

RESOLUTION NO. 89-014

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
ON DATE OF

February 21, 1989

RESCINDING RESOLUTION NO. RA 88-056
CONCERNING THE DDA AND OPA WITH
STAGEN REALTY AND MANAGEMENT GROUP
AND AUTHORIZING THE EXECUTIVE DIRECTOR TO
EXECUTE RECISSION AGREEMENT


WHEREAS, on July 5, 1988 the Agency approved Resolution No. RA 88-056 which authorized an Owner Participation Agreement (OPA) and Disposition Development Agreement (DDA) with Stagen Realty and Management Group for the development of Agency parcels 113, 115, 122, 123 and the parcels known as 111 Capitol Mall; and

WHEREAS, the parameters of the proposed developments have been substantially changed, and the parties desire to rescind any and all prior agreements and understandings between themselves.

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

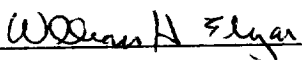
Section 1. Resolution No. RA88-056 is hereby unconditionally rescinded and rendered void.

Section 2. The Executive Director is hereby authorized to execute the Recission Agreement, attached hereto as Exhibit "A", rescinding any and all prior agreements, contracts, proposals and negotiations, whether oral or written, express or implied, between the Agency and Stagen Realty and Management, Group, and its agents, representatives or assignees.



CHAIR

ATTEST:



SECRETARY

1100WPP2(231)

RESOLUTION No. ~~89-014~~ (14)

FEB 21 1989

MUTUAL RECISSION AGREEMENT

This Agreement is entered into this _____, day of _____, 1989, by the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, (hereinafter referred to as "Agency") and STAGEN REALTY AND MANAGEMENT GROUP (hereinafter referred to as "Stagen").

RECITALS

WHEREAS, by the authority of Agency Resolution No. RA 88-056, dated July 5, 1988 and attached hereto as Exhibit "A", the Agency was empowered to enter into certain agreements with Stagen, including an agreement for the sale and development of Agency owned Old Sacramento parcels 113, 115, 122 and 123 in conjunction with development of adjoining parcels owned by Stagen known as 111 Capitol Mall, as part of a Disposition and Development Agreement and an Owner Participation Agreement with respect to the same; and

WHEREAS, due to subsequent events, circumstances and negotiations, the proposed developments which will have been the subject of said agreements have now been substantially changed, eliminated by the mutual assent of the parties; and

WHEREAS, on February 21, 1989 the Agency rescinded the resolution which had authorized the Agency to enter into said agreements and authorized the execution of this agreement;

NOW, THEREFORE, AGENCY AND STAGEN AGREE AS FOLLOWS:

1. Agency and Stagen and its agents, representatives or assignees, hereby consent and agree to rescind any and all agreements, contracts, understandings, proposals and negotiations, whether oral or written, express or implied, with respect to the developments authorized by Agency Resolution RA 88-056.

2. As mutual consideration for the rescission of said agreements, Agency and Stagen agree to forego any and all rights and benefits provided by any such agreements.

APPROVED AS TO FORM

Agency Counsel

Finance Department

Account Code: _____
Organization: _____
Cost Center: _____

THE REDEVELOPMENT AGENCY
OF THE CITY OF SACRAMENTO

BY: _____
WILLIAM H. EDGAR
Executive Director

STAGEN REALTY AND MANAGEMENT,
GROUP

BY: _____
THOMAS N. STAGEN

1100WPP2(232)

CERTIFIED AS TRUE COPY

RESOLUTION NO. 88-056

REDEVELOPMENT AGENCY

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

EXHIBIT "A"

ON DATE OF

July 5, 1988

of RA 88-056

8/15/88

DATE CERTIFIED

James Beaman
Acting Secretary

APPROVAL OF A BUSINESS AGREEMENT WITH
STAGEN REALTY AND MANAGEMENT GROUP FOR DEVELOPMENT OF
AGENCY-OWNED OLD SACRAMENTO PARCELS 113, 115, 122 & 123
AND AUTHORIZATION FOR THE EXECUTIVE DIRECTOR
TO PREPARE A DISPOSITION AND DEVELOPEMENT AGREEMENT
FOR SAID PARCELS AND
AN OWNER PARTICIPATION AGREEMENT REGARDING
PROPERTY OWNED BY STAGEN REALTY AND MANAGEMENT GROUP

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY
OF SACRAMENTO:

Section 1: The business agreement with Stagen Realty
and Management Group related to the sale and development of
Agency-owned Old Sacramento parcels 113, 115, 122 & 123 in
conjunction with the development of Stagen Realty and Management
Group-owned parcels attached hereto is hereby approved as stated
in Exhibit "A" attached hereto.

Section 2: The Executive Director is authorized to
prepare and execute a Disposition and Development Agreement with
Stagen Realty and Management Group for the development of the
Agency-owned parcels in a form approved by the general counsel
reflecting the basic provisions of the business arrangement.

Section 3: The Executive Director is authorized to
prepare and execute an Owner Participation Agreement with Stagen
Realty and Management Group for the development of the Stagen
Realty and Management Group-owned parcels located as shown on
Exhibit "B" attached hereto.

Carole Ruder

CHAIR

ATTEST:

William H. Hyatt

SECRETARY

1100WPP2(84)

RESOLUTION 88-056

FEB 21 1989

RESOLUTION No. 89-014

(47)

MEMORANDUM OF UNDERSTANDING

For Business Agreement between the
Redevelopment Agency of the City of Sacramento
and Stagen Realty and Management Group

Background

Developer has requested the inclusion of Agency owned parcels 113-115 and 122-123 into the proposed project at 111 Capitol Mall. As consideration for the inclusion of the Agency's parcels into the project the following shall be incorporated into the Disposition and Development Agreement and Owner Participation Agreement.

I. Short Term Public Parking for Old Sacramento

150 public spaces within the parking structure will be set aside and dedicated for short term public parking only and not be decreased by monthly parking permits, assignments or leases. The 150 spaces would be available for short term public parking during the day, night and weekends. All of the remaining spaces which are available for office users would be available to the general public on evenings and weekends.

It is understood that these 150 spaces are among those to be provided over and above those required by City Code.

II. Service Businesses

There is a desire and willingness on behalf of the developer to carry out the intent of the Halcyon Report by placing "service businesses" in the subject parcels. The types of businesses not desired are "T-shirt" shops, fast food establishments, souvenir shops, limited menu restaurants, free standing bars or liquor stores, new sweet shops.

III. Child Care

The developer wishes to put a child care facility into the project. Both developer and Agency realize the difficulties of placing a child care program into an urban area that does not have the usual outdoor space. The developer would like to place the child care in the northwest corner of the existing office building and request a waiver with Agency staff support from appropriate authorities if necessary to utilize the existing waterfront park and playground for child care children.

IV. Public Transportation

The developer is willing to provide a minibus running in a circular route generally from 111 Capitol Mall to the Capitol, back through the courthouse area to 111 Capitol Mall. This minibus would be for the use of the building's occupants.

V. Art in Public Places

The developer is willing to put up to \$100,000 of the total amount payable under the Public Art Program towards a performing arts program in Old Sacramento. This money would be matched on a 4:1 basis with monies coming from other sources. The funds would be placed in trust and the interest used to provide for a performing arts program. Program and trust would be administered by a nonprofit organization made up of various appropriate representatives.

The major portion of the remaining art in public places monies would go towards the establishment of a small properly equipped theatre to be located in the reconstructed historic buildings on Agency Parcel Nos. 113-115, 122-123 in Old Sacramento. The size, design and function to be determined at a later time.

VI. Payment for Agency Land

The land purchase price shall be \$127,000 and as stated herein shall be reduced by ten percent (10%) per year for a period of ten (10) years at which time the Agency shall forgive the purchase price of the land. Should the development entity, propose to sell, assign or otherwise transfer, liquidate or diminish its ownership interest to less than fifty-one percent (51%) in the subject property within the stipulated ten (10) year period the purchase price of the land as then established by proration would be due and payable to the Agency. In the advent of a sale or other transaction diminishing Developer's ownership as stated, Developer agrees as a condition of the sale or transaction to place into an escrow account for payment to the Agency funds in the amount of the then determined purchase price.

VII. Participation in Business Improvement Area and Maintenance Benefit Area

The Business Improvement Area for Old Sacramento includes this project. The developer will participate in the continued maintenance and improvement of Old Sacramento. The Old Sacramento Maintenance Benefit Area excludes the new office building; however, developer agrees to voluntarily participate in the benefit area related to the new office building based on front footage of land and gross land area factors at the same rate as that computed for Agency owned parcel. The estimated cost is \$2,395 per year.

VIII. Conveyance of Agency Land

Conveyance of the Agency's parcels shall occur after evidence of equity and debt financing and completion of 3% of the construction of the office project.

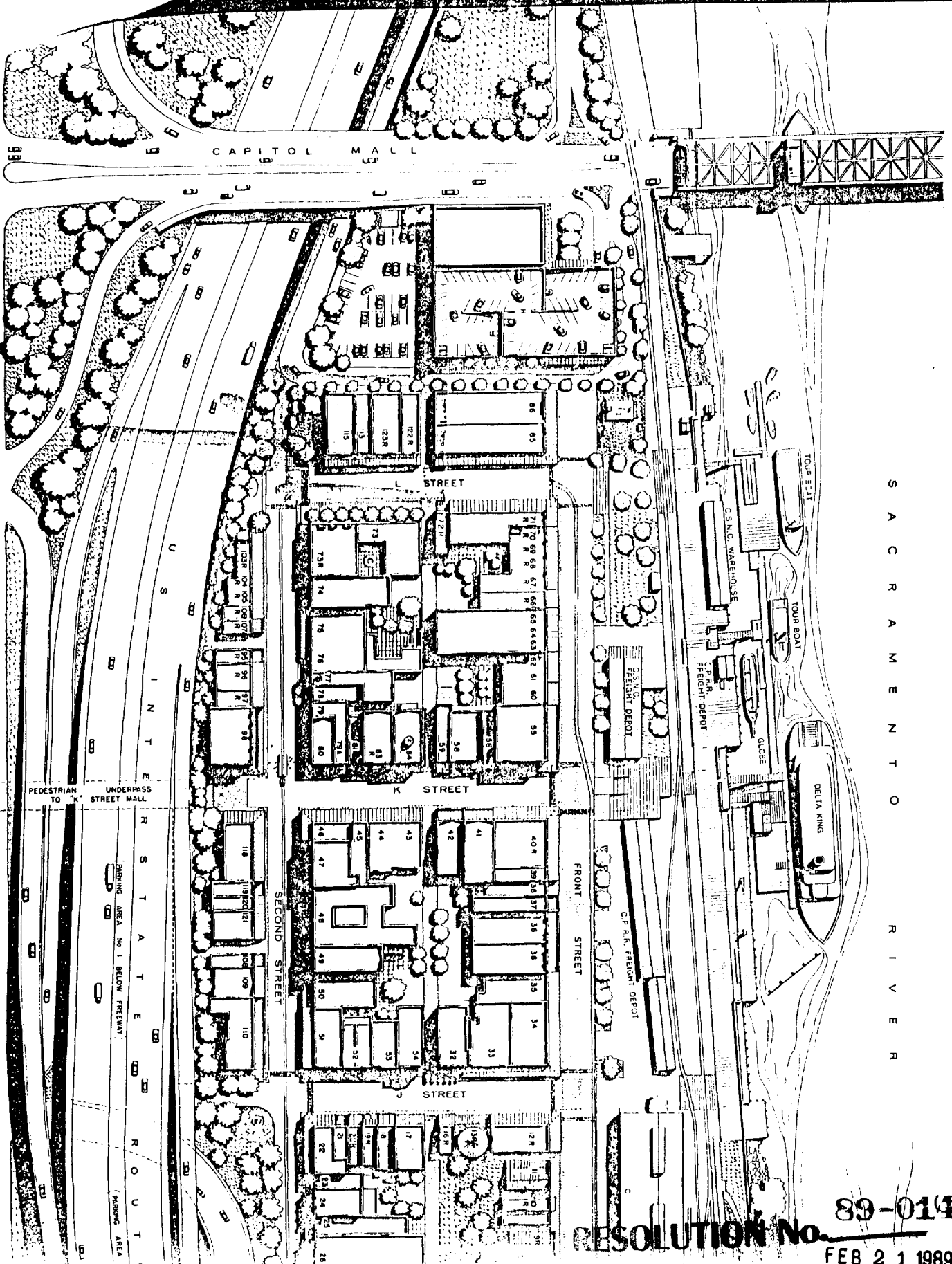
IX. Other Conditions

The City Planning Commission and Design Review Board in their consideration and approval of the proposed project may recommend other conditions on the proposed sale of Agency owned property. These conditions may be included into the subject agreement with the Agency.

1195M
3/23/88

Numbers

SUFFIX 'R' ON PLAN INDICATES RECONSTRUCTION. ALL OTHER BUILDINGS ARE RESTORATION. *KEY INDICATES BUILDINGS TO BE DEVELOPED BY STATE DEPT. OF PARKS AND RECREATION.



SACRAMENTO RIVER

RESOLUTION No. 89-014(2)
FEB 21 1989

RELEASE

This instrument is executed on _____, 1989, by THOMAS N. STAGEN, for himself and on behalf of STAGEN REALTY AND MANAGEMENT, INC. STAGEN REALTY AND MANAGEMENT GROUP and CAPITOL MALL ASSOCIATES whose address is _____, CA 9_____, and their assigns, herein collectively called "Releasor."

NOW, THEREFORE, in consideration of the attached Agreement shown as Exhibit "A", the Releasor agrees as follows:

1. The Releasor hereby fully releases and discharges the Redevelopment Agency of the City of Sacramento and its assigns and successors (hereinafter called the "Releasee") from all rights, claims, demands, damages, actions and causes of action whatsoever including such as have arisen or may arise in the future by reason of or in any manner having arisen out of losses or damages which the Releasor alleges or may in the future allege to have incurred as a result of any contracts or proposed contracts between the Releasor and the Releasee relating to the office, parking and retail project which was approved by the resolution attached hereto as Exhibit "A".

2. This Release, notwithstanding Section 1542 of the California Civil Code, which provides that "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor," releases all injuries, damages or losses to Releasor's person and property, real or personal, whether known, unknown, foreseen, unforeseen, patent or latent which Releasor may have against the Releasee. Releasor understands and acknowledges the significance and consequences of such specific waiver of Section 1542, and hereby assumes full responsibility for any injuries, damages, or losses that he has or may incur from the above-mentioned loan and agreement.

3. The Releasor has read this Release, fully understands the meaning and consequences of its execution and has elected to do so freely and voluntarily. The Releasor, in executing this Release, does not rely on any inducements, promises, or representations made by the Releasee or any other governmental entity and his representatives or his counsel.

Executed on the date first mentioned above, in the County of _____, State of California.

BY:

THOMAS N. STAGEN

154WPP(359)

RESOLUTION No. 89-014
FEB 21 1989

WITNESS DECLARATION

I, the undersigned witness, hereby certify that THOMAS STAGEN, in my presence, acknowledged that he has read and fully understood the meaning and consequences of the foregoing release, and signed the same in my presence, in the County of _____, State of California.

Dated: _____

BY _____
WITNESS

APPROVED BY Attorney for Releasor:
