upon reasonable notice to City, to enter upon the Property for the purpose of conducting inspections, surveys, testing and examination (including without limitation soils, engineering and groundwater testing) of the Property and the existing improvements. Developer shall provide workplans, drawings, and descriptions of any intrusive sampling it intends to undertake. Developer's inspection, examination, survey and review of the Property shall be at Developer's sole expense. Developer shall obtain City's advance consent in writing to any proposed physical testing of the Property, which consent shall not be unreasonably conditioned, withheld or delayed. Developer must keep the Property in a safe condition during its entry. Developer will not permit any mechanics liens, stop notices or other liens or encumbrances to be placed against the Property prior to Close of Escrow. Developer shall repair, restore and return the Property to its condition immediately preceding Developer's entry thereon at Developer's sole expense. Developer shall schedule any such physical tests during normal business hours unless otherwise approved by City. City may require Developer to execute a right of entry agreement satisfactory to City prior to entry onto the Property for such purpose and shall require Developer to provide proof of liability insurance acceptable to City. Developer shall provide City with copies of all reports and test results promptly following completion of such reports and testing. Without limiting any other indemnity provisions set forth in this Agreement, Developer shall indemnify, defend (with counsel reasonably approved by City) and hold the Indemnitees harmless from and against all Claims resulting from or arising in connection with entry upon the Property by Developer or Developer's agents, employees, consultants, contractors or subcontractors pursuant to this Section 3.4 except to the extent that such liability, loss, cost, damage or expense arises as a result of the negligence or other wrongful conduct of the Indemnitees. Developer's indemnification obligations set forth in this Section shall survive the Close of Escrow and the termination of this Agreement. Upon expiration of the Due Diligence Period, Developer will have approved the Property (excluding environmental review below) or may, at its option, terminate the Agreement.

3.5. Review. Subject to the indemnification provisions above, after expiration of the Due Diligence Period, the Developer shall retain rights of entry and inspection for one hundred fifty (150) days from the expiration of the Due Diligence Period for further environmental review of the Property and as related to the Project including, without limitation, reports pending, testing and general environmental review related to any governmental or public agency responses or requirements related to remediation or mitigation of the Property or any part thereof (“Environmental Review Period”).

Upon expiration of the Environmental Review Period, Developer shall have the right to terminate the Agreement for any reason or no reason, in which case City shall immediately instruct the Escrow Agent to refund the Good Faith Deposit to Developer in accordance with section 4.3.

ARTICLE IV

DISPOSITION OF THE PROPERTY

4.1. Purchase and Sale. Provided that all conditions precedent set forth in this Agreement have been satisfied, City shall convey to Developer the fee interest in the Property by grant deed in accordance with and subject to the terms and conditions of this Agreement, free and clear of all title defects, liens and encumbrances except: (a) the provisions and effect of this Agreement; (b) liens for non-delinquent taxes, assessments, and/or bonds; (c) title exceptions set forth in the Preliminary Title Report issued by Developer’s Title Company for the Property (“Preliminary Report”) to the extent exceptions have been expressly approved by Developer in writing; and (d) such other conditions, liens, encumbrances, restrictions, easements and exceptions as Developer may approve in writing (all of the foregoing collectively referred to as the “Permitted Exceptions”). Following the Effective Date, absent the consent of Developer, City shall not cause or allow a lien or other encumbrance which would remain effective following conveyance of the Property to attach to the Property.

4.2. Purchase Price. Purchase price of **Property** shall be THREE HUNDRED FIFTY THOUSAND DOLLARS (\$350,000.00 US), payable in cash due at Closing.

4.3. Good Faith Deposit. As provided herein and subject to the terms of this Agreement, Developer shall remit a deposit of Forty-Thousand Dollars (\$40,000) payable as follows: \$20,000 shall be due upon final execution of this Agreement after approval by City Council; and the remaining \$20,000 shall be due when Developer’s environmental review is completed and Developer has approved the same pursuant to Section X. All deposit monies (collectively, the “Good Faith Deposit”) shall be deposited into an escrow account at First American Title Company, or another mutually agreed upon title company (the “Escrow Agent”). The full amount of the Good Faith Deposit paid shall be credited to Developer toward the purchase price at the time of the purchase and sale close of escrow. Any interest earnings of the deposit monies while held by the Escrow Agent shall accrue for the benefit of whomever receives the Good Faith Deposit (Developer in the event of a termination of this Agreement or City in the event of the close of escrow hereunder). As provided herein, the Good Faith Deposit shall remain refundable to Developer until either of the following events occur, at which time the

Good Faith Deposit or portion thereof as provided herein, shall become non-refundable except in the event of a default hereunder by City:

a. Except as expressly provided herein, \$20,000 of the Good Faith Deposit shall be non-refundable upon Developer's approval of the Property (excluding Environmental Review Period pending) after the Due Diligence Period as provided in Section 3.4.

b. The remaining \$20,000 of the Good Faith Deposit shall become non-refundable upon Developer's approval of the entire Property after the Environmental Review Period as provided in Section 3.4.

4.4. Title/Close of Escrow. City shall convey title to the Property to Developer by a grant deed free and clear of all liens and encumbrances except as expressly provided herein. Escrow shall close on the sale no later than fifteen (15) days following the date Developer obtains all entitlements and building permit approvals for the Project. In the event the close of escrow has not occurred within Five Hundred Forty (540) days following the Effective Date despite Developer diligently seeking and pursuing all entitlements and approvals for the Project, Developer shall be entitled, in Developer's sole discretion, to terminate this Agreement and recover all of the Good Faith Deposits.

4.5. Costs of Closing and Escrow. Developer shall pay ordinary Closing and Escrow costs incurred with Escrow or Title Company at Closing, including without limitation all title insurance premiums for policies Developer elects to acquire. Unless exempt by the County of Sonoma, City shall pay all transfer taxes associated with the sale. Provided however, each party shall pay its own costs associated with the transaction including, without limitation, costs of any inspectors, advisors, consultants and attorneys.

4.6. Escrow Instructions; Recordation of Documents. City and Developer shall furnish Escrow Agent a copy of this Agreement, which together with such supplemental instructions as City or Developer may agree upon in writing shall serve as Escrow instructions for the conveyance of the Property. Not later than one (1) day prior to the Closing Date, Developer shall deposit into Escrow the balance of the purchase price after credit for the Good Faith Deposit and such additional funds necessary to close as provided herein. Not later than one (1) day prior to the Closing Date, provided that all conditions precedent to conveyance have been satisfied, City shall deposit into Escrow an executed grant deed ("Grant Deed") conveying the Property to Developer and funds for any closing costs allocable to City hereunder. On the Closing Date, Escrow Agent shall cause the Grant Deed to be recorded in the Official Records.

4.7. City's Conditions to Closing. City's obligation to proceed with the Closing is subject to satisfaction or waiver by the City of all of the following conditions:

a. No Default. Developer shall not be in Default under the terms of this Agreement, and all representations and warranties of Developer shall be true and correct in all material respects.

b. Execution of Documents. Developer shall have executed all documents required hereunder, and shall have delivered all such documents to City or into Escrow.

c. City's Title Policy. The Title Company shall, upon payment of the premium therefor by City, be ready to issue such title policies for the benefit of City as City shall order, including such endorsements as City may reasonably request.

d. Satisfaction of Conditions Precedent. Developer shall have satisfied the conditions set forth in Article III.

e. Funds. At the time, and as a condition of property conveyance, Developer shall have deposited into Escrow, the balance of the purchase price after credits provided herein and sufficient funds for costs of Escrow allocated to Developer pursuant to this Agreement.

4.8. Developer's Conditions to Closing. Developer's obligation to proceed with the Closing is subject to satisfaction or waiver by Developer of the following conditions:

a. No Default. City shall not be in Default under the terms of this Agreement, and all representations and warranties of City contained herein shall be true and correct in all material respects.

b. Execution of Documents. City shall have executed, and acknowledged as applicable, this Agreement, the Grant Deed, and all other documents required hereunder, and shall have delivered such documents into Escrow.

c. Developer's Title Policy. The Title Company shall, upon payment of the premium therefor by Developer, be ready to issue an Owner's ALTA title policy for the benefit of Developer, showing title to the Property vested in Developer, subject only to the Permitted Exceptions and including such endorsements as Developer may reasonably request.

d. Satisfaction of Conditions Precedent. Developer shall have obtained all entitlements and approvals for the Project.

ARTICLE V

DEVELOPMENT OF THE PROJECT

5.1. The Property. City represents and warrants that as of the Effective Date: (i) City owns a fee simple interest in the Property free of all other liens and encumbrances except for any exceptions disclosed in the Preliminary Report and approved in writing by Developer. If at any time the foregoing statements become untrue, the Developer shall have the right to terminate this Agreement upon written notice to City without further obligation except as expressly provided herein. In event of any termination under this Section 5.1, City shall immediately instruct the Escrow Agent to refund the Good Faith Deposit to Developer and City shall reimburse Developer for all its costs actually incurred in connection to this Agreement and the Project through the date of termination.

5.2. Scope of Development. From and after the Closing, Developer shall use its best efforts to develop the Project in accordance with the terms and conditions of this Agreement and in compliance with the terms and conditions of all approvals, entitlements and permits that the

City or any other governmental body or entity with jurisdiction over the Project or the Property has granted or issued as of the date hereof or may hereafter grant or issue in connection with development of the Project, including without limitation, all reasonable mitigation measures imposed in connection with environmental review of the Project and all conditions of approval imposed in connection with any entitlements, approvals or permits (all of the foregoing approvals, entitlements, permits, mitigation measures and conditions of approval are hereafter collectively referred to as the “Conditions of Approval”).

The **Project** will consist of an upscale, two to three story mixed use development project consisting of approximately 16 residential units, and 7,000 square feet of commercial land use with associated and appropriate amenities on an approximately 0.42-acre site consisting of Sonoma County Assessor Parcel Numbers 144-320-026, located at the southeast corner of East Cotati Avenue and Santero Way. To the maximum extent reasonably and fiscally feasible, as determined in the reasonable discretion of Developer consistent with approved plans, the **Project** will be of high-quality design and materials within an environmentally and pedestrian friendly site utilizing low impact development techniques, energy efficient buildings, all necessary utility infrastructure, and clear connections to the adjacent public realm. The building façades and site materials will reflect a Sonoma County aesthetic with a focus on natural and traditional materials, energy and water efficiency and ease of use and access for pedestrians and bicyclists. The **Project** will be constructed to meet CalGreen Tier 1 code requirements and **Developer** will use best reasonable efforts to achieve a net-zero energy building; use of solar energy production where feasible, energy efficient fixtures and appliances; and maximum utilization of LED lighting technology. Site design shall include all required and feasible low impact development techniques and practices. All of the foregoing are collectively hereinafter referred to as the “**Improvements**”.

City acknowledges that the successful completion of the Project is, for its own purposes, to the benefit of and in interest of the City as well as Developer. Without limiting City’s ordinary authority processes, Developer and City will use best reasonable efforts and cooperate as reasonably beneficial to the Project in obtaining or acquiring any such available related public or development related incentives including, without limitation, any grants, tax benefits and/or rebates concerning any such design and/or construction aspects as the case may be in the interest of the Project.

Notwithstanding anything to the contrary contained herein, the construction of the Project is expressly conditioned upon compliance with California Environmental Quality Act (“CEQA”), as necessary and appropriate. Necessary studies and reports will be completed, necessary notices will be filed. No physical construction work, not otherwise exempt from CEQA, shall commence on the **Property** without such compliance. Provided, however, if environmental review determines remediation or mitigation in excess of Two Hundred Fifty Thousand Dollars (\$250,000) shall be required by any governmental agency concerning the Project, then:

a. The Developer may, at its option, and only after a good faith consultation with the City to resolve the issue, cancel this Agreement and receive refund of the Good Faith Deposit in accordance with section 4.3; or

b. The Developer may elect to continue with the Agreement and, in such event, Developer will pay for the first \$250,000 of costs related to such required environmental mitigation or remediation and the excess cost (above \$250,000) of any such environmental mitigation or remediation required may be paid by Developer, and to the extent paid by Developer such excess cost will be credited to Developer against the Purchase Price. The parties shall reasonably cooperate toward completion of any such remediation or compliance matters.

5.3. Project Approvals. Developer acknowledges and agrees that execution of this Agreement by City does not constitute approval of entitlements or approval for the purpose of the issuance of building or grading permits for the construction of the Project, does not limit in any manner the ordinary discretion of City in such approval process which such approval will not be unreasonably withheld, and does not relieve Developer from the obligation to apply for and obtain all necessary entitlements, approvals, and permits for the construction of the Project, including without limitation, the approval of architectural and engineering plans, and compliance with all required environmental mitigations and City development standards.

Developer covenants that it shall: (i) obtain all necessary permits and approvals which may be required by City, or any other governmental agency having jurisdiction over the construction of the Project or the development of the Property, (ii) comply with all Conditions of Approval that Developer has agreed to accept in accordance with Section 5.2, (iii) comply with all mitigation measures imposed in connection with any environmental review of the Project, and (iv) not commence construction work on the Project prior to issuance of permits required for such work.

City staff shall work cooperatively with Developer to assist in coordinating the expeditious processing and consideration of all permits, entitlements and approvals necessary for development of the Project.

5.4. Other Governmental Approvals; Cooperation. City shall cooperate with Developer in its efforts to obtain any permits or approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the Project, and shall, from time to time at the request of Developer, join with Developer in the execution of such permit applications and agreements as may be required to be entered into with any such other agency, and will use reasonable efforts with any such entity as may be necessary to ensure the timely availability of such permits and approvals.

5.5. Fees. Developer shall be solely responsible for, and shall promptly pay when due, all customary and usual fees and charges of City in connection with obtaining permits and other approvals for the Project, including without limitation, those related to the processing and environmental impacts, any related approvals and permits, environmental review, City design review, and any subsequent approvals for the Project. All applicable fees needed to mitigate impacts to City service systems, shall be due and payable at time of first permit issuance.

5.6. Cost of Construction. Except as expressly set forth herein, after the Effective Date, Developer shall be solely responsible for all direct and indirect costs and expenses incurred in connection with the design, development and construction of the Project and compliance with

the Conditions of Approval, including without limitation the installation and construction of all off-site or on-site improvements required by City in connection therewith.

In the event any off-site costs or similar requirements, in the Developer's sole determination, exceed such amounts as fiscally reasonable for successful Project completion, then Developer shall have the right to cancel this Agreement only after a good faith consultation with the City to resolve the issue, and in event of such cancellation shall receive refund of the Good Faith Deposit in accordance with section 4.3.

5.7. Financing Plan. As set forth in the attached Exhibit C, Developer has provided City with a preliminary financing plan for the Project ("Financing Plan") which describes (i) the estimated costs of Project development, including acquisition costs, and hard and soft construction costs, (ii) an operating pro forma which describes projected revenue and expenses for the Project, and (iii) identification of sources of entitlement, construction and permanent financing. The Financing Plan must be in a form and content to provide sufficient detail to satisfy the requirements of potential lenders. Developer shall update the Financing Plan throughout the term of this Agreement to reflect any changes in the pro forma and as reasonably requested by City. Developer shall provide prior written notice to the City of any material proposed modifications. If the City fails to approve or deny any such modification within twenty (20) calendar days following City's receipt of the proposed modifications, then the Financing Plan and the encumbrances which may be recorded against the Property in connection with the financing contemplated by the Financing Plan shall be deemed approved by the City. The City agrees not to unreasonably withhold consent to proposed modifications to the Financing Plan.

Prior to City execution of this Agreement, Developer shall provide City with financial statements of Developer and any general partner of Developer, as applicable, and other financial data and information needed to fairly present the ability of Developer to successfully construct the Project.

Prior to conveyance of the Property, evidence satisfactory to the City must be provided to City which demonstrates that all Project financing and construction contracts have been committed to the Project, subject only to commercially reasonable conditions.

Failure of the Developer to receive funding commitments sufficient to fund the construction and operation of the proposed Project within ninety (90) days prior to the Closing, may result in the termination of this Agreement, unless City and Developer mutually execute a written extension of time.

5.8. Development Schedule. Developer shall commence and complete plan development and construction of the Project and shall satisfy all other obligations of Developer under this Agreement within the time periods set forth herein and as described in the Development and Performance Schedule attached as Exhibit D hereto, as such time periods may be extended upon the mutual written consent of the Parties. Subject to force majeure, the availability of financing, and the City's issuance of permits and approvals, Developer shall commence construction of the Project within thirty (30) days of issuance of building permits subject to above average rainfall or other unusual weather events and in such event(s) construction will commence no later than 180 days after issuance of building permits. Developer

shall diligently prosecute to completion the construction of the Project in order to allow City to issue a final certificate of occupancy in no event later than Twenty-four (24) months from the commencement of construction. Subject to the provisions hereof, the availability of financing, and the City's issuance of permits and approvals, Developer's failure to commence or complete construction of the Project in accordance with the time periods specified in this Section 5.8 and Exhibit D shall be an Event of Developer Default hereunder.

5.9. Rights of Access. For the purpose of ensuring that the Project is developed in compliance with this Agreement, Developer shall permit representatives of the City to enter upon the Property to inspect the Project following forty-eight (48) hours written notice, including without limitation inspection for labor standards compliance monitoring as described in Section 5.15 (except in the case of emergency in which case such notice as may be practical under the circumstances shall be provided). Developer shall have the right to accompany any City representative performing an inspection of the Project.

5.10. City Disclaimer. Developer acknowledges that City shall have the right to monitor, review, supervise, or inspect the progress of construction of the Project. Such right shall commence on the Effective Date and continue until issuance of Certificate of Completion under Section 5.13. Notwithstanding such right, Developer and all third parties shall rely on its or their own supervision and inspection in determining the quality and suitability of the materials and work, the performance of architects, subcontractors, and material suppliers, and all other matters relating to the construction and operation of the Project, subject to City confirmation of compliance with all California Building Code and Conditions of Approval. Any review or inspection undertaken by the City is solely for the purpose of determining whether Developer is properly discharging its obligations under this Agreement, the California Building Code and required Conditions of Approval, and shall not otherwise be relied upon by Developer or any third party as a warranty or representation by the City as to the quality of the design or construction of the Improvements or otherwise.

5.11. Construction Pursuant to Plans. Developer shall develop the Project substantially in accordance with the approved Construction Plans, the Conditions of Approval, and all other permits and approvals granted by the City or other public agency, pertaining to construction of the Project. Developer shall comply with all directions, rules and regulations of any fire marshal, health officer, building inspector or other officer of every governmental entity having jurisdiction over the Property or the Project. Each element of the work shall proceed only after procurement of each permit, license or other authorization that may be required for such element by any governmental entity having jurisdiction. All design and construction work on the Project shall be performed by licensed contractors, engineers or architects, as applicable.

5.12. Defects in Plans. City shall not be responsible to Developer or to any third party for any defect in the Construction Plans or for any structural or other defect in any work done pursuant to the Construction Plans. Subject to the last sentence of this Section 5.12, Developer shall indemnify, defend (with counsel approved by City) and hold harmless the Indemnitees (defined below) from and against all Claims (defined below) arising out of, or relating to, or alleged to arise from or relate to defects in the Construction Plans or defects in any work done pursuant to the Construction Plans whether or not any insurance policies shall have been determined to be applicable to any such Claims. Developer's indemnification obligations set

forth in this Section shall survive the expiration or earlier termination of this Agreement and the recordation of a Certificate of Completion and shall be assumed by any successor to Developer's interest in this Agreement. It is further agreed that City shall not waive any rights against Developer which it may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or Developer's deposit with City, of any of the insurance policies described in this Agreement. Developer's indemnification obligations pursuant to this Section shall not extend to Claims to the extent arising due to the gross negligence or willful misconduct of the Indemnitees. Developer's indemnification obligations set forth in this Section shall not apply to any Construction Plans that are not used by or on behalf of Developer or any entity affiliated with Developer, including without limitation, a Controlled Affiliate or an entity controlled by or under common control with Developer.

5.13. Certificate of Completion for Project. Promptly after completion of construction of the Project and its issuance of a final Certificate of Occupancy by the City, and upon the written request of Developer, the City will provide an instrument ("Certificate of Completion") so certifying, provided that at the time such certificate is requested all applicable components of the Project have been completed. The Certificate of Completion shall be conclusive evidence that Developer has satisfied its obligations under this Agreement.

The Certificate of Completion shall be issued substantially in the form attached hereto as Exhibit B, and at Developer's option, shall be recorded in the Official Records. The Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a deed of trust or mortgage securing money loaned to finance the Project or any part thereof and shall not be deemed a notice of completion under the California Civil Code, nor shall such Certificate provide evidence that Developer has satisfied any obligation that survives the expiration of this Agreement.

5.14. Equal Opportunity. During the construction of the Project, Developer shall not permit any discrimination on the basis of race, color, religion, creed, sex, sexual orientation, marital status, ancestry or national origin in the hiring, firing, promoting or demoting of any person under the direct control of Developer, and Developer shall require that its contractors and subcontractors to refrain from discrimination on such basis.

5.15. Prevailing Wage Requirements. To the full extent required by all applicable State and Federal laws, rules and regulations, if any, Developer shall for itself and shall require its contractors and agents to comply with California Labor Code Section 1720 *et seq.*, the Davis-Bacon Act, and the regulations adopted pursuant to each of them, as the same may be applicable to the Project ("Prevailing Wage Laws"), and shall be responsible for carrying out the requirements of such provisions.

Subject to the last sentence of this paragraph, Developer shall indemnify, defend (with counsel approved by City) and hold the City, and its elected and appointed officers, officials, employees, agents, consultants, and contractors (collectively, the "Indemnitees") harmless from and against all liability, loss, cost, expense (including without limitation attorneys' fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, penalty, deficiency, fine, order, and damage (all of the foregoing collectively "Claims") which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or

are alleged to be caused by, arise in connection with, or relate to, the payment or requirement of payment of prevailing wages (including without limitation, all claims that may be made by contractors, subcontractors or other third party claimants pursuant to Labor Code Sections 1726 and 1781), the failure to comply with any state or federal labor laws, regulations or standards in connection with this Agreement, including but not limited to the Prevailing Wage Laws, or any act or omission of Developer related to this Agreement with respect to the payment or requirement of payment of prevailing wages, whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that City does not and shall not waive any rights against Developer which it may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or Developer's deposit with City of any of the insurance policies described in this Agreement. The provisions of this Section 5.15 shall survive the expiration or earlier termination of this Agreement and the issuance of a Certificate of Completion for the Project and shall be assumed by any successor to Developer's interest in this Agreement. Developer's indemnification obligations set forth in this Section shall not apply to Claims to the extent arising from the gross negligence or willful misconduct of one or more of the Indemnitees. Developer's indemnification obligations set forth in this Section shall only apply to work performed by or on behalf of Developer or any entity affiliated with Developer, including without limitation, a Controlled Affiliate or an entity controlled by or under common control with Developer.

5.16. Compliance with Laws. In connection with development and construction of the Project, Developer shall comply, and shall cause its contractors to comply with all applicable federal, state and local laws, rules, ordinances and regulations, including without limitation, all applicable federal and state labor laws and standards, applicable provisions of the California Public Contract Code (if any), the City zoning and development standards, building, plumbing, mechanical and electrical codes, all other provisions of the City's Municipal Code, and all applicable disabled and handicapped access requirements, including without limitation, applicable provisions of the Americans with Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.* Developer shall indemnify, defend (with counsel approved by City) and hold harmless the Indemnitees from and against any and all Claims arising in connection with the breach of Developer's obligations set forth in this Section whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that City shall not waive any rights against Developer which they may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or Developer's deposit with City of any of the insurance policies described in this Agreement. Developer's indemnification obligations set forth in this Section shall not apply to Claims to the extent arising from the gross negligence or willful misconduct of the Indemnitees. Developer's defense and indemnification obligations set forth in this Section 5.18 shall survive the expiration or earlier termination of this Agreement and the issuance of a Certificate of Completion for the Project.

5.17. Liens and Stop Notices. If a claim of a lien or stop notice is given or recorded affecting the Project or the Property, Developer shall within thirty (30) days of such recording or service: (a) pay and discharge (or cause to be paid and discharged) the same; or (b) effect the release thereof by recording and delivering (or causing to be recorded and delivered) to the party entitled thereto a surety bond in sufficient form and amount; or (c) provide other assurance

satisfactory to City that the claim of lien or stop notice will be paid or discharged. The provisions of this Section 5.17 shall apply from and after Developer's acquisition of a fee simple interest in the Property.

5.18. Right of City to Satisfy Liens on the Property. If Developer fails to satisfy or discharge any lien or stop notice on the Property pursuant to and within the time period set forth in Section 5.17 above, the City shall have the right, but not the obligation, to satisfy any such liens or stop notices at Developer's expense with prior written notice to Developer. In such event Developer shall be liable for and shall immediately reimburse City for such paid lien or stop notice. Alternatively, the City may require Developer to immediately deposit with City the amount necessary to satisfy such lien or claim pending resolution thereof. The City may use such deposit to satisfy any claim or lien that is adversely determined against Developer. Developer shall file a valid notice of cessation or notice of completion upon cessation of construction of the Improvements for a continuous period of thirty (30) days or more, and shall take all other reasonable steps to forestall the assertion of claims or liens against the Property or the Improvements. The City may (but has no obligation to), with prior written notice to Developer, record any notices of completion or cessation of labor, or any other notice that the City deems necessary or desirable to protect its interest in the Property and the Improvements.

5.19. Performance and Payment Bonds. Prior to commencement of construction work on the Project, Developer shall cause its general contractor to deliver to the City copies of payment bond(s) and performance bond(s) issued by a reputable insurance company licensed to do business in California, each in a penal sum of not less than one hundred percent (100%) of the scheduled cost of construction of the Project. Bonds shall name the Developer and the City as co-obligees. In lieu of such performance and payment bonds, subject to City's approval of the form and substance thereof, Developer may submit evidence satisfactory to the City of the contractor's ability to commence and complete construction of the Project in the form of an irrevocable letter of credit, pledge of cash deposit, certificate of deposit, or other marketable securities held by a broker or other financial institution, with signature authority of the City required for any withdrawal, or a completion guaranty in a form and from a guarantor acceptable to City. Such evidence must be submitted to City in approvable form in sufficient time to allow for City's review and approval prior to the scheduled construction start date.

5.20. Insurance Requirements. Developer shall maintain and shall cause its contractors to maintain all applicable insurance coverage specified in Article XI.

5.21. Records Maintenance and Retention. Developer shall maintain records that accurately and fully show the date, amount, purpose, and payee of all expenditures incurred in the construction of the Project for a period of no fewer than three (3) years after completion of the work.

ARTICLE VI

USE OF THE PROPERTY

6.1. Use. Developer covenants and agrees for itself and its successors and assigns that the Property shall be used for the development and operation of a mixed-use project, with

associated amenities and services, as described herein and in accordance with the terms and conditions of this Agreement. The provisions of this Section 6.1 shall not prevent the future re-development of the property following the completion of the project.

6.2. Intentionally Omitted

6.3. Taxes and Assessments. From and after Developer's acquisition of the Property, Developer shall pay all real and personal property taxes, assessments and charges and all franchise, income, payroll, withholding, sales, and other taxes assessed against the Property or the Improvements and payable by Developer, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Property or the Improvements; provided, however, that Developer shall have the right to contest in good faith, any such taxes, assessments, or charges. In the event the Developer exercises its right to contest any tax, assessment, or charge, the Developer, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

6.4. Intentionally Omitted

ARTICLE VII

LIMITATIONS ON CHANGE IN OWNERSHIP, MANAGEMENT AND CONTROL OF DEVELOPER

7.1. Change Pursuant to this Agreement. Developer has represented that it possesses the necessary expertise, skill and ability to carry out the development of the Project on the Property pursuant to this Agreement. The qualifications, experience, financial capacity and expertise of Developer are of particular concern to the City. It is because of these qualifications, experience, financial capacity and expertise that the City has entered into this Agreement with Developer. No voluntary or involuntary successor, assignee or transferee of Developer shall acquire any rights or powers under this Agreement, except as expressly provided herein.

7.2. Prohibition on Transfer. Except as set forth in Section 7.3 below, prior to completion and opening of the Project, Developer shall not, except as expressly permitted by this Agreement, directly or indirectly, voluntarily, involuntarily or by operation of law make or attempt any total or partial sale, transfer, conveyance, assignment or lease (collectively, "Transfer") of the whole or any part of Developer's interest in the Property, the Project, the Improvements, or this Agreement, without the prior written approval of City, which approval shall not be unreasonably withheld. (The provisions concerning Transfer of the Property, the Project and the Improvements shall apply commencing upon Developer's acquisition of a fee simple interest in the Property.) Any such attempt to assign this Agreement without the City's consent shall be null and void and shall confer no rights or privileges upon the purported assignee. In addition to the foregoing, completion and opening of the Project, except as expressly permitted by this Agreement, Developer shall not undergo any significant change of ownership without the prior written approval of City. For purposes of this Agreement, a "significant change of ownership" shall mean a transfer of the beneficial interest of more than

twenty-five percent (25%) in aggregate of the present ownership and /or control of Developer, taking all transfers into account on a cumulative basis; provided however, neither the admission of an investor limited partner, nor the transfer by the investor limited partner to subsequent limited partners shall be restricted by this provision.

7.3. Permitted Transfers. Notwithstanding any contrary provision hereof, the prohibitions set forth in this Article shall not be deemed to prevent: (i) the granting of easements or permits to facilitate development of the Property; (ii) the dedication of any property required pursuant to this Agreement; (iii) assignments creating security interests for the purpose of financing the acquisition, construction or permanent financing of the Project or the Property in accordance with the approved Financing Plan as it may be updated with City approval, or Transfers directly resulting from the foreclosure of, or granting of a deed in lieu of foreclosure of, such a security interest; or (iv) a Transfer to a legal entity controlled by Developer (“Controlled Affiliate”).

7.4. Requirements for Proposed Transfers. The City may, in the reasonable exercise of its sole discretion which shall not be unreasonably withheld, consent to a proposed Transfer of this Agreement, the Improvements, the Property or portion thereof if all of the following requirements are met (provided however, the requirements of this Section 7.4 shall not apply to Transfers described in clauses (i) through (iv) of Section 7.3):

a. The proposed transferee demonstrates to the **City’s** satisfaction that it has the qualifications, experience and financial resources necessary and adequate as may be reasonably determined by the **City** to competently complete construction of the **Project** and to otherwise fulfill the obligations undertaken by the **Developer** under this Agreement.

b. The **Developer** and the proposed transferee shall submit for City review and approval all instruments and other legal documents proposed to effect any Transfer of this Agreement, the **Improvements**, the **Property** or interest therein together with such documentation of the proposed transferee’s qualifications and development capacity as **the City** may reasonably request.

c. The proposed transferee shall expressly assume all of the rights and obligations of the **Developer** under this Agreement and the **City Documents** arising after the effective date of the Transfer and all obligations of **Developer** arising prior to the effective date of the Transfer (unless **Developer** expressly remains responsible for such obligations) and shall agree to be subject to and assume all of **Developer’s** obligations pursuant to the Conditions of Approval and all other conditions, and restrictions set forth in this Agreement.

d. The Transfer shall be effectuated pursuant to a written instrument satisfactory to the **City** in form recordable in the **Official Records**.

Consent to any proposed Transfer may be given by the City Manager unless the City Manager, in his or her discretion, refers the matter of approval to the **City Council**. If a proposed Transfer has not been expressly rejected or approved by **City** in writing within sixty (60) days following **City’s** receipt of written request by **Developer**, it shall be deemed accepted.

City may request information be provided by Developer regarding the proposed Transfer, which shall not be unreasonably withheld, for the purposes of assessing the Transfer request.

7.5. Effect of Transfer without City Consent.

a. In the absence of specific written agreement by the **City**, no Transfer by **Developer** shall be deemed to relieve the **Developer** or any other party from any obligation under this Agreement.

b. Without limiting any other remedy **City** may have under this Agreement, or under law or equity, it shall be an Event of Developer Default hereunder entitling **City** to terminate this Agreement if without the prior written approval of the **City**, **Developer** assigns or Transfers this Agreement, the **Improvements**, or the **Property** prior to the **City's** issuance of a Certificate of Completion.

ARTICLE VIII

SECURITY FINANCING AND RIGHTS OF MORTGAGEES

8.1. Mortgages and Deeds of Trust for Development. Mortgages and deeds of trust, or any other reasonable security instrument are permitted to be placed upon the **Property** or the **Improvements** only for the purpose of securing loans for the purpose of the design and construction of the Improvements, and other expenditures reasonably necessary for development of the **Property** pursuant to this Agreement. **Developer** shall not enter into any conveyance for such financing that is not contemplated in the **Financing Plan** as it may be updated with **City** approval which shall not be unreasonably withheld, without the prior written approval of the **City's** Manager or his or her designee. As used herein, the terms "mortgage" and "deed of trust" shall mean any security instrument used in financing real estate acquisition, construction and land development.

8.2. Holder Not Obligated to Construct. The holder of any mortgage, deed of trust authorized by this Agreement shall not be obligated to complete construction of the **Improvements** or to guarantee such completion. Nothing in this Agreement shall be deemed to permit or authorize any such holder to devote the **Property** or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

8.3. Notice of Default and Right to Cure. Whenever **City** delivers any notice of default hereunder, **City** shall concurrently deliver a copy of such notice to each holder of record of any mortgage or deed of trust secured by the **Property** or the **Improvements**, provided that **City** has been provided with the address for delivery of such notice. **City** shall have no liability to any such holder for any failure by the **City** to provide such notice to such holder. Each such holder shall have the right, but not the obligation, at its option, to cure or remedy any such default or breach within the cure period provided to **Developer** extended by and additional sixty (60) days. In the event that possession of the **Property** or the **Improvements** (or any portion thereof) is required to effectuate such cure or remedy, the holder shall be deemed to have timely cured or remedied the default if it commences the proceedings necessary to obtain possession of

the **Property** or **Improvements**, as applicable, within sixty (60) days after receipt of the City's notice, diligently pursues such proceedings to completion, and after obtaining possession, diligently completes such cure or remedy. A holder who chooses to exercise its right to cure or remedy a default or breach shall first notify **City** of its intent to exercise such right prior to commencing to cure or remedy such default or breach. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction of the **Project** (beyond the extent necessary to conserve or protect the same) without first having expressly assumed in writing **Developer's** obligations to **City** under this Agreement. The holder in that event must agree to complete, in the manner provided in this Agreement, the **Project** and the **Improvements** and submit evidence reasonably satisfactory to **City** that it has the development capability on staff or retainer and the financial capacity necessary to perform such obligations. Any such holder properly completing the **Project** pursuant to this Section shall assume all rights and obligations of **Developer** under this Agreement and shall be entitled to a Certificate of Completion upon compliance with the requirements of this Agreement.

8.4. City Right to Cure Defaults. In the event of a breach or default by **Developer** under a mortgage or deed of trust secured by the **Property** or the **Improvements**, **City** may cure the default, without acceleration of the subject loan, following prior notice thereof to the holder of such instrument and **Developer**. In such event, **Developer** shall be liable for, and **City** shall be entitled to reimbursement from **Developer**, for all costs and expenses incurred by **City** associated with and attributable to the curing of the default or breach and such sum.

8.5. Holder to be Notified. **Developer** agrees to use best efforts to ensure that each term contained herein dealing with security financing and rights of holders shall be either inserted into the relevant deed of trust or mortgage or acknowledged by the holder prior to its creating any security right or interest in the **Property** or the **Improvements**.

8.6. Modifications to Agreement. **City** shall not unreasonably withhold its consent to modifications of this Agreement requested by **Project** lenders or investors provided such modifications do not alter **City's** substantive rights and obligations under this Agreement.

8.7. Estoppel Certificates. Either **Party** shall, at any time, and from time to time, within fifteen (15) days after receipt of written request from the other **Party**, execute and deliver to such **Party** a written statement certifying that, to the knowledge of the certifying **Party**: (i) this Agreement is in full force and effect and a binding obligation of the **Parties** (if such be the case), (ii) this Agreement has not been amended or modified, or if so amended, identifying the amendments, and (iii) the requesting **Party** is not in default in the performance of its obligations under this Agreement, or if in default, describing the nature of any such defaults.

ARTICLE IX ENVIRONMENTAL MATTERS

9.1. No City Liability; Developer's Covenants. Except as provided in City's Disclosures pursuant to Section 2.1, the **Parties** acknowledge that Environmental Conditions on the **Property** are unknown at this time and may require environmental remediation. Nevertheless, **Developer** agrees, as of the Closing, to take title to the Property "as is" in its

present physical condition subject to the provisions hereof. Upon **Developer's** acquisition of the **Property**, and except as expressly provided herein, **Developer** shall be solely responsible for the costs of any environmental remediation necessary to meet local, regional, state or federal requirements, including costs for environmental remediation of Environmental Conditions preexisting as of the date the **City** takes title to the **Property**. Except as expressly provided herein, **Developer** agrees not to seek from the **City** any contribution or reimbursement of the costs of environmental remediation of the Environmental Conditions as they exist on the date **City** takes title to the **Property**.

From and after Developer's acquisition of the Property, upon receipt of any notice regarding the presence, release or discharge of Hazardous Materials (defined below) in, on or under the Improvements, the Property, or any portion thereof, subject to the provisions hereof. Developer agrees to timely initiate and diligently pursue and complete all appropriate response, remediation and removal actions for the presence, release or discharge of such Hazardous Materials within such deadlines as specified by applicable Environmental Laws. Developer hereby covenants and agrees that commencing upon Developer's acquisition of the Property:

a. Developer shall not knowingly permit the Project or the Property or any portion of either to be a site for the use, generation, treatment, manufacture, storage, disposal or transportation of Hazardous Materials or otherwise knowingly permit the presence or release of Hazardous Materials in, on, under, about or from the Project or the Property with the exception of cleaning supplies and other materials customarily used in construction, operation or maintenance of residential property and any commercial uses developed as part of the Project, and used, stored and disposed of in compliance with Hazardous Materials Laws (defined below), and

b. Developer shall keep and maintain the Project and the Property and each portion thereof in compliance with and shall not cause or permit the Project or the Property or any portion of either to be in violation of, any Hazardous Materials Laws.

c. Developer has performed a due diligence review of the condition of the Property. All information obtained by Developer regarding such condition has been disclosed to City in writing.

9.2. Environmental Indemnification. Subject to the last sentence of this Section and except as expressly provided herein, commencing upon Developer's acquisition of the Property, Developer shall indemnify, defend (with counsel approved by City) and hold the Indemnitees harmless from and against any and all Claims including without limitation any expenses associated with the investigation, assessment, monitoring, response, removal, treatment, abatement or remediation of Hazardous Materials and administrative, enforcement or judicial proceedings resulting, arising, or based directly or indirectly in whole or in part, upon (i) the presence, release, use, generation, discharge, storage or disposal or the alleged presence, release, discharge, storage or disposal of any Hazardous Materials on, under, in or about, or the transportation of any such Hazardous Materials to or from, the Property, or (ii) the failure of Developer, Developer's employees, agents, contractors, subcontractors, or any person acting on behalf of any of the foregoing to comply with Hazardous Materials Laws or the covenants set forth in Section 9.1. The foregoing indemnity shall further apply to any residual contamination

in, on, under or about the Property or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, treatment, storage, transport or disposal of any such Hazardous Materials, and irrespective of whether any of such activities were or will be undertaken in accordance with Hazardous Materials Laws. The provisions of this Section 9.2 shall survive the issuance of a Certificate of Completion for the Project and the expiration or earlier termination of this Agreement. Except for any Claims caused by sole negligence of the Developer or its agents, Developer's indemnification obligations set forth in this Section shall not apply to Claims occurring prior to Developer's acquisition of the Property.

a. No Limitation. Except as provided herein, **Developer** hereby acknowledges and agrees that **Developer's** duties, obligations and liabilities under this Agreement, including, without limitation, under Section 9.2 above, are in no way limited or otherwise affected by any information the **City** may have concerning the **Property** and/or the presence in, on, under or about the **Property** of any Hazardous Materials, whether the **City** obtained such information from the **Developer** or from its own investigations. It is further agreed that **City** does not and shall not waive any rights against **Developer** that they may have by reason of this indemnity and hold harmless agreement because of the acceptance by **City**, or the deposit with **City** by **Developer**, of any of the insurance policies described in this Agreement.

9.3. Hazardous Materials. As used herein, the term "**Hazardous Materials**" means any substance, material or waste which is or becomes regulated by any federal, state or local governmental authority, and includes without limitation (i) petroleum or oil or gas or any direct or indirect product or by-product thereof; (ii) asbestos and any material containing asbestos; (iii) any substance, material or waste regulated by or listed (directly or by reference) as a "hazardous substance", "hazardous material", "hazardous waste", "toxic waste", "toxic pollutant", "toxic substance", "solid waste" or "pollutant or contaminant" in or pursuant to, or similarly identified as hazardous to human health or the environment in or pursuant to, the Toxic Substances Control Act [15 U.S.C. Section 2601, *et seq.*]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, *et seq.*], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, *et seq.*], the Resource Conservation and Recovery Act [42 U.S.C. Section 6901, *et seq.*], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, *et seq.*], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, *et seq.*], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, *et seq.*], the California Hazardous Waste Act [California Health and Safety Code Section 25100, *et seq.*], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, *et seq.*], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, *et seq.*], as they now exist or are hereafter amended, together with any regulations promulgated thereunder; (iv) any substance, material or waste which is defined as such or regulated by any "Superfund" or "Superlien" law, or any Environmental Law; or (v) any other substance, material, chemical, waste or pollutant identified as hazardous or toxic and regulated under any other federal, state or local environmental law, including without limitation, asbestos, polychlorinated biphenyls, petroleum, natural gas and synthetic fuel products and by-products.

9.4. Environmental Laws. As used herein, the term “**Environmental Laws**” means all federal, state or local statutes, ordinances, rules, regulations, orders, decrees, judgments or common law doctrines, and provisions and conditions of permits, licenses and other operating authorizations regulating, or relating to, or imposing liability or standards of conduct concerning (i) pollution or protection of the environment, including natural resources; (ii) exposure of persons, including employees and agents, to Hazardous Materials (as defined above) or other products, raw materials, chemicals or other substances; (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities; (iv) the manufacture, use or introduction into commerce of chemical substances, including without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal; or (iv) the use, release or disposal of toxic or hazardous substances or Hazardous Materials or the remediation of air, surface waters, groundwaters or soil, as now or may at any later time be in effect, including but not limited to the Toxic Substances Control Act [15 U.S.C. Section 2601, *et seq.*]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, *et seq.*], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, *et seq.*], the Resource Conservation and Recovery Act [42 U.S.C. Section 6901, *et seq.*], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, *et seq.*], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, *et seq.*], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, *et seq.*], the California Hazardous Waste Act [California Health and Safety Code Section 25100, *et seq.*], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, *et seq.*], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, *et seq.*], as each of the foregoing now exist or are hereafter amended, together with any regulations promulgated thereunder.

ARTICLE X

DEFAULTS, REMEDIES AND TERMINATION

10.1. Event of Developer Default. The following events shall constitute an event of default on the part of **Developer** (“**Event of Developer Default**”):

a. Subject to force majeure (which shall include matters out of Developer’s control including, without limitation, excessive rainfall or other weather, strikes, insurrection, labor shortages, material shortages, pandemics [excepting the ongoing COVID-19 pandemic], but only to the extent those matters are the cause of the Event of Developer Default.), the availability of financing and City’s issuance of permits and approvals, Developer fails to purchase the Property at the agreed-upon price, or to commence or complete construction of the Project within the times set forth in Section 5.8, or, subject to force majeure, abandons or suspends construction of the Project prior to completion for a period of sixty (60) days or more;

b. A Transfer occurs, either voluntarily or involuntarily, in violation of Article VII;

c. After Closing and prior to completion of construction, Developer fails to maintain insurance as required pursuant to this Agreement, and Developer fails to cure such default within ten (10) days;

d. After Closing and prior to completion of construction and subject to Developer's right to contest the following charges pursuant to Section 6.3, if Developer fails to pay prior to delinquency taxes or assessments due on the Property or the Project or fails to pay when due any other charge that may result in a lien on the Property or the Project, and Developer fails to cure such default within thirty (30) days of date of delinquency, but in all events upon the imposition of any such tax or other lien if remaining delinquent and uncured 30 days after notice thereof;

e. Following Developer's acquisition of the Property and prior to completion of construction, a default arises under any loan secured by a mortgage, deed of trust or other security instrument recorded against the Property, the Improvements, or Developer's interest therein, and remains uncured beyond any applicable cure period such that the holder of such security instrument has the right to accelerate repayment of such loan subject to applicable subordination;

f. Prior to completion of construction, any representation or warranty contained in this Agreement or in any application, financial statement, certificate or report submitted to the City in connection with this Agreement proves to have been incorrect in any material and adverse respect when made and continues to be materially adverse to the City and Developer fails to cure such default within sixty (60) days after the date upon which City shall have given written notice of the default to Developer;

g. If, pursuant to or within the meaning of the United States Bankruptcy Code or any other federal or state law relating to insolvency or relief of debtors ("Bankruptcy Law"), Developer (i) commences a voluntary case or proceeding; (ii) consents to the entry of an order for relief against Developer or any general partner thereof in an involuntary case; (iii) consents to the appointment of a trustee, receiver, assignee, liquidator or similar official for Developer or any general partner thereof; (iv) makes an assignment for the benefit of its creditors; or (v) admits in writing its inability to pay its debts as they become due;

h. A court of competent jurisdiction shall have made or entered any decree or order (1) adjudging the Developer to be bankrupt or insolvent, (2) approving as properly filed a petition seeking reorganization of the Developer or seeking any arrangement for Developer under bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction, (3) appointing a receiver, trustee, liquidator, or assignee of the Developer in bankruptcy or insolvency or for any of its properties, or (4) directing the winding up or liquidation of the Developer;

i. Developer shall have assigned its assets for the benefit of its creditors (other than pursuant to a mortgage loan) or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within sixty (60) days after such event (unless a lesser time period is permitted for cure under any other mortgage on the Property or the

Improvements, in which event such lesser time period shall apply under this subsection as well) or prior to any sooner sale pursuant to such sequestration, attachment, or execution;

j. Prior to completion of construction, the Developer shall have voluntarily suspended its business for a period exceeding 60 days or Developer shall have been dissolved or terminated except in relation to any permitted transfer hereunder;

k. An event of default arises under any City Document and remains uncured beyond any applicable cure period; or

l. Developer defaults in the performance of any term, provision, covenant or agreement contained in this Agreement other than an obligation enumerated in this Section 10.1 and unless a shorter cure period is specified for such default, the default continues for ten (10) days in the event of a monetary default or sixty (60) days in the event of a nonmonetary default after the date upon which City shall have given written notice of the default to Developer; provided however, if the default is of a nature that it cannot be cured within sixty (60) days, an Event of Developer Default shall not arise hereunder if Developer commences to cure the default within sixty (60) days and thereafter prosecutes the curing of such default with due diligence and in good faith to completion and in no event later than one hundred twenty (120) days after receipt of notice of the default.

10.2. City Default. An event of default on the part of **City** (“**Event of City Default**”) shall arise hereunder if **City** fails to keep, observe, or perform any of its covenants, duties, or obligations under this Agreement, and the default continues for a period of thirty (30) days after written notice thereof from **Developer** to **City**, or in the case of a default which cannot with due diligence be cured within thirty (30) days, **City** fails to commence to cure the default within thirty (30) days of such notice and thereafter fails to prosecute the curing of such default with due diligence and in good faith to completion.

10.3. City’s Right to Terminate Agreement. If prior to Closing an **Event of Developer Default** shall occur and be continuing beyond any applicable cure period, then **City** shall, in addition to other rights available to it under law or this Agreement, have the right to terminate this Agreement. If **City** makes such election, **City** shall give written notice to **Developer** and to any mortgagee entitled to such notice specifying the nature of the default and stating that this Agreement shall expire and terminate on the date specified in such notice, and upon the date specified in the notice, this Agreement and all rights of **Developer** under this Agreement, shall expire and terminate and City shall immediately refund the Good Faith Deposit to Developer in accordance with section 4.3.

10.4. City’s Remedies and Rights Upon an Event of Developer Default. Upon the occurrence of an **Event of Developer Default** and the expiration of any applicable cure period, **City** shall have all remedies available to it under this Agreement or under law or equity, including, but not limited to the following, and **City** may, at its election, without notice to or demand upon **Developer**, except for notices or demands required by law or expressly required pursuant to the **City Documents**, exercise one or more of the following remedies:

a. Seek specific performance to enforce the terms of the **City Documents**;

b. Pursue any and all other remedies available under this Agreement or under law or equity to enforce the terms of the **City Documents** and **City's** rights thereunder including, without limitation, calling all sums, if any, advanced by and payable to the **City**, with accrued interest; entering into possession of the **Property** and taking over and completing development of the **Project**; stopping construction; and/or appointment of a receiver.

c. Option to Purchase, Enter and Possess. If after conveyance of the Property, Developer (i) fails to begin construction of the Project within the time specified in Exhibit D as such date may be extended pursuant to the terms hereof, (ii) abandons or suspends construction of the Project for a period of sixty (60) days after written notice from City, (iii) fails to complete construction of the Project by the time specified in Exhibit D as such date may be extended pursuant to the terms hereof, or (iv) directly or indirectly, voluntarily or involuntarily Transfers the Property or this Agreement in violation of Article VII, then the City shall provide Developer 45 days' notice and demand to perform and cure any such default. If at the expiration of such period, Developer remains in default under any of (i) through (iv) above in this subsection (c), then the City shall have the right, at its option, to purchase, enter and take possession of the Property with all improvements thereon (the "**Repurchase Option**"),

To exercise the Repurchase Option, the City shall pay to the Developer cash in an amount equal to:

- i. The purchase price paid to the City by the Developer for the Property; plus
- ii. The fair market value of any new improvements existing on the Property at the time of exercise of the Option; less
- iii. Any gains or income withdrawn or made by the Developer from the applicable portion of the Property or the improvements thereon; less
- iv. The value of any liens or encumbrances on the applicable portion of the Property which the City assumes or takes subject to; less
- v. Any damages to which the City is entitled under this Agreement by reason of Developer's default.

In order to exercise the Repurchase Option, City shall give Developer notice of such exercise, and Developer shall, within thirty (30) days after receipt of such notice, provide City with a summary of all of Developer's costs incurred as described in this Section. Within thirty (30) days of City's receipt of such summary, City shall pay into an escrow established for such purpose cash in the amount of all sums owing pursuant to this Section 10.4, and Developer shall execute and deposit into such escrow a grant deed transferring to City all of Developer's interest in the Property, or portion thereof, as applicable and the improvements located thereon.

The parties shall cause a memorandum or memoranda of the rights granted the City in Sections 10.4(c) of this Agreement to be recorded in the official records of Sonoma County at the time of the Close of Escrow for conveyance of the Property to Developer.

The rights established in this Section 10.4 are to be interpreted in light of the fact that the **City** will convey the **Property** to the **Developer** in reliance on and for completed development as specified herein.

10.5. Developer's Remedies Upon an Event of City Default. Upon the occurrence of an **Event of City Default**, in addition to pursuing any other remedy allowed at law or in equity or otherwise provided in this Agreement, **Developer** may bring an action for equitable relief seeking the specific performance of the terms and conditions of this Agreement, and/or enjoining, abating, or preventing any violation of such terms and conditions, and/or seeking to obtain any other remedy consistent with the purpose of this Agreement.

10.6. Remedies Cumulative; No Consequential Damages. Except as otherwise expressly stated in this Agreement, the rights and remedies of the **Parties** are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different time, of any other rights or remedies for the same or any other default by the other **Party**. Notwithstanding anything to the contrary set forth herein, a **Party's** right to recover damages in the event of a default shall be limited to actual damages and shall exclude consequential damages.

10.7. Inaction Not a Waiver of Default. No failure or delay by either in asserting any of its rights and remedies as to any default shall operate as a waiver of such default or of any such rights or remedies, nor deprive either **Party** of its rights to institute and maintain any action or proceeding which it may deem necessary to protect, assert or enforce any such rights or remedies in the same or any subsequent default.

ARTICLE XI

INDEMNITY AND INSURANCE

11.1. Indemnity. **Developer** shall indemnify, defend (with counsel approved by **City**) and hold **Indemnitees**, except third party contractors and consultants, harmless from and against any and all Claims arising out of **Developer's** performance or breach of any term or provision hereof (excluding **City's** performance or breach hereunder), including without limitation, **Claims** arising directly or indirectly, in whole or in part, as a result of or in connection with **Developer** or **Developer's** contractors, subcontractors, agents or employees development, construction, improvement, operation, ownership or maintenance of the **Project** or the **Property**, or any part thereof or otherwise arising out of or in connection with **Developer's** performance under this Agreement. **Developer's** indemnification obligations under this Section 11.1 shall not extend to **Claims** arising from **City's** performance or breach hereunder or resulting solely from the gross negligence or willful misconduct of, or to any breach of a warranty or representation of this Agreement by, one or more **Indemnitees**. The provisions of this Section 11.1 shall survive the issuance of a Certificate of Completion for the **Project** and the expiration or earlier termination of this Agreement. It is further agreed that **City** will not and shall not waive any rights against **Developer** that it may have by reason of this indemnity and hold harmless agreement because of the acceptance by **City**, or the deposit with **City** by **Developer**, of any of the insurance policies described in this Agreement.

11.2. Liability and Workers' Compensation Insurance.

a. Prior to initiating work on the **Project** and continuing through the issuance of the Certificate of Completion, **Developer** and all contractors working on behalf of Developer on the Project shall maintain a commercial general liability policy in the amount of One Million Dollars (\$1,000,000) each occurrence, Two Million Dollars (\$2,000,000) annual aggregate, together with Three Million Dollars (\$3,000,000) excess liability coverage, or such other policy limits as City may require in its reasonable discretion, including coverage for bodily injury, property damage, products, completed operations and contractual liability coverage. Such policy or policies shall be written on an occurrence basis and shall name the Indemnitees as additional insureds.

b. Until issuance of the Certificate of Completion, **Developer** and all contractors working on behalf of **Developer** shall maintain a comprehensive automobile liability coverage in the amount of One Million Dollars (\$1,000,000), combined single limit including coverage for owned and non-owned vehicles and shall furnish or cause to be furnished to **City** evidence satisfactory to **City** that **Developer** and any contractor with whom **Developer** has contracted for the performance of work on the **Property** or otherwise pursuant to this Agreement carries workers' compensation insurance as required by law. Automobile liability policies shall name the Indemnitees as additional insureds.

c. Upon commencement of construction work and continuing until issuance of a Certificate of Completion, **Developer** and all contractors working on behalf of **Developer** shall maintain a policy of builder's all-risk insurance in an amount not less than the full insurable cost of the **Project** on a replacement cost basis naming **City** as loss payee. Such insurance shall include coverage for risks of direct physical loss or damage, excluding the perils of earthquake, flood, and earth movement.

d. Companies writing the insurance required hereunder shall be licensed to do business in the State of California. Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A: VII. The Commercial General Liability and comprehensive automobile policies required hereunder shall name the Indemnitees as additional insureds. Builder's Risk and property insurance shall name **City** as loss payees as their interests may appear.

e. Prior to commencement of construction work, **Developer** shall furnish **City** with certificates of insurance in form acceptable to **City** evidencing the required insurance coverage and duly executed endorsements evidencing such additional insured status. The certificates shall contain a statement of obligation on the part of the carrier to notify **City** of any material adverse change, cancellation, termination or non-renewal of the coverage at least thirty (30) days in advance of the effective date of any such material adverse change, cancellation, termination or non-renewal.

f. If any insurance policy or coverage required hereunder is canceled or reduced, **Developer** shall, within twenty-one (21) days after receipt of notice of such cancellation or reduction in coverage, but in no event later than the effective date of cancellation or reduction, file with **City** a certificate showing that the required insurance has been reinstated

or provided through another insurance company or companies. Upon failure to so file such certificate, **City** may, without further notice and at its option, procure such insurance coverage at **Developer's** expense, and **Developer** shall promptly reimburse **City** for such expense upon receipt of billing from **City**.

g. Coverage provided by **Developer** shall be primary insurance and shall not be contributing with any insurance, or self-insurance maintained by **City**, and the policies shall so provide. The insurance policies shall contain a waiver of subrogation for the benefit of the **City**. **Developer** shall furnish the required certificates and endorsements to **City** prior to the commencement of construction of the **Project**, and shall provide **City** with certified copies of the required insurance policies upon request of **City**.

ARTICLE XII

MISCELLANEOUS PROVISIONS

12.1. City is exclusively represented by Jones Lang LaSalle Brokerage Inc. in this transaction, and Developer is represented exclusively by Keegan & Coppin Inc. In the event City and Developer enter into an Agreement to purchase the Property, City shall pay a broker commission fee equal to five percent (5%) of the gross sales proceeds, payable at Closing of escrow, and split evenly between Developer and City's broker representatives. Each **Party** agrees to defend, indemnify and hold harmless the other **Party** from any claims, expenses, costs or liabilities arising in connection with a breach of this warranty and representation. The terms of this Section shall survive the expiration or earlier termination of this Agreement.

12.2. Enforced Delay; Extension of Times of Performance. Subject to the limitations set forth below, performance by either **Party** shall not be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended where delays are due to: war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, governmental restrictions or priority, litigation, including court delays, unusually severe weather, acts or omissions of the other **Party**, acts or failures to act of the **City** or any other public or governmental agency or entity (other than the acts or failures to act of **City** which shall not excuse performance by **City**), or any other cause beyond the affected **Party's** reasonable control. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the **Party** claiming such extension is sent to the other **Party** within thirty (30) days of the commencement of the cause and such extension is not rejected in writing by the other Party within ten (10) days of receipt of the notice. Neither **Party** shall unreasonably withhold consent to an extension of time pursuant to this Section.

Times of performance under this Agreement may also be extended in writing by the mutual agreement of **Developer** and **City** (acting in the discretion of its City Manager unless he or she determines in his or her discretion to refer such matter to the governing board of the **City**). **City** and **Developer** acknowledge that adverse changes in economic conditions, either of the affected **Party** specifically or the economy generally, changes in market conditions or demand, and/or inability to obtain financing to complete the work of Improvements shall not constitute

grounds of enforced delay pursuant to this Section. Each **Party** expressly assumes the risk of such adverse economic or market changes and/or financial inability, whether or not foreseeable as of the **Effective Date**.

12.3. Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the **Parties** at their respective addresses specified below or to such other address as a **Party** may designate by written notice delivered to the other **Party** in accordance with this Section. All such notices shall be sent by:

- a. personal delivery, in which case notice is effective upon delivery;
- b. certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt;
- c. nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service;
- d. facsimile transmission, in which case notice shall be deemed delivered upon transmittal, provided that (a) a duplicate copy of the notice is promptly delivered by first-class or certified mail or by overnight delivery, or (b) a transmission report is generated reflecting the accurate transmission thereof. Any notice given by facsimile shall be considered to have been received on the next business day if it is received after 5:00 p.m. recipient's time or on a non-business day.

City: City of Cotati
201 West Sierra Avenue
Cotati, CA 94931
Attention: City Manager
Facsimile: 707-795-7067

With a copy to: Meyers Nave
1999 Harrison Street, 9th Floor
Oakland, CA 94607
Attn: John Bakker
Phone: (510) 808-2000
Facsimile: (510) 444-1108

Developer: David McDonald & Brion Wise of B Wise Inc, a
Nevada Corporation
Attn: David McDonald
Post Office Box 1487
Sonoma CA 95476
Phone: (707) 477-2389

With a copy to:

William W. Hatcher
Law Offices of William W. Hatcher
114 Pierce Street
Santa Rosa, CA 95404
Phone: (707) 542-1921
Facsimile: (707) 545-0220

12.4. Attorneys' Fees. If either **Party** fails to perform any of its obligations under this Agreement, or if any dispute arises between the **Parties** concerning the meaning or interpretation of any provision hereof, then the prevailing **Party** in any proceeding in connection with such dispute shall be entitled to the costs and expenses it incurs on account thereof and in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements.

12.5. Waivers; Modification. No waiver of any breach of any covenant or provision of this Agreement shall be deemed a waiver of any other covenant or provision hereof, and no waiver shall be valid unless in writing and executed by the waiving **Party**. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act, and no extension shall be valid unless in writing and executed by the Party granting the extension. This Agreement may be amended or modified only by a written instrument executed by the **Parties**.

12.6. Binding on Successors. Subject to the restrictions on Transfers set forth in Article VI, this Agreement shall bind and inure to the benefit of the **Parties** and their respective permitted successors and assigns. Any reference in this Agreement to a specifically named **Party** shall be deemed to apply to any permitted successor and assign of such **Party** who has acquired an interest in compliance with this Agreement or under law.

12.7. Survival. All representations made by either party hereunder and Developer's obligations pursuant to Sections 5.15, 5.16, 5.17, 5.18, 9.2, 11.1, and 12.1 shall survive the expiration or termination of this Agreement and the issuance and recordation of a Certificate of Completion.

12.8. Construction. The section headings and captions used herein are solely for convenience and shall not be used to interpret this Agreement. The **Parties** acknowledge that this Agreement is the product of negotiation and compromise on the part of both **Parties**, and the **Parties** agree, that since both **Parties** have participated in the negotiation and drafting of this Agreement, this Agreement shall not be construed as if prepared by one of the **Parties**, but rather according to its fair meaning as a whole, as if both **Parties** had prepared it.

12.9. Action or Approval. Whenever action and/or approval by **City** is required under this Agreement, the City Manager or his or her designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in his or her discretion that such action or approval requires referral to the **City Council** for consideration.

12.10. Entire Agreement. This Agreement, including Exhibits A through F attached hereto and incorporated herein by this reference, together with other **City Documents** contains the entire agreement between the **Parties** with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

12.11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which taken together shall constitute one instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto having additional signature pages executed by the other **Party**. Any executed counterpart of this Agreement may be delivered to the other Party by facsimile and shall be deemed as binding as if an originally signed counterpart was delivered.

12.12. Severability. If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.

12.13. No Third Party Beneficiaries. Nothing contained in this Agreement is intended to or shall be deemed to confer upon any person, other than the **Parties** and their respective successors and assigns, any rights or remedies hereunder.

12.14. Parties Not Co-Venturers. Nothing in this Agreement is intended to or shall establish the **Parties** as partners, co-venturers, or principal and agent with one another.

12.15. Non-Liability of Officials, Employees and Agents. No officer, official, employee or agent of the **City** shall be personally liable to **Developer** or its successors in interest in the event of any default or breach by **City** for any amount which may become due to **Developer** or its successors in interest pursuant to this Agreement.

12.16. Time of the Essence; Calculation of Time Periods. Time is of the essence for each condition, term, obligation and provision of this Agreement. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is not a business day, in which event the period shall run until the next business day. The final day of any such period shall be deemed to end at 5:00 p.m., local time at the **Property**. For purposes of this Agreement, a “business day” means a day that is not a Saturday, Sunday, a federal holiday or a state holiday under the laws of California.

12.17. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed in the Superior Court of Sonoma County, California.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, the **Parties** have entered into this Agreement effective as of the date first written above.

CITY

CITY OF COTATI, a California municipal corporation

By: _____
Damien O’Bid, City Manager

ATTEST:

By: _____
Kevin Patterson, Deputy City Clerk

APPROVED AS TO FORM:

By: _____
John D. Bakker, City Attorney

DEVELOPER

David McDonald, et al

3885530.2

Exhibit A

Legal Description of Property

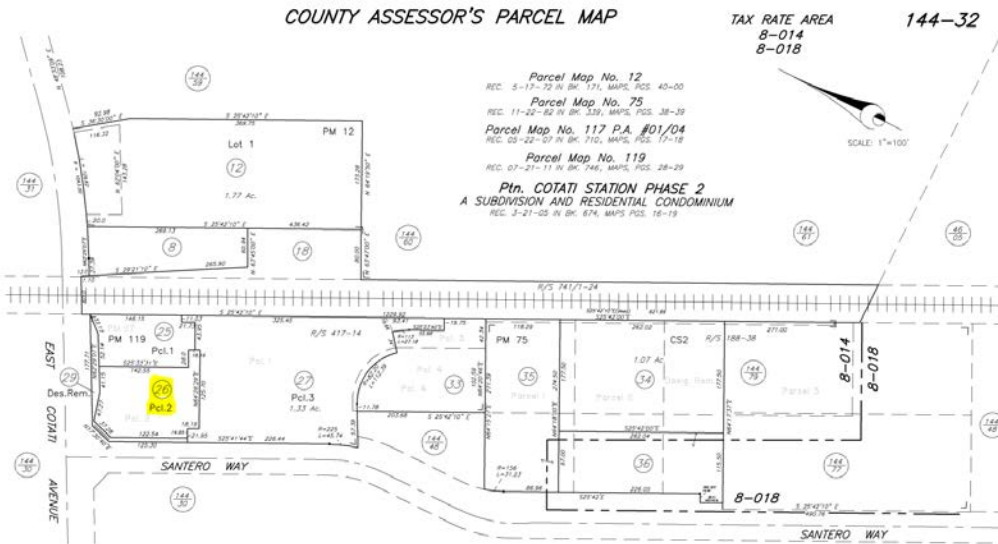
Commented [AC1]: Pending final title report.

950 E. Cotati Avenue – Vacant Parcel / Future Development APN# 144-320-026-000 / 18,295 S.F.

The properties were acquired to assist in implementation as part of the Intermodal Transit Center anchored by Sonoma Marin Area Rail Transit or SMART. The City and the Former Agency partnered with Sonoma County Transit, and SMART) to build a station next to the service tracks, a Park & Ride facility and associated bus and train infrastructure. The facilities serve City residents and visitors, along with students, faculty, and staff of Sonoma State University. The Cotati station is one of several stops on the Sonoma County portion of the SMART service area. The properties were purchased in 2001 and housed an abandoned warehouse that was demolished to make way for the construction of a new depot, parking, and retail space. The train depot opened April 7, 2015. Sonoma County Transit purchased part of the original development site to construct a Park and Ride facility which is also complete. The original parcels that were purchased were re-mapped to facilitate the intermodal plans and a new map approved.

Commercial or mixed-use residential/commercial development associated with future commuter rail travel consistent with the Santero Way Specific Plan. The specific plan area designated as a Priority Development Area (PDA) in the Sustainable Communities Strategy adopted by the Association of Bay Area Governments. The Successor Agency will market the site for disposition and development consistent with the Plan's goals.

County Assessor's Parcel Map and Parcel Report as of June 8, 2022, are provided attached for reference.



City of Santa Rosa Parcel Report

144-320-026

6/8/2022 9:03:54 AM

County Assessor Information

Address: 0 E COTATI AVE
COTATI, CA 94931

Land Use: VACANT CITY LAND

Tax Area: 008014

Jurisdiction: COTATI

Recording#: 2011R024355

Rec Date: 03/16/2011

Lot Acres: 0.42

Land Value: \$0

Bldg Value: \$0

Bldg Sqft: 0

Built:

Res Units:

Bedrooms: 0

Bathrooms: 0

Com Units:



Santa Rosa Only Information

General Plan: SP

Area Plan:

Zoning Code: SW

Identifier:

Planned Dev:

Historic Dist:

Fault km: 10

Wind Zone:

Fire Zone:

Park Fee:

Fire District: 0

GIS Calculated Information

Lot Acres: 0.42

Latitude: 38.331369

Longitude: -122.691856

Census Tract: 151203

Census Block: 1000

Street Sweep:

Elem School: EVERGREEN, GOLD RIDGE,
REED, LA FIESTA,
MARGUERITE, MONTE VISTA,
CRANE, PAGE & WALDO

This report is a user generated static output from an Internet mapping site and is for reference only. Data that appear on this report may or may not be accurate, current, or otherwise reliable. GIS Calculated Lot Acres is NOT official. Assessor Data is maintained by Sonoma County.

Exhibit B

Being a 20.00 foot wide Emergency Vehicle Access Easement affecting Parcel 2 and the Designated Remainder as shown on that certain Parcel Map No. 119 recorded July 21, 2011 in Book 746 of Maps at pages 28-29, Sonoma County Records, and the westerly line of said Emergency Vehicle Access Easement being more particularly described as follows:

Beginning at a point on the southeasterly line of Parcel 2 as shown on that certain Parcel Map No. 119 recorded July 21, 2011 in Book 746 of Maps at pages 28-29, Sonoma County Records, and said Point of Beginning being at a point on said southeasterly line 20.00 feet southwest, measured at right angles, of the southeasterly projection of the northeasterly line labeled S 25°33'31" E, 142.55 feet as shown on said Map; thence from said **Point of Beginning** northwesterly and parallel with said northeasterly line, N 25°33'31" W, 159.81' to the northwest line of said Parcel 2; thence continuing parallel with said northeasterly line and across the Designated Remainder as shown on said Map N 25°33'31" W, 12.89 feet to the southerly line of East Cotati Avenue as shown on said Map, and the end of the herein described westerly line.

The easterly line of said Emergency Vehicle Access Easement shall be lengthened or shortened to terminate on the southeasterly line of said Parcel 2, and the southerly line of said East Cotati Avenue.

Affecting Assessor's Parcels 144-320-026 and 144-320-029

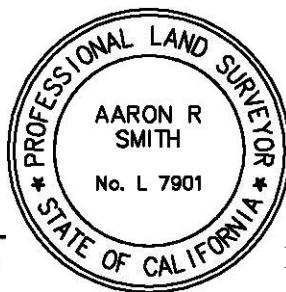
Affecting 3,461 Square Feet, more or less.

Basis of Bearings, Parcel Map No. 119, recorded July 21, 2011 in Book 746 of Maps at pages 28-29, Sonoma County Records.

Prepared by:



Aaron R. Smith, PLS 7901
My license expires 12/31/2023



Date: January 20, 2022

Exhibit B

Scale: 1" = 30'

East Cotati Avenue

Parcel 1
746 Maps 28-29

City of Cotati
APN 144-320-025

S 25°33'31" E 142.55'

N 25°33'31" W
12.89'

**Emergency Vehicle
Access Easement**
N 25°33'31" W 159.81'

20.00'

L1
L2

Point of Beginning

**Designated
Remainder**
746 Maps 28-29

City of Cotati
APN 144-320-029

Parcel 2
746 Maps 28-29

City of Cotati
APN 144-320-026

N 64°26'12" E 125.70'

Line Table

#	Direction	Length
L1	S 25°33'31" E	18.19'
L2	N 64°26'29" E	28.00'

Santero Way



January 20, 2022

Date

Aaron R. Smith
Aaron R. Smith, PLS 7901



Easement
adobe associates, inc.
civil engineering | land surveying | wastewater
1220 N. Dutton, Ave., Santa Rosa, Ca. 95401
P (707) 541-2300; F (707) 541-2301

Exhibit B

Being a 5.00 foot wide No Build Easement affecting Parcel 2 and the Designated Remainder as shown on that certain Parcel Map No. 119 recorded July 21, 2011 in Book 746 of Maps at pages 28-29, Sonoma County Records, and the easterly line of said easement being more particularly described as follows:

Beginning at a point on the southeasterly line of Parcel 2 as shown on that certain Parcel Map No. 119 recorded July 21, 2011 in Book 746 of Maps at pages 28-29, Sonoma County Records, and said **Point of Beginning** being at a point on said southeasterly line 20.00 feet southwest, measured at right angles, of the southeasterly projection of the northeasterly line labeled S 25°33'31" E, 142.55 feet as shown on said Map; thence from said **Point of Beginning** northwesterly and parallel with said northeasterly line, N 25°33'31" W, 159.81' to the northwest line of said Parcel 2; thence continuing parallel with said northeasterly line and across the Designated Remainder as shown on said Map N 25°33'31" W, 12.89 feet to the southerly line of East Cotati Avenue as shown on said Map, and the end of the herein described easterly line.

The westerly line of said No Build Easement shall be lengthened or shortened to terminate on the southeasterly line of said Parcel 2, and the southerly line of said East Cotati Avenue.

Affecting Assessor's Parcels 144-320-026 and 144-320-029.

Affecting 863 Square Feet, more or less.

Basis of Bearings, Parcel Map No. 119, recorded July 21, 2011 in Book 746 of Maps at pages 28-29, Sonoma County Records.

Prepared by:



Aaron R. Smith, PLS 7901

My license expires 12/31/2023



Date: January 20, 2022

Exhibit B

Scale: 1" = 30'

East Cotati Avenue

Parcel 1
746 Maps 28-29

City of Cotati
APN 144-320-025

S 25°33'31" E 142.55'

N 25°33'31" W
12.89'

N 25°33'31" W 159.81'

No Build
Easement

**Designated
Remainder**

746 Maps 28-29

City of Cotati
APN 144-320-029

Parcel 2

746 Maps 28-29

City of Cotati
APN 144-320-026

Point of
Beginning

N 64°26'12" E 125.70'

Line Table

#	Direction	Length
L1	S 25°33'31" E	18.19'
L2	N 64°26'29" E	28.00'

Santero Way



January 20, 2022

Date

Aaron R. Smith
Aaron R. Smith, PLS 7901



Easement

adobe associates, inc.

civil engineering | land surveying | wastewater
1220 N. Dutton, Ave., Santa Rosa, Ca. 95401
P (707) 541-2300; F (707) 541-2301

Job No. 13109-(SJM)

APN 144-320-026 & 029

January 20, 2022

Exhibit C
PRELIMINARY FINANCING PLAN

PROJECT : **Cotati Station** Mixed Use Complex *24 month project*
950 East Cotati basis of numbers:
Cotati, CA 14 units @ 1250 s.f. each, floors 2 and 3
 2 roof units @ 1800 s.f. each, top floor (in roof)
 7000 s.f. commercial space 1st floor

Project Financing *ALL CASH, no financing will be required.*

Construction

Soft Costs	Land Cost	\$350,000
	Traffic, Other Studies	\$20,000
	Architectural Fees	\$200,000
	Structural Fees	\$75,000
	Soils Studies & Testing	\$30,000
	Project Insurance	\$125,000
	Permits & Fees, Entitlements	\$200,000
	Contingency	\$150,000
	Sales Fees @ 5%	\$400,500
	Transfer Taxes @ 1%	\$80,000
	Soft Cost Total	\$1,630,500

Hard Costs

Division 1	General Requirements	
	1.01 Site Supervisor/Daily Supervision	\$155,000
	1.02 Mobilization	\$22,000
	1.03 lay out survey	\$3,000
	1.04 Clean Up (inc final)	\$15,000
	1.05 Demo & Offhaul	\$12,000
	1.06 Temporary Utilities/facilities	\$10,000
	1.07 Scaffolding	\$55,000
Division 2	Site Work	
	2.01 Pad Fill/Compaction	\$55,000
	2.02 Earth Work/ Trenching, inc utility trenching	\$25,000
	2.03 Drainage/Backfill	\$19,000
	2.04 Pier Drilling	\$17,000
	2.05 Landscaping	\$45,000
	2.06	
Division 3	Concrete	
	3.01 Foundation, inc piers	\$180,000
	3.02 Retaining Walls	\$30,000
	3.03 Driveway/Parking/Hardscape	\$140,000
Division 4	Masonry	
	4.01 Marble Slab	\$55,000
	4.02	
Division 5	Metal	
	5.01 Struct Steel per eng	\$57,000
	5.02 Gutters/Downspouts	\$35,000

Exhibit C
PRELIMINARY FINANCING PLAN

Division 6	Carpentry	
	6.1 Carpentry, Gen'l	\$165,000
	6.2 Lumber, Rough	\$220,000
	6.3 Lumber, Finish	\$75,000
	6.4 General Labor	\$125,000
Division 7	Insulation	
	7.1 Waterproofing	\$25,000
	7.2 Insulation	\$60,000
	7.3 Roofing, SS Metal & Insulation	\$77,000
	7.4 Flashing and Sheet Metal	\$26,000
Division 8	Door and Window	
	8.1 Interior Doors/Partitions	\$38,000
	8.2 Garage Doors	
	8.3 Windows/Doors	\$155,000
	8.4 Mirror / Shower Enclosures	\$35,000
Division 9	Finishes	
	9.1 1st floor ext finish	\$65,000
	9.2 Gypsum board	\$135,000
	9.3 Granite Tile, bath fls/walls	\$97,000
	9.4 Specialty Design Finishes	\$100,000
	9.5 Flooring, per drawing	\$86,000
	9.6 Painting	\$115,000
Division 10	Specialties	
	10.1 Tempered Glass Railings	\$42,000
	10.2 Fireplace	\$45,000
	10.3 Signage	\$15,000
	10.4 Fire Suppression System	\$147,000
Division 11	Equipment	
	11.1 Kitchen Appliance	\$85,000
Division 12	Furnishings	
	12.1 Cabinets / Closets	\$95,000
Division 13	Special Construction	
	13.1 Solar	\$75,000
Division 14	Conveying Systems	
	14.1 Elevator	\$100,000
Division 15	Mechanical	
	15.1 Plumbing	\$127,000
	15.2 Plumbing Fixtures	\$48,000
	15.3 HVAC	\$120,000
Division 16	Electrical	
	16.1 PG&E (Meter)	\$50,000
	16.2 Electrical	\$125,000
	16.3 Electrical Fixtures	\$40,000
	<i>Construction Budget Sub-total</i>	\$3,643,000
Division 18	Contingency	
	18.1 Contractor's Contingency	\$0
	18.2 Profit & Overhead (15%)	\$546,450
CONSTRUCTION TOTAL		\$4,189,450
Gross Total, Preliminary Costs		
	Construction Soft Costs	\$1,630,500
	Construction Hard Costs	\$4,189,450
		<u>\$5,819,950</u>

Exhibit D

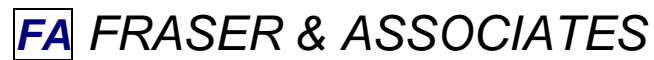
Development and Performance Schedule

Effective Date of Agreement	TBD, <u>From Effective Date</u>
Completion of Due Diligence Contingency	120 days
Site and Soil Studies Completed	120 days
Traffic, VMC, Greenhouse Gas Studies Completed	200 days
Bid for Construction	200 days
Preliminary Architectural Drawings	200 days
Preliminary Structural Drawings	230 days
Environmental Review Contingency	270 days
Title 24 SWPP	300 days
Design Review	340 days
Drawing Submittals for Approval/Permit	390 days
Plan Approval, Permit Issued, COE	450 days
Break Ground for Construction Start	460 days
Construction Complete, Cert of Occupancy	1190 days

Corner of E. Cotati Blvd and Santera Way APN 144-320-026



EXHIBIT E- 950 E. COTATI AVENUE CONCEPT DESIGN PLANS



Redevelopment and Financial Consulting

225 Holmfirth Court
Roseville CA 95661

Phone: (916) 791-8958
FAX: (916) 791-9234

Long Range Property Management Plan

Successor Agency to the Cotati Community Redevelopment Agency

Cotati Redevelopment Project Area

December 2015

I. BACKGROUND

Pursuant to Health and Safety Code sections 34177(e) and 34181(a) a successor agency is required to dispose of all assets and properties of a former redevelopment agency that were purchased with tax increment revenues. This document addresses Section 34191.4(a) and 34191.5 (a) of Assembly Bill 1484 (AB 1484) and Section 34181 (a) (1 and 2) of Senate Bill 107 and related requirements for preparation of a Long Range Property Management Plan (“Plan”) related to the real property assets of the former Redevelopment Agency of the City of Cotati (“Former Agency”), which have been transferred to the Successor Agency to the Cotati Community Redevelopment Agency (“Agency” or “Successor Agency”). The Plan identifies existing Agency real property assets (e.g. land, buildings, etc.) and sets forth a strategy for the appropriate retention and disposition of such assets in accordance with the provisions of AB 1484 and SB 107, including recommended actions to be undertaken by the Oversight Board to position the subject assets for disposition in a logical and systematic manner so as to enhance the disposition value of the subject assets.

II. SUMMARY OF PROPOSED REAL PROPERTY ASSET RETENTION AND DISPOSITION ACTIONS

This Long Range Property Management Plan (Plan) sets forth a proposed strategy and plan for retention and disposition of certain identified Agency-owned real property assets within the City of Cotati, California and identified in Table 1 below.

A. Transfer of Real Property for Government Use

The proposed disposition plan objective for fifteen of the properties listed in Table 1 below is to transfer those to the City of Cotati for continued Government Use. Such a transfer is consistent with the current use of the properties and will continue to serve the facility needs of the City and further upgrade the quality of services provided by the City. Such a transfer is also consistent with Section 34181(a) of AB 1484 as amended by SB 107. These properties were constructed for use as parks and park facilities, police or fire stations, and administrative buildings and shall be transferred by the Successor Agency to the City, which will retain the property and assets for ongoing governmental use. These are identified as properties 1-14 and 16 in Table 1 below.

TABLE 1**B. Disposition (Sale) and Private Development**

This Plan proposes that property 15 be positioned for disposition (sale) for private development pursuant to Section 34191.5(c) (2) and (2) (b) of AB 1484. This property is one of five parcels that resulted from re-mapping of a parcel acquired for the purposes of blight removal, accommodation of commuter and spillover parking needs and facilitation of infrastructure and services related to the light rail system currently under construction and associated intermodal transit facility. The remaining parcel will be disposed of through traditional marketing practices. It will be sold at fair market value and proceeds will be distributed as property tax to the local taxing agencies.

III. DESCRIPTION REAL PROPERTY ASSETS

Health & Safety Code sections 34177(e) and 34181(a) require that the Successor Agency designate each of the Former Agency-owned real property assets by one of the following categories: 1) Retention for government use; 2) Sale of the property; 3) Retention for future use; 4) Use of Property to fulfill an enforceable obligation. Included as Attachment A is a property data table describing the real property assets held by the Successor Agency. Attachment B consists of parcel maps of the Properties. Attachment A includes the following information, which is further described in this section.

1. Date of purchase, value of property (estimated) at time of purchase;
2. Purpose of the property acquisition;
3. Parcel data including address, size, zoning, General Plan designation;
4. Estimate of the current value or appraised value;
5. Estimate of revenue generated from use of property and contractual requirements (e.g. lease, etc.);
6. Any history of environmental contamination and / or remediation;
7. Development potential / planning objectives; and
8. Any previous development proposals, rental or lease agreements, other contracts.

Property Proposed for Government Use			
Prop No.	APN	Address	Existing Use / Proposed Use
1	144-250-010-000	320 E. School Street	Currently Improved as a public park with sports fields (Fig. 1)
2	144-250-013-000	351 W. Sierra Ave.	Currently Improved as a public park with sports fields (Fig. 1)
3	144-250-017-000	203 W. Sierra Avenue	Currently Constructed Police Station (Fig. 1)
4		216 E. School Road	Currently Constructed Community Center (Fig. 1)
5	144-180-054-000	8734 Gravenstein Way Between 8733 and 8904 Gravenstein Way	Currently Improved as a public park and open space next to creek. (Fig.2)
6	144-180-055-000		Currently Improved as a public park (Fig.2)
7	144-264-001-000	8220 La Plaza	Currently Improved as a public park (Fig.3)
8	144-265-001-000	8110 La Plaza	Currently Improved as a public park (Fig.3)
9	144-275-001-000	86 La Plaza	Currently Constructed Community Center (Fig.3)
10	144-276-001-001	8138 La Plaza / 1 E. Cotati	Currently Constructed Fire Station (Fig. 3)
11	144-277-001-000	8167 La Plaza	Currently Improved as a public park (Fig.#3)
12	144-272-007-000	80 George Street	Unimproved Vacant / Proposed Surface Parking to serve park and downtown business district.(Fig.3)
13	144-320-025-000	970 E. Cotati Ave	Currently Constructed as a Train Station (Fig.4)
14	144-320-029-000	Widened ROW in front of 970 E. Cotati Avenue	Remnant Parcel -Bus Turnout (Fig.4)
16	144-320-028-000	Vacant Parcel immediately southeast of park and ride south of 970 E. Cotati Avenue	Vacant remnant parcel adjacent to intermodal train station and County Park and Ride / Future road and parking. (Fig.4)
Property Proposed for Disposition			
Prop No.	APN	Address	Existing Use / Proposed Use
15	144-320-026-000	950 E. Cotati Ave	Vacant parcel adjacent to intermodal train station/ Future Development (Fig.4)

Property Numbers 1 -- 4

- Site #1 320 E. School Street – Civic Center Park / Cator Ball Fields**
APN # 144-250-010-000 / 94,089 S.F.
- Site #2 351 W. Sierra Ave. – Civic Center Park/Ball Fields**
APN# 144-250-013-000 / 69,260 S.F.
- Site #3 203 W. Sierra Ave – Cotati Police Station**
APN# 144-250-017-000 / 120,226 S.F.
- Site #4 216 E. School Street – Ray Miller Community Center / Cotati Room**
APN# 144-250-017-000 / 120,226 S.F.

These properties are all located adjacent to Cotati City Hall (Figure 1) and the properties are currently operated and maintained by the City of Cotati. Cotati City Hall was originally the Cotati School, built in 1921. When the school moved next door in 1971, the former school building became City Hall and the Cotati Police Department. The school ultimately moved again and the property was acquired by the former Agency in 1996. The Cotati School became the Ray Miller Community Center and in 2003, a new police facility was built next door to City Hall on property identified as Site #3 and Site #4. The new Police facility provided much needed holding and evidence facilities when it opened in October 2003. The land adjacent to the Police Station was vacant property that was acquired at the same time and developed into Civic Center Park. The park consists of open space configured into a baseball field (Cator Field), basketball courts, barbeque and picnic tables, and parking. The facilities are open to the public and the ballfields are used by the Rancho Cotati Little League. The Community Center consists of several classrooms and a multi-purpose room which serve as the basis for the City’s recreation activities, including a teen center and a computer lab for seniors. The classrooms are used by a number of non-profit organizations including Alcoholics and Narcotics Anonymous and can be rented for events. It is currently estimated that expenses and property maintenance exceed the annual revenue generated. The proposed disposition plan objective for these properties is to transfer the ownership to the City of Cotati for continued government use, consistent with the properties’ current use.

Figure 1



Property Numbers 5 and 6

Site #5 8734 Gravenstein Way – Public Park –Open Space

APN #144-180-054-000 / 15,245 S.F.

Site #6 8734 Gravenstein Way – Public Park –Open Space

APN #144-180-055-000 / 42,072 S.F.

These properties were acquired in 2001 as part of a larger project relating to the adjacent creek and the construction of a neighboring housing project. The remaining parcels next to the creek were not large enough for additional housing units so were developed as park and open space uses. They provide needed open space for the surrounding neighborhoods which have relatively small private yards. They are maintained by the City. Falletti Park (Figure 2) contains a small playground, barbeque area and picnic tables and walking path. The proposed disposition plan objective for these properties is to transfer the ownership to the City of Cotati for continued Government Use and is consistent with the current use of the properties.

Figure 2



Property Numbers 7 -- 12

- Site #7 8220 La Plaza – Public Park/Open Space
APN #144-264-001-000 / 6,534 S.F.**
- Site #8 8110 La Plaza – Public Park/Open Space
APN #144-265-001-000 / 7,405 S.F.**
- Site #9 86 La Plaza – Public Park/Open Space
APN #144-275-001-000 / 17,860 S.F.**
- Site #10 8139 La Plaza / 1 E. Cotati – Regional Fire Station
APN #144-276-001-000 / 15,246 S.F.**
- Site #11 8167 La Plaza – Public Park/Open Space
APN #144-277-001-000 / 6,534 S.F.**
- Site #12 80 George Street – Future Public Parking
APN #144-272-007-000 / 14,810 S.F.**

Sites 7 through 11 constitute the City’s historic landmarked hexagonal square. What is now the City of Cotati was originally laid out as a town site by Dr. Thomas Page in 1897. Page was the fourth owner of the 17,000 acre Rancho Cotate land grant, purchasing it in 1849. Page hired Newton Smyth to lay out a new town on Rancho lands in order to sell lots to settlers. Smyth designed the town site around a six-sided hexagonal square. The outer ring streets are named for each of Page’s six sons -- William, George, Arthur, Charles, Henry and Olof and cross streets radiate from the center akin to spokes of a wheel. At the center of the square is La Plaza Park. Cotati’s unique hexagonal town square is one of only two in the United States and was granted California Historical Landmark No. 879 in March 1975. The Plaza is also eligible for federal historic designation. The landmark plaque is located in the southeast plaza section adjacent to Old Redwood Highway, next to the memorial rose garden and flag pole.

Sites 7 through 11 are the four quadrants of the hexagonal town square and are, therefore, an integral part of the City’s history and identity. (See Figure 3.) The properties host a variety of community events throughout the year and contain numerous monuments and markers important to the City’s traditions and history. The town’s name is taken from a fictional chief of the local band of Coast Miwok. A statue of “Chief Kotate” (Figure 3)

was designed and sculpted in 1980 by the late artist Vito Paulekas. It sits in the southwest section of La Plaza Park adjacent to West Sierra Avenue. The statue was officially dedicated by the Cotati City Council in 1990. In 1991, the City Council voted to adopt the La Plaza Specific Plan which kicked-off a series of enhancements to the City's downtown including new bus shelters, sidewalks and seating benches. During this period, La Plaza Park was remodeled extensively with a new bandstand and a new playground structure. Then, in 2009, the City adopted the Downtown Specific Plan to further refine the downtown vision and identify needed updates of land use regulations, financing and implementation tools. The Downtown Specific Plan established regulations to assist in the creation of a vibrant downtown commercial core to provide both community members and visitors with goods, services and entertainment. Much denser development of housing and retail uses is envisioned in the Plan, with three-story mixed use buildings being the predominant form. With the increased intensity of new development, minimal area will be available for visitor parking. Site 12 was acquired and was intended to provide needed parking for the downtown business district. This site will allow for public parking close to activity areas without changing the vision or traffic flow of the six-sided Plaza site. The vision of the adopted Downtown Specific Plan is a reunified La Plaza Park/town plaza with vehicle traffic circulating around the center of the "hub" on La Plaza Avenue. (See Figure 4.) Site 9 includes a small community building currently leased to the local Lions Club for \$1 per year and the adjacent Site 10 is the Rancho Adobe Fire Protection District station. Site 9 was originally leased to the Lion's Club in 1969, stipulated to be used only for youth and senior activities. The original lease term was one year with year to year extensions unless terminated. Either party may terminate the lease with 180 days' notice. The facilities consist of a small building with three minimalist meeting/activity rooms and associated parking. The building is in disrepair, with a need for significant upgrades. Should the lease terminate, the property would not be leased to another party due to the vision of a reunified open space detailed in the adopted Downtown Specific Plan. Site 11 is the memorial rose garden and surrounding open space.

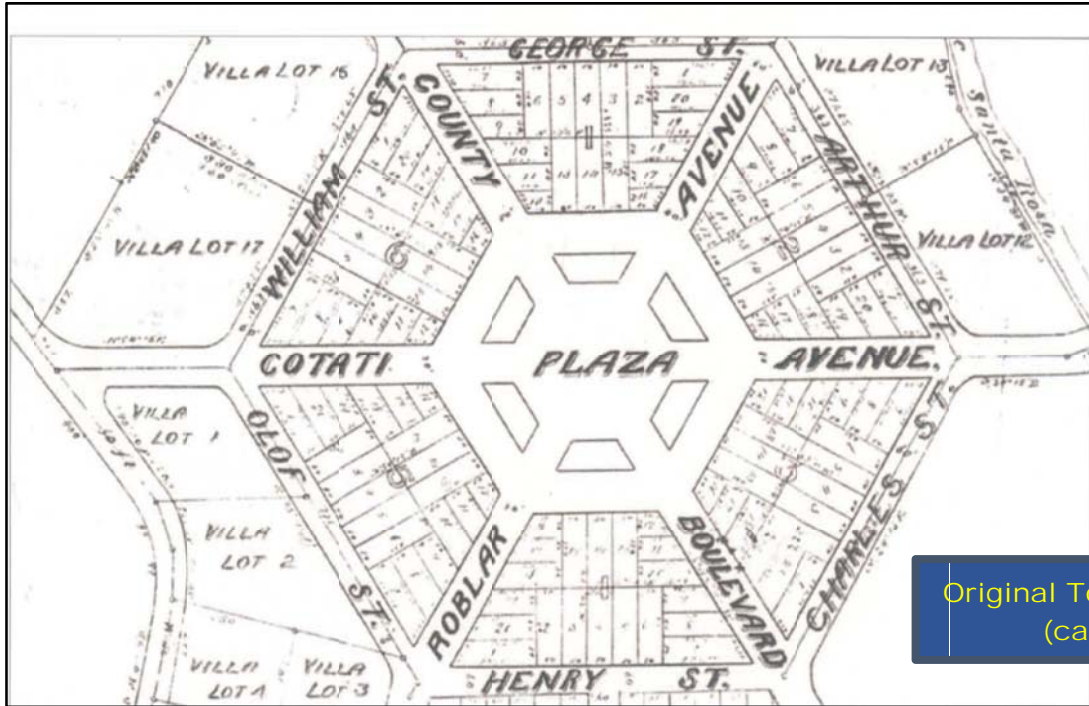
The proposed disposition plan objective for these properties is to transfer the ownership to the City of Cotati for continued government use, consistent with their current and proposed uses. Sites 7 through 11 have continually been held in public ownership

since the original plat which formed the town site. The sites have no development potential due to their Park and Open Space zoning within the Downtown Specific Plan and the restrictions of the historic landmark status.

Figure 3



Figure 4



Original Town Site Plat (ca 1897)



Reunified Town Plaza Downtown Specific Plan (adopted 2009)

Property Numbers 13 – 16

- Site #13 970 E. Cotati Avenue – Train Station**
APN # 144-320-025-000 / 12,632 S.F.
- Site #14 No Address – Remnant Parcel/Bus Turnout**
APN# 144-320-029-000 / 3,049 S.F.
- Site #15 950 E. Cotati Avenue – Vacant Parcel / Future Development**
APN# 144-320-026-000 / 18,295 S.F.
- Site #16 No Address - Vacant Remnant Parcel / Road Connection & Public Parking, APN# 144-320-028-000 / 27,443 S.F. (gross)**

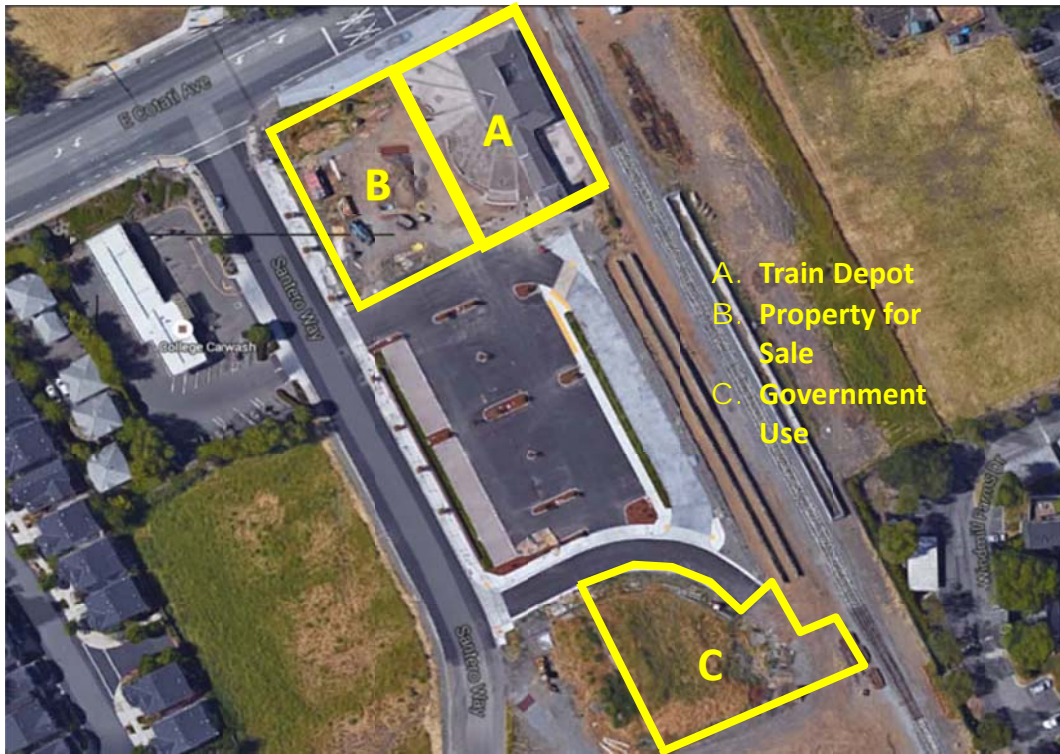
The properties were acquired to assist in implementation as part of the Intermodal Transit Center anchored by Sonoma Marin Area Rail Transit or SMART. The City and the Former Agency partnered with Sonoma County Transit, and SMART) to build a station next to the service tracks, a Park & Ride facility and associated bus and train infrastructure. The facilities serve City residents and visitors, along with students, faculty and staff of Sonoma State University. The Cotati station is one of several stops on the Sonoma County portion of the SMART service area. The properties were purchased in 2001 and housed an abandoned warehouse that was demolished to make way for the construction of a new depot, parking and retail space. The train depot opened April 7, 2015. Sonoma County Transit purchased part of the original development site to construct a Park and Ride facility which is also complete. The original parcels that were purchased were re-mapped to facilitate the intermodal plans and a new map approved (see Attachment B page 5). The proposed disposition for Site 13 (the train station) and Site 14 (the remnant parcel developed as a bus turnout in front of the train station) is to transfer the ownership to the City of Cotati for continued government use.

Site 16 was originally intended to be a development site, however, construction of the intermodal facilities and partial implementation of the Santero Way Specific Plan which governs zoning and development of the privately owned, adjacent parcels to the west and south, have resulted in the property being unusable for development. The parcel was mapped as 27,443 square feet, but emergency vehicle access (fire) requirements for an access road secondary to Santero Way, have resulted in the need for a 34-foot wide

roadway across the parcel. This emergency access road results in a loss of approximately 7,295 square feet and bifurcation of the property. The resulting developable area of the property is approximately 12,540 square feet and unusable for future development. (See Figure 5.) In addition, parking standards of the governing Santero Way Specific Plan were greatly reduced over a typical residential neighborhood standard in order to fulfil the Plan's vision for transit oriented development. Unfortunately, a parking and emergency access problem on Santero Way has resulted from the neighborhood to the south which was built in 2005/6. The City intends to remedy these conditions by constructing additional parking adjacent to the future secondary access roadway which, unlike the transit district's park and ride facility, will be available for neighborhood parking.

The remaining property, Site 15, will be positioned for future development as commercial or mixed-use residential/commercial development associated with future commuter rail travel consistent with the Santero Way Specific Plan. The specific plan area designated as a Priority Development Area (PDA) in the Sustainable Communities Strategy adopted by the Association of Bay Area Governments. The Successor Agency will market the site for disposition and development consistent with the Plan's goals.

Figure 5



IV. RETENTION AND DISPOSITION STRATEGY AND PLAN

A. Categories of Property and Asset Disposition

1. Retention of Real Property Asset for Government (Public) Use

The plan proposes that Properties Sites 1-14 and 16 (identified in Table 1 above) be transferred to the City of Cotati. The sites were acquired by the Former Agency, and have been continually dedicated to government uses.

2. Disposition (Sale) of Real Property

The Plan proposes that Property 15 be positioned for future disposition by the Successor Agency and Oversight Board. The LRPMP disposition plan objective is to market the property and ensure that future development takes place based on adopted City Plans and regulations.

B. Estimated Value and Disposition of Proceeds for Identified Real Property Assets

1. Estimated Value of Property and Distribution of Proceeds

The Agency has estimated a range of potential market value of the subject Property based on a preliminary review of real estate market conditions in the City. The estimated range of value (low and high) is based on preliminary information obtained from discussions with commercial real estate brokers with a working knowledge of the City and Sonoma County real estate market. The value estimate is only intended to provide an “order-of-magnitude” estimate of potential value and is not intended to present appraised market value or broker’s opinion of market value. Based on this, each of the Property’s market value is estimated to be in the range of \$11.75 to \$19.63 per square foot, with the high range for properties with no development impediments. Table 2 summarizes the range of values for the Property. The Agency will negotiate the best price that is obtainable and consistent with its adopted Plans. The proceeds generated from the disposition will be distributed to Sonoma County for allocation to the applicable taxing entities in accordance with the provisions of AB 1484.

Table 2 – Estimated Market Value of Remaining Real Property Assets					
Property No	Address	APN No.	Property Size SF	Estimated Range of Value	
Proposed Property for Disposition				\$11.75/S.F.	\$19.63/S.F
15	950 E. Cotati Ave	144-320-026	18,295	\$214,966	\$359,130

C. Approach and Process for Disposition of Real Property Assets

Property No. 15 is planned to be offered for sale through a Request for Proposals and Offer (RFPO) process. The Successor Agency and Oversight Board will prepare and implement a RFPO process for selection of a private developer to acquire and develop the Property consistent with the adopted regulations of the City. The intent of the RFPO process would be to select the most qualified business and development partner related to disposition and development of the Property and respective business offers which provide the highest and most certain economic value and return from the disposition. Subsequent to selection of a private developer the Agency will work cooperatively with the private developer to negotiate the terms and conditions for disposition. These provisions would be negotiated during an exclusive negotiation period, and would be embodied in a purchase and sale agreement between the Successor Agency and the selected private developer.

1. Marketing and Outreach

The goal of a proposed marketing effort is to attract high-quality development which will add to the existing neighborhood quality and increase surrounding property values. Written marketing information for the preliminary outreach effort would include a description of the Property and the City, general land use provisions, and information available from applicable studies.

The primary focus of the marketing efforts should be to attract local and regional real estate development companies that have qualifications, experience and successful track records in development and operation of high-quality commercial / mixed use development. The Agency contact local developers or local property owners who may have an interest in developing the Property. A preliminary outreach effort related to marketing of the site will include: 1) meeting with various real estate trade and business

organizations; 2) distributing the subject RFPO to identified real estate development; companies, architects, engineers, other consultants; 3) posting the RFPO on the City web page; and 3) placing advertisements related to the RFPO in the appropriate local and / or regional newspapers.

In accordance with SB 107, it is anticipated that compensation agreements will be a condition of Oversight Board approval of this Long Range Property Management Plan. If agreements are required, they will be developed and executed prior to the transfer of Property #15 for future development.

Attachment A

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA

HSC 34191.5 (c)(1)(C)			HSC 34191.5 (c)(2)		
No.	Address or Description	APN	Property Type	Permissible Use	If Sale of Property, specify intended use of sale proceeds
Properties Proposed for Transfer for Government Use					
1	320 E. School Street	144-250-010-000	Park/Open Space	Governmental Use	N/A
2	351 W. Sierra Ave.	144-250-013-000	Park/Open Space	Governmental Use	N/A
3	203 W. Sierra Avenue	144-250-017-000	Police/Fire Station	Governmental Use	N/A
4	216 E. School Road		Public Building	Governmental Use	N/A
5	8734 Gravenstein Way (between 8904 and 8733 Gravenstein Way)	144-180-054-000	Park/Open Space	Governmental Use	N/A
6		144-180-055-000	Park/Open Space	Governmental Use	N/A
7	8220 La Plaza	144-264-001-000	Park/Open Space	Governmental Use	N/A
8	8110 La Plaza	144-265-001-000	Park/Open Space	Governmental Use	N/A
9	86 La Plaza	144-275-001-000	Park/Open Space	Governmental Use	N/A
10	8139 La Plaza/ 1 E. Cotati	144-276-001-000	Police/Fire Station	Governmental Use	N/A
11	8167 La Plaza	144-277-001-000	Park/Open Space	Governmental Use	N/A
12	80 George Street	144-272-007-000	Parking Lot/Structure	Governmental Use	N/A
13	970 E. Cotati Ave	144-320-025-000	Public Building	Governmental Use	N/A
14	Widened ROW in front of 970 E. Cotati Avenue	144-320-029-000	Roadway/Walkway	Governmental Use	N/A
16	Vacant parcel immediately southeast of current park & ride lot at southeast corner of E. Cotati Avenue & Santero Way	144-320-028-000	Parking Lot/Structure	Governmental Use	N/A
Property Proposed for Deposition					
15	950 E. Cotati Ave	144-320-026-000	Mixed-Use	Sale of Property	Distribute to Taxing Entities

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPE

No.	Address or Description	APN	HSC 34191.5 (c)(1)(A)			Date of Estimated Current Value	Estimated Current Value Basis	SALE OF PROPERTY <i>(If applicable)</i>		Property Value
			Acquisition Date	Value at Time of Acquisition	Estimated Current Value			Proposed Sale Value	Proposed Sale Date	
Properties Proposed for Transfer for Government Use										
1	320 E. School Street	144-250-010-000	04/04/1996	37129	0	Dec 2015	Agency Estimate	N/A	N/A	
2	351 W. Sierra Ave.	144-250-013-000	04/04/1996	27138	0	Dec 2015	Agency Estimate	N/A	N/A	
3	203 W. Sierra Avenue	144-250-017-000	04/04/1996	46888	0	Dec 2015	Agency Estimate	N/A	N/A	
4	216 E. School Road		04/04/1997	0	0	Dec 2015	Agency Estimate	N/A	N/A	
5	8734 Gravenstein Way (between 8904 and 8733 Gravenstein Way)	144-180-054-000	11/21/2001	75000	0	Dec 2015	Agency Estimate	N/A	N/A	
6		144-180-055-000	11/21/2001	210000	0	Dec 2015	Agency Estimate	N/A	N/A	
7	8220 La Plaza	144-264-001-000	11/21/2002	35000	0	Dec 2015	Agency Estimate	N/A	N/A	
8	8110 La Plaza	144-265-001-000	11/21/2003	35000	0	Dec 2015	Agency Estimate	N/A	N/A	
9	86 La Plaza	144-275-001-000	11/21/2001	60000	0	Dec 2015	Agency Estimate	N/A	N/A	
10	8139 La Plaza/ 1 E. Cotati	144-276-001-000	11/21/2002	735000	0	Dec 2015	Agency Estimate	N/A	N/A	
11	8167 La Plaza	144-277-001-000	11/21/2004	30000	0	Dec 2015	Agency Estimate	N/A	N/A	
12	80 George Street	144-272-007-000	11/21/2001	150000	150000	Dec 2015	Agency Estimate	N/A	N/A	
13	970 E. Cotati Ave	144-320-025-000	3/16/2001	66476	0	May 2010	Appraised	N/A	N/A	
14	Widened ROW in front of 970 E. Cotati Avenue	144-320-029-000	3/16/2001	16065	0	May 2010	Appraised	N/A	N/A	
16	Vacant parcel immediately southeast of current park & ride lot at southeast corner of E. Cotati Avenue & Santero Way	144-320-028-000	3/16/2001	430580	196752	May 2010	Appraised	N/A	N/A	
Property Proposed for Deposition										
15	950 E. Cotati Ave	144-320-026-000	3/16/2001	287048	287048	May 2010	Appraised	350,000	2017	

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPE

HSC 34191.5 (c)(1)(C)		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)		HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)			
No.	Address or Description	APN	Purpose for which property was acquired	Lot Size	Current Zoning	Estimate of Current Parcel Value	Annual Estimate of Income/Revenue	Are there any contractual requirements for use of income/revenue?	
Properties Proposed for Transfer for Government Use									
1	320 E. School Street	144-250-010-000	City Park - Open Space	94,089	Square Feet	Open Space - Recreation	0	0	No
2	351 W. Sierra Ave.	144-250-013-000	City Park - Open Space	69,260	Square Feet	Open Space - Recreation	0	0	No
3	203 W. Sierra Avenue	144-250-017-000	City Police Station	120,226	Square Feet	Public Facility District	0	0	No
4	216 E. School Road		City Community Center		Square Feet	Public Facility District	0	0	No
5	8734 Gravenstein Way (between 8904 and 8733 Gravenstein Way)	144-180-054-000	City Park - Open Space	15,245	Square Feet	Open Space - Recreation	0	0	No
6		144-180-055-000	City Park - Open Space	42,072	Square Feet	Open Space - Recreation	0	0	No
7	8220 La Plaza	144-264-001-000	City Park - Open Space	6,534	Square Feet	Open Space - Recreation	0	0	No
8	8110 La Plaza	144-265-001-000	City Park - Open Space	7,405	Square Feet	Open Space - Recreation	0	0	No
9	86 La Plaza	144-275-001-000	City Park - Open Space	17,860	Square Feet	Open Space - Recreation	0	0	No
10	8139 La Plaza/ 1 E. Cotati	144-276-001-000	City Park - Open Space	15,246	Square Feet	Open Space - Recreation	0	0	No
11	8167 La Plaza	144-277-001-000	City Park - Open Space	6,534	Square Feet	Open Space - Recreation	0	0	No
12	80 George Street	144-272-007-000	Future Public Parking	14,810	Square Feet	NM-Neighborhood Medium Density	150,000	0	No
13	970 E. Cotati Ave	144-320-025-000	Intermodal Facility (Train Station)	12,632	Square Feet	SPSW - Specific Plan Santero Way	0	0	No
14	Widened ROW in front of 970 E. Cotati Avenue	144-320-029-000	Intermodal Facility	3,049	Square Feet	SPSW - Specific Plan Santero Way	0	0	No
16	Vacant parcel immediately southeast of current park & ride lot at southeast corner of E. Cotati Avenue & Santero Way	144-320-028-000	Intermodal Facility	27,443	Square Feet	SPSW - Specific Plan Santero Way	196,752	-	No
Property Proposed for Deposition									
15	950 E. Cotati Ave	144-320-026-000	Intermodal Facility	18,295	Square Feet	SPSW - Specific Plan Santero Way	350,000	-	No

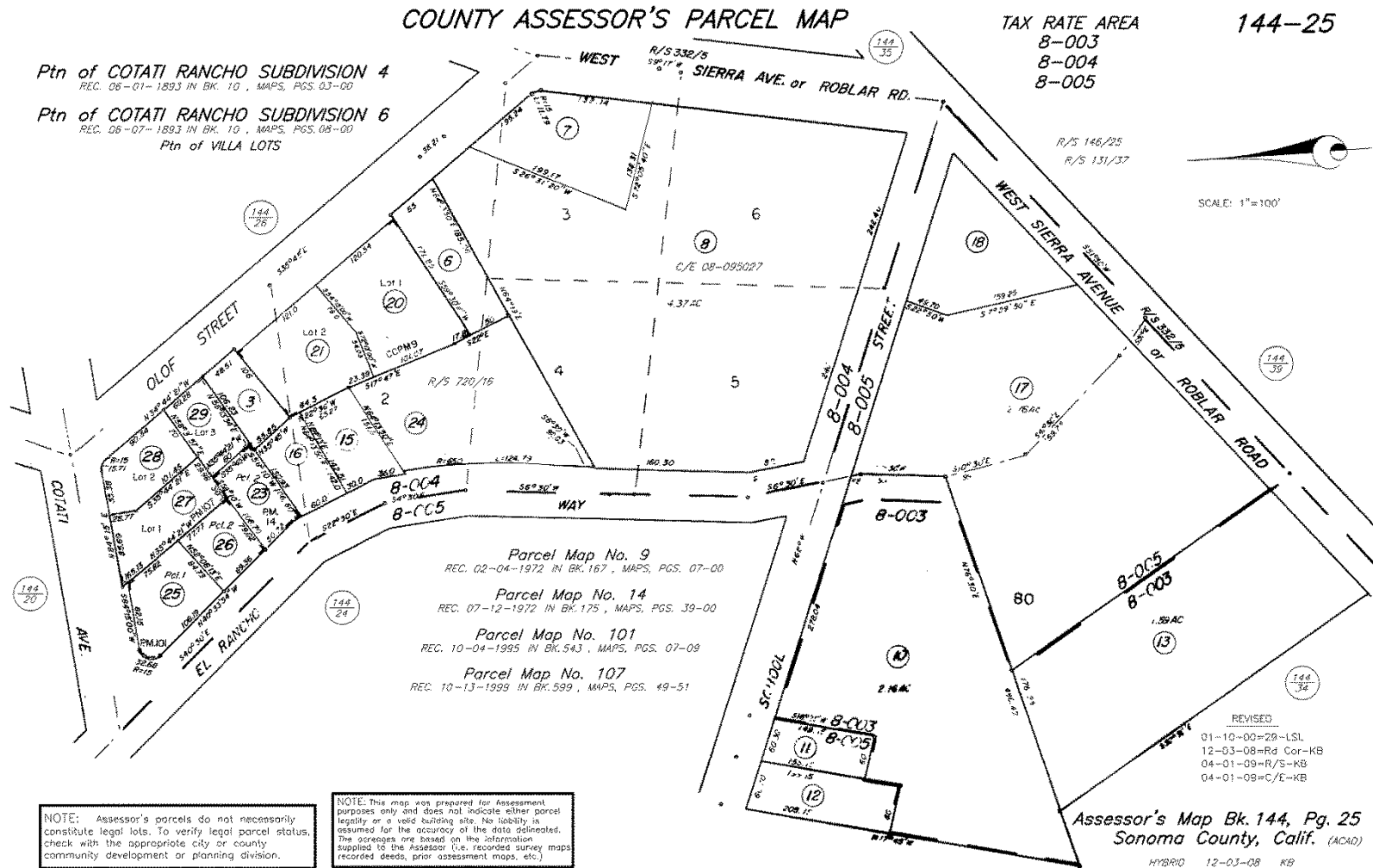
LONG RANGE PROPERTY MANAGEMENT PLAN: PROPE

Other Prope

HSC 34191.5 (c)(1)(C)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)		HSC 34191.5 (c)(1)(H)		
No.	Address or Description	APN	environmental contamination, studies, and/or remediation, and designation as a brownfield site for the property?	Does the property have the potential as a transit oriented development?	Were there advancements to the successor agency's planning objectives?	Does the property have a history of previous development proposals and activity?	
Properties Proposed for Transfer for Government Use							
1	320 E. School Street	144-250-010-000	No	No	Yes	No	
2	351 W. Sierra Ave.	144-250-013-000	No	No	Yes	No	
3	203 W. Sierra Avenue	144-250-017-000	No	No	Yes	No	
4	216 E. School Road		No	No	Yes	No	
5	8734 Gravenstein Way (between	144-180-054-000	No	No	Yes	No	
6	8904 and 8733 Gravenstein Way)	144-180-055-000	No	No	Yes	No	
7	8220 La Plaza	144-264-001-000	No	No	Yes	No	
8	8110 La Plaza	144-265-001-000	No	No	Yes	No	
9	86 La Plaza	144-275-001-000	No	No	Yes	No	
10	8139 La Plaza/ 1 E. Cotati	144-276-001-000	No	No	Yes	No	
11	8167 La Plaza	144-277-001-000	No	No	Yes	No	
12	80 George Street	144-272-007-000	No	No	Yes	No	
13	970 E. Cotati Ave	144-320-025-000	No	No	Yes	No	
14	Widened ROW in front of 970 E. Cotati Avenue	144-320-029-000	No	No	Yes	No	
16	Vacant parcel immediately southeast of current park & ride lot at southeast corner of E. Cotati Avenue & Santero Way	144-320-028-000	No	No	Yes	No	
Property Proposed for Deposition							
15	950 E. Cotati Ave	144-320-026-000	No	Yes	Yes	Yes	

Attachment B

Attachment B (page 1 of 5)
City of Cotati Successor Agency Long Range Property Management Plan
Sonoma County



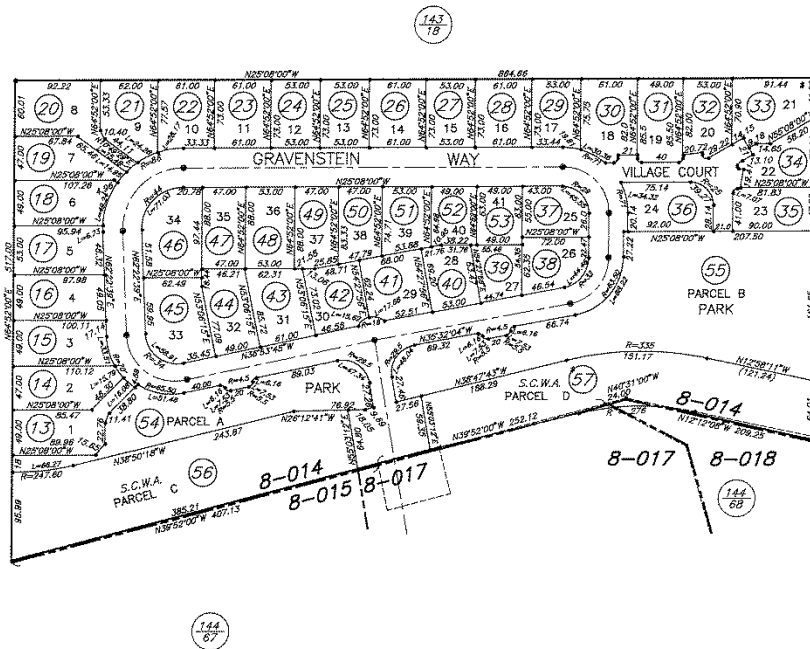
- Site #1 -Parcel # 144-250-010 -320 E. School Street – Public Park/Ball Fields
- Site #2 -Parcel # 144-250-013 -351 W. Sierra Ave. – Public Park/Ball Fields
- Site #3 -Parcel # 144-250-017 -203 W. Sierra Ave – Cotati Police Station
- Site #4 -Parcel # 144-250-017 -216 E. School Street – Ray Miller Community Center / Cotati Room

Attachment B (page 2 of 5)
 City of Cotati Successor Agency Long Range Property Management Plan
 Sonoma County

COUNTY ASSESSOR'S PARCEL MAP

THE VILLAGE
 REC. 7-20-93 IN BK. 511, MAPS, PGS. 20-23

TAX RATE AREA 144-18
 8-014
 8-017
 8-018



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA DELINEATED HEREON.

REVISED
 12-17-87=11 LSL
 12-30-93=57 LF/JF

Assessor's Map Bk. 144, Pg. 18
 Sonoma County, Calif. (ACAD)
 DSK/KEY 12-30-93 LF/JF

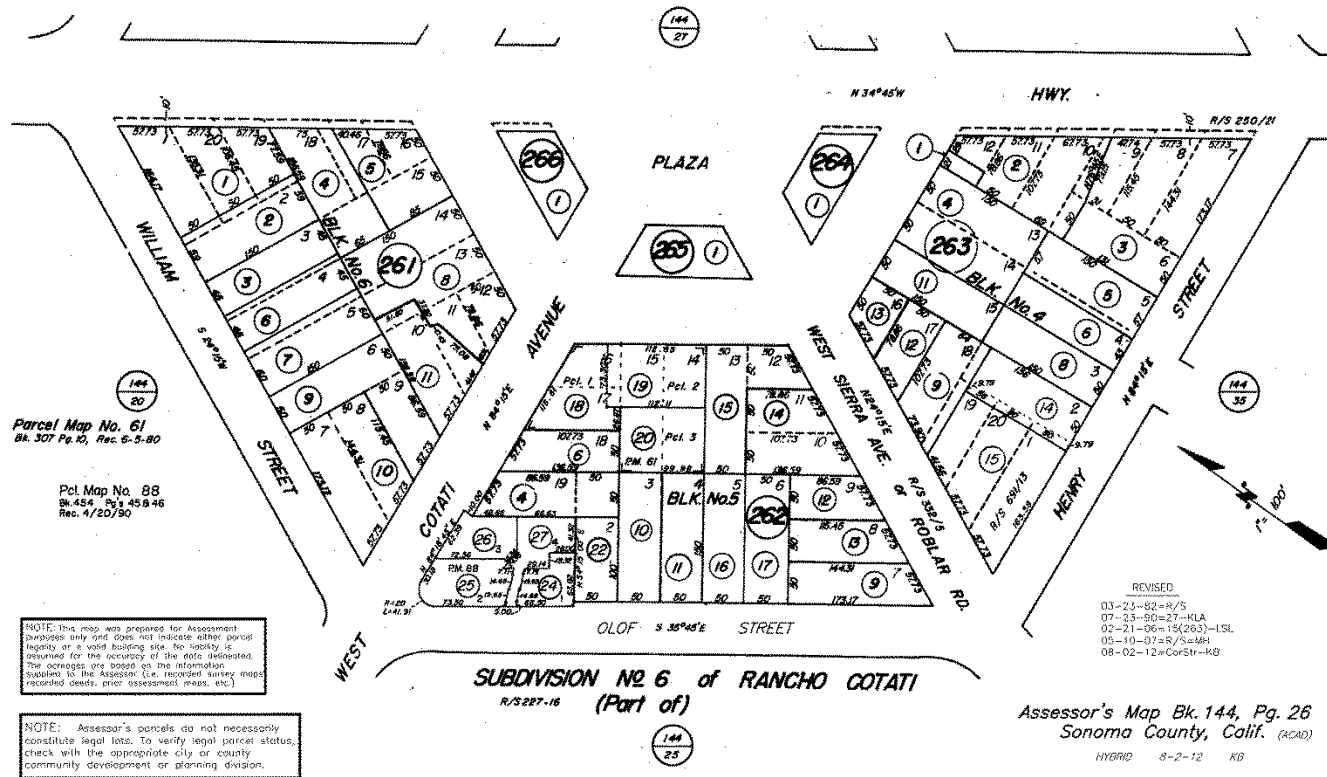
- Site #5 -Parcel # 144-180-054 -8734 Gravenstein Way – Open Space Recreation
- Site #6 -Parcel # 144-180-055 -8734 Gravenstein Way – Open Space Recreation

Attachment B (page 3 of 5)
 City of Cotati Successor Agency Long Range Property Management Plan
 Sonoma County

COUNTY ASSESSOR'S PARCEL MAP

TAX RATE AREA
 8-016

144-26



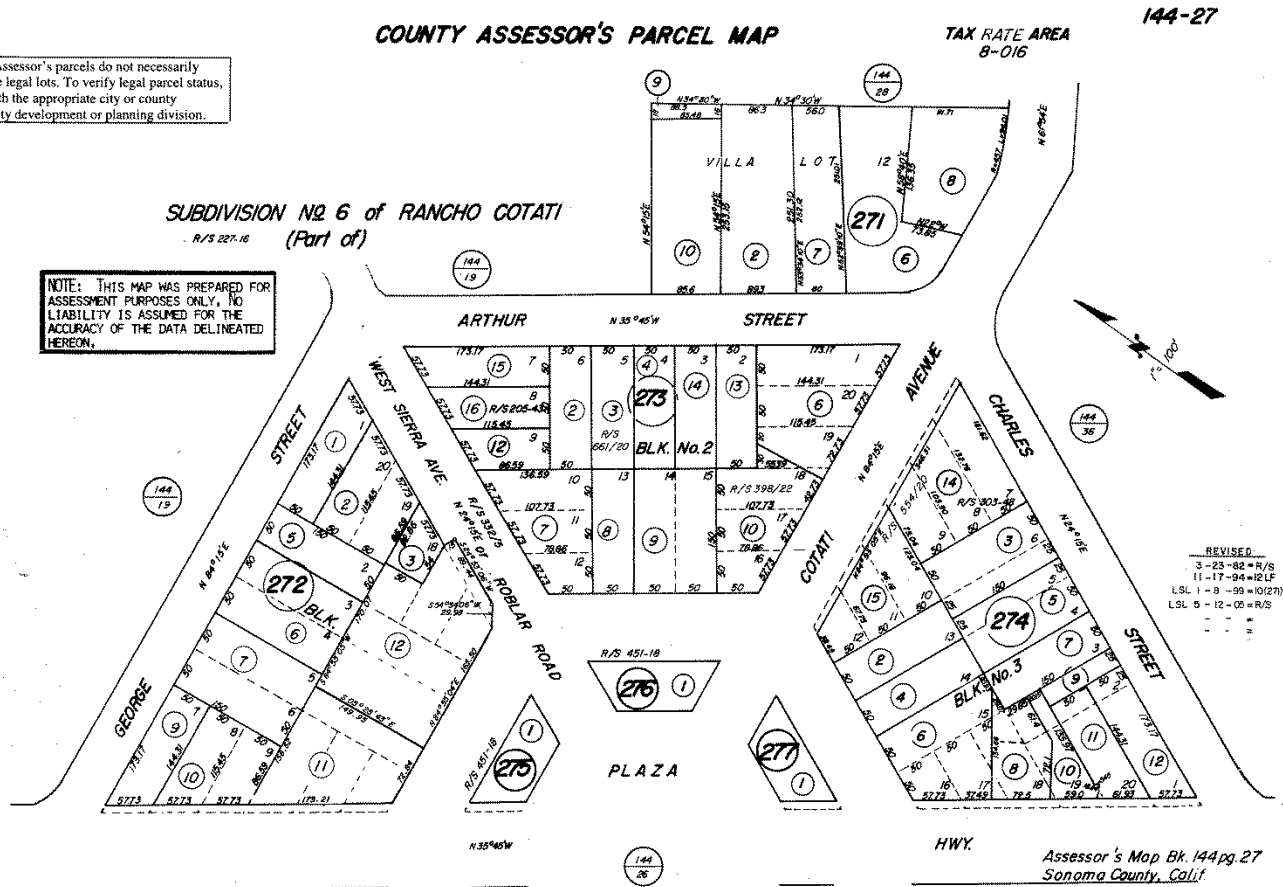
Site #7 -Parcel # 144-264-001 -8220 La Plaza – La Plaza Park (Demonstration Garden)

Site #8 -Parcel # 144-265-001 -8110 La Plaza – La Plaza Park (Main Park with Band Stand and Restrooms)

Attachment B (page 4 of 5)
 City of Cotati Successor Agency Long Range Property Management Plan
 Sonoma County

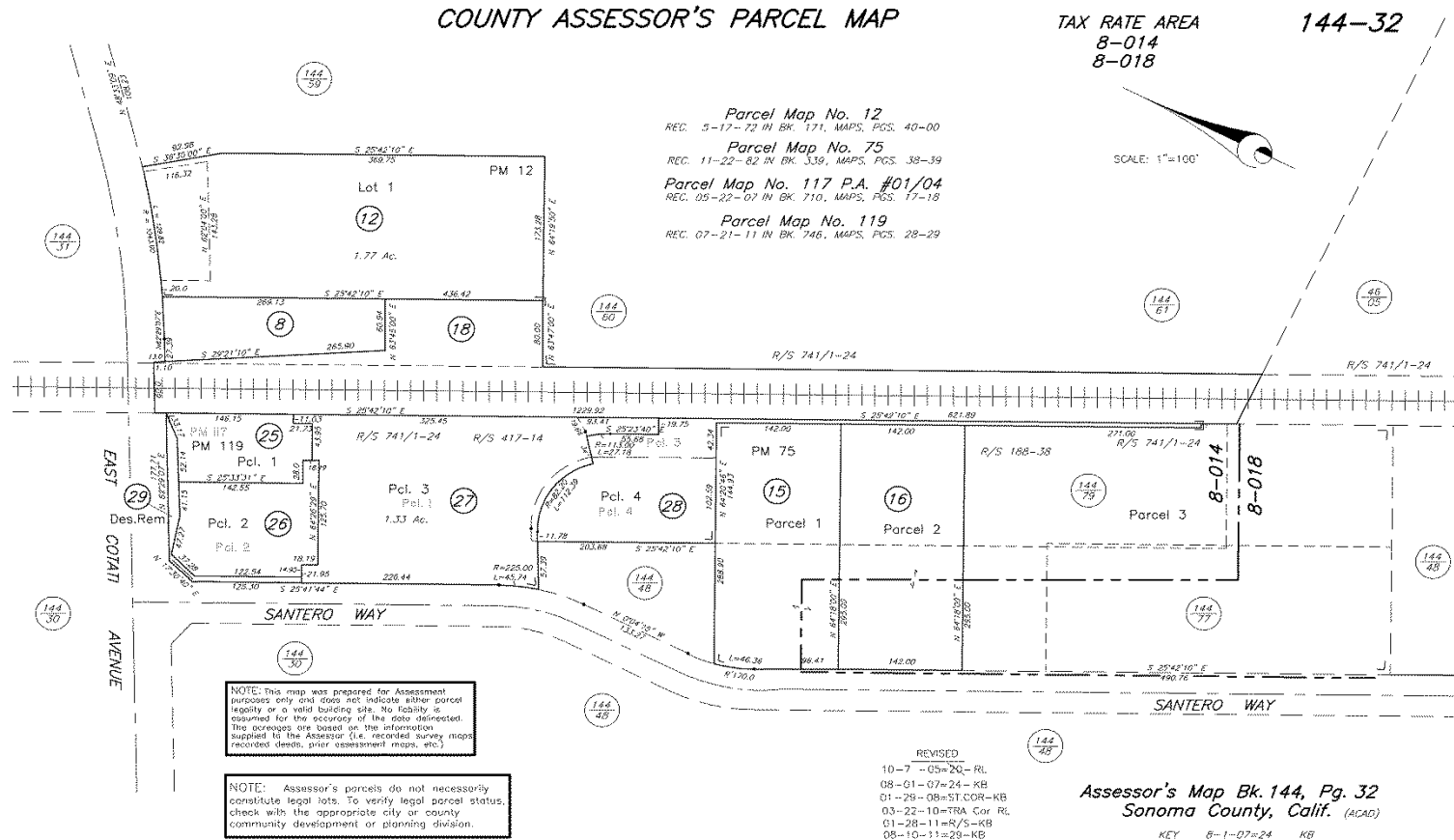
NOTE: Assessor's parcels do not necessarily constitute legal lots. To verify legal parcel status, check with the appropriate city or county community development or planning division.

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA DELINEATED HEREON.



- Site #9 -Parcel # 144-275-001 - 86 La Plaza - Lyons/Scout Hut Community Building
- Site #10-Parcel # 144-276-001 -1 E. Cotati Ave – Rancho Adobe Fire Station
- Site #11-Parcel # 144-277-001 -8139 La Plaza – La Plaza Park (Statue of Chief Cotati)
- Site #12-Parcel # 144-272-007 -80 George Street – Future City Parking

Attachment B (page 5 of 5)
City of Cotati Successor Agency Long Range Property Management Plan
Sonoma County



- Site #13-Parcel # 144-320-025 -970 E. Cotati Ave- Train Station
- Site #14-Parcel # 144-320-029 -No Address- Remnant Parcel -Bus Turnout
- Site #15-Parcel # 144-320-026 -950 E. Cotati Ave - Future Development Site
- Site #16-Parcel # 144-320-028 - No Address - Future Development Site