

RESOLUTION NO.

92-051

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF JUN 23 1992

RESOLUTION OF THE GOVERNING BOARD OF THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO AUTHORIZING AGREEMENT BY SPECIAL COUNSEL TO EXTEND THE PERIOD WITHIN WHICH THE AGENCY IS TO MAKE DETERMINATION AS TO DISPOSITION OF CERTAIN DEPOSITS UNDER LOT A DDA

WHEREAS, on or about January 18, 1991, the Agency entered into that certain Disposition and Development Agreement (hereinafter "DDA") with Capitol Mall Partners, L.P., a California limited partnership, RAR Sacramento, L.P., a California limited partnership, Rockefeller & Associates, L.P., a California limited partnership, McCuen Capitol Mall Partners, L.P., a California limited partnership, McCuen Properties, a California limited partnership and/or a sole proprietorship and Peter McCuen, an individual (hereinafter collectively "CMP") pertaining to development of certain improvements (hereinafter "the project") on that certain property known as Lot A (hereinafter "Lot A"); and

WHEREAS, the aforesaid DDA provided that CMP was to close escrow on Phase I of the project on or before June 18, 1992;

WHEREAS, CMP did fail, neglect and refuse to close escrow in accordance with the provisions of the DDA; and

WHEREAS, the DDA contained certain provisions requiring the Agency to retain certain deposits provided as security for performance (hereinafter "the Deposit") under certain conditions; and

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WHEREAS, the DDA provided certain time limits for certain determinations by the Agency in the event of a failure, neglect or refusal by CMP with respect to certain performance conditions; and

WHEREAS, CMP now contends through counsel that certain lending arrangements and pre-leasing attainments were at least implicit conditions precedent to CMP's obligations under the DDA and thus provide a defense to the retention of the Deposit by the Agency; and

WHEREAS, CMP has requested an extension of the aforesaid time limits for determinations by the Agency in order that it might attempt to locate potential parol evidence as to the intent of the parties at the time of the drafting of the DDA as to the existence of such "implicit" conditions; and

WHEREAS, on Monday, June 22, 1992, CMP withheld certain evidence which it had theretofore assembled for presentation to the Agency relative to the aforesaid performance conditions because of asserted concerns as to the possible public disclosure of certain assertedly proprietary matters within those materials; and

WHEREAS, the Agency desires to provide every possible opportunity to CMP to discover, assemble and present evidence to the Agency with reference to its foregoing lack of performance prior to the aforesaid determinations of the Agency with respect to the Deposit; and

WHEREAS, Agency's special counsel for litigation, Law Offices of Brenton A. Bleier, (hereinafter "Special Counsel") has negotiated the attached letter agreement with CMP (hereinafter "the Interim Standstill Agreement") through counsel for CMP; and

WHEREAS, CMP, by and through it counsel, has executed that Interim Standstill Agreement as attached; and

WHEREAS, Special Counsel has advised the Agency that the aforesaid Interim Standstill Agreement will allow CMP the additional time it requests and, at the same time, preserve the rights and remedies of the Agency with respect to the aforesaid failure, neglect and refusal of CMP to fulfill the provisions of the DDA;

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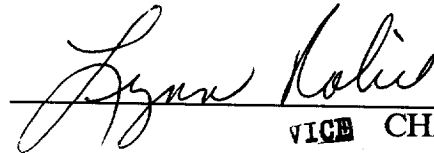
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NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The Agency does hereby approve, ratify and authorize the Interim Standstill Agreement in letter form as attached hereto, said Interim Standstill Agreement being incorporated herein by reference.


VICE CHAIR

ATTEST:


SECRETARY

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