

RESOLUTION NO. 89-015

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

February 21, 1989

GRANTING EXCLUSIVE RIGHT TO NEGOTIATE FOR AGENCY LAND

WHEREAS, Stagen Realty and Management, Inc. has requested the exclusive right for a period of one hundred eighty (180) days, to negotiate for the development of Agency parcels 113, 115, 122 and 123 in Old Sacramento and more particularly described on Exhibit "A" attached hereto; and

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

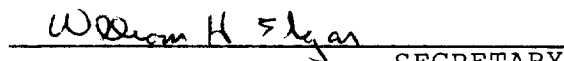
Section 1. The Agency hereby waives its policy of solicitation of proposals for development Agency owned property in respect to the development in respect only to such Agency parcels 113, 115, 122 and 123.

Section 2. The Executive Director is hereby authorized to enter into an agreement entitled Offer to Negotiate for the Purchase and Redevelopment of Agency Property with Stagen Realty and Management, Inc. and attached hereto as Exhibit "B". The term of such agreement shall be one hundred eighty (180) days from the date the agreement is executed by the parties.



CHAIR

ATTEST:

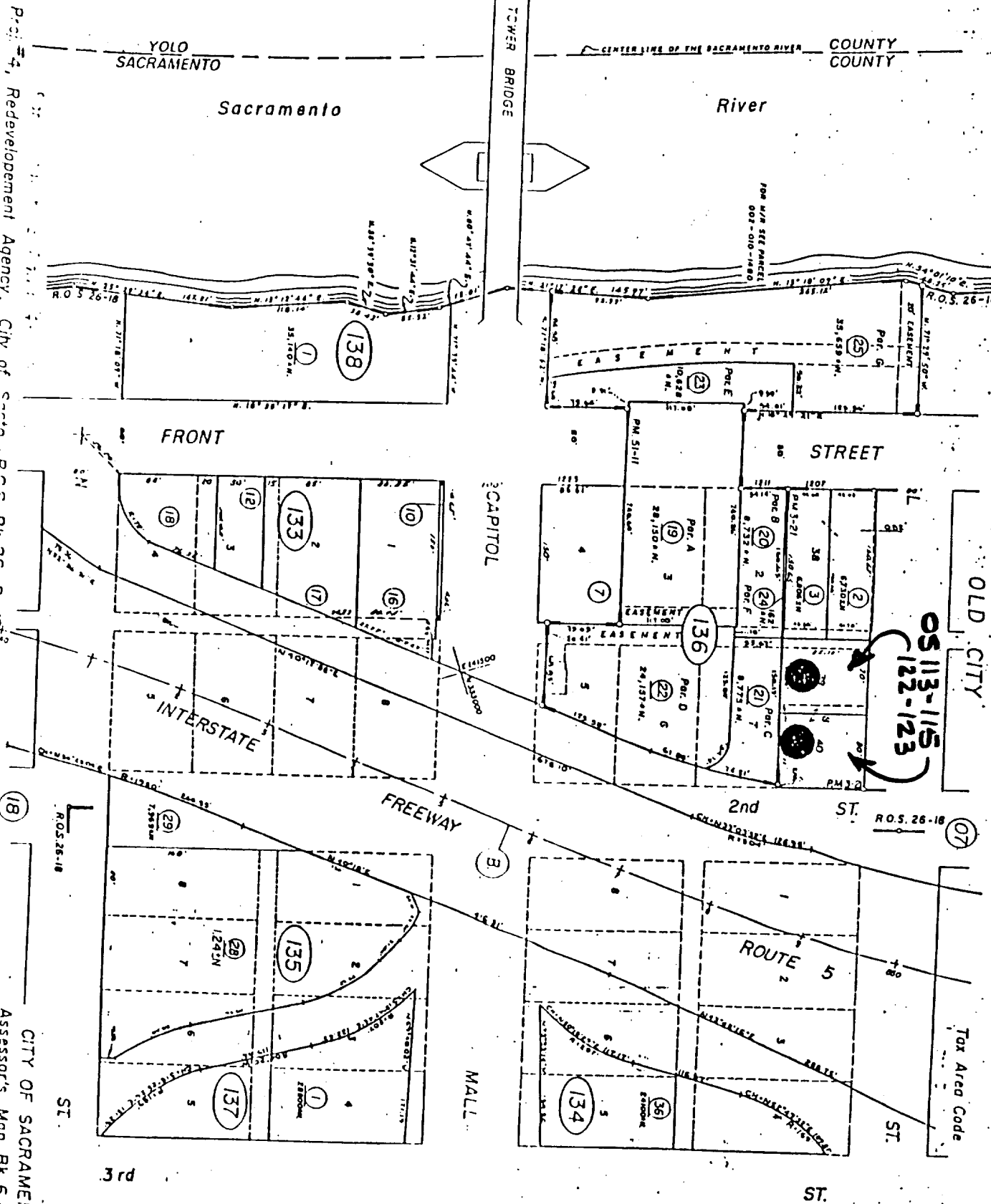


SECRETARY

100WPP2(229)

89-015
RESOLUTION No. _____
FEB 21 1989 (39)

EXHIBIT 'A'



Project 4, Redevelopment Agency, City of Sacramento - R.O.S. Bk 26, Pg. 122-123

Assessor's Block Numbers Shown in Ellipses
Assessor's Parcel Numbers Shown in Circles

CITY OF SACRAMENTO
Assessor's Map Bk 6 - Pg. 13
County of Sacramento, Calif.

RESOLUTION No. 89-015
FEB 24 1989

AGREEMENT RELATING TO
OFFER TO PURCHASE AND DEVELOP SITE

_____, hereinafter referred to as the "Offerer", and the Redevelopment Agency of the City of Sacramento, hereinafter referred to as the "Agency," agree as follows:

This Agreement is made pursuant to, and with full understanding of, and rules of the Agency's procedures and rules, as well as the following terms and conditions.

1. The Offerer and the Agency shall negotiate exclusively with each other for a 180 day period hereinafter referred to as the "Option Period", commencing with the date of this Agreement, during which time the Offerer shall seek to complete a contract for the disposition/lease and redevelopment of the "Property" described on Exhibit "A" attached hereto. Such contract shall hereinafter be referred to as a "Disposition/Lease and Development Agreement".
2. Upon execution of this Agreement, the Offerer will tender to the Agency, in the form of a certified check or irrevocable letter of credit, an "Option Fee" equivalent to ten (10) percent of the appraised value of the land, as a fee for the right to negotiate exclusively with the Agency during the Option Period. In the event a Disposition and Development Agreement between the Agency and the Offerer is approved by the Agency, the Option Fee shall be used as a credit against the land purchase price to be stipulated within the Disposition and Development Agreement. If an Agreement is not reached with the Agency during the Option Period because the Offerer has not negotiated in good faith, the Offerer's rights under this Agreement shall terminate and the full Option Fee shall be retained by the Agency. If the Offerer negotiates in good faith, but fails to reach an agreement with the Agency, then the Option Fee shall be refunded to the Offerer, less the Agency's third-party expenses on the project. Actual interest earned on the Option Fee, if any, shall be credited to, and become part of the Option Fee. The Option Fee may be used as a security deposit under the terms of the Disposition and Development Agreement. The Agency further reserves the right to require other forms of security as part of the Disposition and Development Agreement.
3. The Offerer agrees to submit to the the Agency all findings and determinations regarding the proposed development and copies of all plans, studies and reports as they are prepared by the Offerer.
4. The Offerer further understands that negotiations may be extended beyond the Option Period at the discretion of the Agency to enable the Offerer and Agency to reach an agreement. In consideration for the Agency's continuation of

such exclusive negotiations, a monthly fee may be required to be paid to the Agency. Conditions upon the application of such monthly fees to subsequent payments stipulated within the Disposition/Lease and Development Agreement and the refundability of such fees correspond to those stipulated in paragraph 2, above.

5. In addition to the Option Fees specified in paragraphs 2 and 4 above, the Offerer stands ready to provide a "Security Deposit" upon Agency approval of the Disposition/Lease and Development Agreement. This Security Deposit shall be in an amount to be negotiated and shall be held by the Agency as security for the diligent performance of the Offerer's obligations pursuant to the Disposition/Lease and Development Agreement.
6. The Offerer understands that, except as allowed under the terms of the Disposition/Lease and Development Agreement, the Offerer shall not take any action to make, create, contract for, or agree to any total or partial sale, assignment, conveyance, lease or other transfer of the Property, or any portion thereof or any interest therein, without the prior written approval of the Agency. The Agency shall be entitled to stipulate specific terms and conditions as to any such approval within the Disposition/Lease and Development Agreement.
7. The Offerer understands that the scale, nature and type of redevelopment project on the Property is subject to various approvals of the Agency, and various permits and approvals issued by the City Design Review/Preservation Board; City Planning Commission; Sacramento Housing and Redevelopment Commission; Redevelopment Agency, and other commissions/officers/agencies of the City of Sacramento, State of California or Federal Government as may be required.
8. The Offerer understands that full disclosure will be made to the Agency regarding all principals, officers, stockholders, etc., of the Offerer and all other pertinent information concerning the Offerer and associates.
9. The Offerer understands that full disclosure will be made to the Agency regarding methods of financing to be used in developing the Property.
10. The Offerer understands that the Agency reserves the right, at any time to specify additional terms and conditions, and to request additional information and data from the Offerer, and that the Agency particularly reserves the right to obtain further information, data, and commitments to ascertain the depth of developed capabilities and desire to develop the Property expeditiously. Adequate time to obtain and submit such additional matters will be provided by the Agency.

11. The Offerer understands that if negotiations culminate in a proposed Disposition and Development Agreement with the Agency, such an agreement becomes final only after and if the agreement has been considered and approved by the Agency's governing board.

12. The Offerer understands that all consultants and contractors of the Offerer for any project on the Property must comply with Affirmative Action, Equal Employment Opportunity policies of the Agency.

The Offerer and Agency do hereby indicate their assent upon the terms of this Agreement by the following signatures.

OFFERER:

(Name)

(Title)

(Firm)

(Firm Address)

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Chairman

Secretary

154WPP(319)