SPECIAL MEETING AGENDA OF THE OVERSIGHT BOARD FOR THE SUCCESOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY

WEDNESDAY OCTOBER 18, 2017  9:00 a.m.
CITY HALL COUNCIL CHAMBERS
200 Campus Drive, Arvin

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AGENCY MEMBERS
Gary Rice   Chair
Jason Wiebe  Vice Chair
Carlene Feichter  Member
Jose Gurrola  Member
Maricela Maciel  Member
Cheryl Scott  Member
Vacant (TBD)  Member
Erika Madrigal Alternate Member
Christine Viterelli Alternate Member

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STAFF
Alfonso Noyola  Executive Director
Marti Brown  Community Development Director
Jeff Jones  Finance Director
Cecilia Vela  Secretary
PUBLIC COMMENTS:
The meetings of the City Council and all municipal entities, commissions, and boards (“the City”) are open to the public. At regularly scheduled meetings, members of the public may address the City on any item listed on the agenda, or on any non-listed matter over which the City has jurisdiction. At special or emergency meetings, members of the public may only address the City on items listed on the agenda. The City may request speakers to designate a spokesperson to provide public input on behalf of a group, based on the number of people requesting to speak and the business of the City.

In accordance with the Brown Act, all matters to be acted on by the City must be posted at least 72 hours prior to the City meeting. In cases of an emergency, or when a subject matter needs immediate action or comes to the attention of the City subsequent to the agenda being posted, upon making certain findings, the City may act on an item that was not on the posted agenda.

AGENDA STAFF REPORTS AND HANDOUTS:
Staff reports and other disclosable public records related to open session agenda items are available at City Hall, 200 Campus Drive, Arvin, CA 93203 during regular business hours.

CONDUCT IN THE CITY COUNCIL CHAMBERS:
Rules of Decorum for the Public
Members of the audience shall not engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, clapping, whistling, stamping of feet or other acts which disturb, disrupt, impede or otherwise render the orderly conduct of the City meeting infeasible. A member of the audience engaging in any such conduct shall, at the discretion of the presiding officer or a majority of the City, be subject to ejection from the meeting per Gov. Code Sect. 54954.3(c).

Removal from the Council Chambers
Any person who commits the following acts in respect to a meeting of the City shall be removed from the Council Chambers per Gov. Code Sect. 54954.3(c).

(a) Disorderly, contemptuous or insolent behavior toward the City or any member thereof, tending to interrupt the due and orderly course of said meeting;

(b) A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting;

(c) Disobedience of any lawful order of the Mayor, which shall include an order to be seated or to refrain from addressing the City; and

(d) Any other unlawful interference with the due and orderly course of said meeting.

AMERICANS with DISABILITIES ACT:
In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by the City, please contact the City Clerk’s office, (661) 854-3134. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.
1. **APPROVAL OF AGENDA AS TO FORM**
   Staff recommends approval of agenda.

   Motion _______ Second _________ Vote _________

   Roll Call: AM Scott _____ AM Feichter _____ AM Maciel _____ AM Gurrola_____ VC Wiebe _____
   Chair Rice ____

2. **PUBLIC COMMENTS**
   Members of the Public are invited to speak on any item that does not appear on the Agenda and that is within the subject matter jurisdiction of the Oversight Board. Speakers may be limited to no more than two (2) minutes at the discretion of the Chair.

3. **CONSENT AGENDA ITEM(S)**
   A. Approval of the Minutes of the Special Meeting of January 30, 2017.

      Staff recommends approval of the Minutes of the Special Meeting of January 30, 2017.

      Motion _______ Second _________ Vote _________

      Roll Call: AM Scott _____ AM Feichter _____ AM Maciel _____ AM Gurrola_____ VC Wiebe _____
      Chair Rice ____

4. **ACTION ITEM(S)**
   A. Consideration and Approval of A Resolution of the Oversight Board for the Successor Agency to the Arvin Community Redevelopment Agency Approving the Transfer of One 3.65 Acre Parcel (APN 190-020-14) from the Successor Agency to the Kern Community College District (KCCD) for the Amount of $10,000.00.

      Staff recommends approval of the Resolution.

      Motion _______ Second _________ Vote _________

      Roll Call: AM Scott _____ AM Feichter _____ AM Maciel _____ AM Gurrola_____ VC Wiebe _____
      Chair Rice ____

5. **REPORT(S)**

6. **MEMBER COMMENTS**

7. **ADJOURNMENT**

   I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the Arvin City Council Chambers Bulletin Board not less than 24 hours prior to the meeting. Dated October 16, 2017.

   ________________________________
   Cecilia Vela, Secretary
SPECIAL MEETING MINUTES
OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY TO THE
ARVIN COMMUNITY REDEVELOPMENT AGENCY
JANUARY 30, 2017

CALL TO ORDER @ 2:03PM

PLEDGE OF ALLEGIANCE

ROLL CALL: Chair Rice and AM Feichter absent; All others present.

1. APPROVAL OF AGENDA AS TO FORM
   Staff recommends approval of agenda.

Motion to approve Agenda.
Motion AM Gurrola    Second AM Scott    Vote 4-0 (voice)

2. PUBLIC COMMENTS
   Members of the Public are invited to speak on any item that does not appear on the Agenda and that is within the subject matter jurisdiction of the Oversight Board. Speakers may be limited to no more than two (2) minutes at the discretion of the Chair.

NONE

3. CONSENT AGENDA ITEM(S)
   A. Approval of the Minutes of the Regular Meeting of August 18, 2016 and Special Meeting of December 12, 2016.

   Staff recommends approval of the Minutes of the Regular Meeting of August 18, 2016 and Special Meeting of December 12, 2016.

Motion to approve the Minutes of the Regular Meeting of August 18, 2016 and Special Meeting of December 12, 2016.
Motion AM Maciel    Second AM Gurrola    Vote 4-0 (voice)

4. ACTION ITEM(S)

   Staff recommends approval of Resolution and to direct Staff to submit ROPS to the appropriate Agencies for approval.
Motion to approve Resolution and direct Staff to submit ROPS to the appropriate Agencies for approval.
Motion AM Gurrola  Second AM Scott  Vote 4-0
Resolution No. AOB 2017-01

5. REPORT(S)
NONE

6. MEMBER COMMENTS
NONE

7. ADJOURNED @ 2:08PM

Respectfully submitted,

______________________________
Cecilia Vela, Secretary
TO: Oversight Board of the Successor Agency to the Arvin Community Redevelopment Agency

FROM: Marti Brown, Community Development Director
       Al Noyola, Executive Director

SUBJECT: Approve A Resolution Authorizing the Executive Director, or his designee, to enter into an agreement to transfer one (1) 3.65 acre parcel (APN 190-020-14) from the Successor Agency to the Kern Community College District (KCCD) for the amount of $10,000.

RECOMMENDATION:
Staff recommends approving a resolution to authorize the Executive Director, or his designee to enter into an agreement to transfer one (1) 3.65-acre parcel (APN 190-02-14) from the Successor Agency to KCCD in the amount of $10,000.

RATIONAL FOR RECOMMENDATION:
The City is currently entering into a Disposition and Development Agreement with KCCD to develop a college center on 37-acre site, and would like to include the 3.65-acre, Successor Agency owned site. In order to develop the college center, KCCD also requires the Successor Agency owned property.

BACKGROUND:
On February 7, 2017, The Arvin City Council and Successor Agency approved and authorized the City Manager and Executive Director, respectively, or his designee, to grant and transfer the City- and Successor Agency-owned properties to KCCD for the sole purpose of developing a Community College Project.

Additionally, earlier this year the Successor Agency reached out to the Department of Finance to get its preliminary thoughts or concerns regarding such a transfer. The property is currently listed on the Long Range Property Manage Plan for property that will be sold for future retail/commercial development. As part of this process, the Successor Agency outlined the grounds as to why this transfer would be appropriate and beneficial given its intended educational uses and the unique challenges experienced by the Arvin community in this regard. (See Attachment 1, to the Resolution.) The reasons outlined in the attached letter remain valid as to why such a transfer is appropriate.

A Department of Finance representative informally responded that the property is listed as “Approved for Sale,” and there must be value given for the property proposed use to be in line with its “permissible use.” The representative also indicated that the Department of Finance does not need to be notified in regards to the sale. If this item is approved by the Oversight Board, the item will be presented to the Department of Finance for review - if required.

Value for the transfer of the property in the amount of $10,000.00 is being given consistent with its permissible use, and transfer of the property to the Kern County College District would resulting in long-term benefits to the Agency’s taxing entities and the individuals they serve. Transfer of the property to Kern County College District would result in the taxing entities receiving the value of significantly improved education rates, not only with the City of Arvin itself, but also for other disadvantaged communities in the surrounding area. In turn, this will result in a labor pool that is better prepared to fulfill the needs of local businesses, which will then result in an increase in tax revenue to the benefit of the Agency’s taxing authorities.
FINANCIAL IMPACT:
The Successor Agency will receive $10,000.00 for the 3.65 acre site.

ATTACHMENTS:
Attachment 1: Site Depiction
Attachment 2: Legal Description
Attachment 3: A Resolution Of The Oversight Board For The Successor Agency Of The Arvin Community Redevelopment Commission Approving The Transfer Of One 3.65 Acre Parcel (Apn 190-020-14) From The Successor Agency To The Kern Community College District (Kccd) For The Amount Of $10,000.00, including the following Exhibits:
   Exhibit A: KCCD DDA
   Exhibit B: Letter to the California State Department of Finance, including A Resolution of the City Council to Approve a DDA Between the City and KCCD and A Resolution of the Successor Agency to Approve a DDA Between the Successor Agency and KCCD
EXHIBIT “A”
LEGAL DESCRIPTION
K.C.C.D. PROPERTY

That portion of the Southwest Quarter of Section 23, Township 31 South, Range 29 East, Mount Diablo Base and Meridian, in the City of Arvin, County of Kern, in the State of California. Also being portions of Parcel 1 of Parcel Map 4958 recorded in Book 22 of Parcel Maps, Page 160; Parcels 2 and 4 of Parcel Map 6832 recorded in Book 29 of Parcel Maps, Page 141; and Parcel 12 of Parcel Map 7214 recorded in Book 32 of Parcel Maps, Page 18, more particularly described as follows:

Commencing at the Center of Section 23, also being the Centerline intersection of Varsity Road and Campus Drive; thence South 00°03'37" East along the East line of the Southwest quarter of said section and said Centerline of Campus Drive, 64.74 feet; thence leaving said East line and said centerline, South 89°56'23" West, 52.27 feet to the West Right-of-Way of Campus Drive and the TRUE POINT OF BEGINNING;

Thence South 00°03'37" East, along said West Right-of-Way, 266.30 feet to North Alley Right-of-Way of Tract 4230 recorded in Book 30 of Maps, Page 11;
Thence departing said West Right-of-Way, North 89°51'58" West, along said North Alley Right-of-Way 115.92 feet;
Thence continuing along said North Alley Right-of-Way, South 81°36'39" West, 30.39 feet to the West Boundary of said Tract 4230;
Thence South 00°04'09" East, along said West Boundary, 463.17 feet to the North Right-of-Way of Nectarine Court per Doc. No. 0211100725;
Thence departing said West Boundary, North 89°51'05" West, along said North Right-of-Way, 686.25 feet;
Thence South 00°04'03" East, 475.01 feet to the North boundary of Parcel 12 of Parcel Map 7214 recorded in Book 32 of Parcel Maps, Page 18;
Thence North 89°51'58" West, along said North boundary, 45.02 feet to the West Right-of-Way of Walnut Street;
Thence South 00°03'54" East, along said West Right-of-Way, 195.95 feet to the beginning of a tangent curve;
Thence southerly along said West Right-of-Way, 70.20 feet along a curve, concave Westerly, with a radius of 455.00 feet and a central angle of 8°50'24" to the beginning of a tangent curve, also being the North Right-of-Way of Alderette Drive;
Thence Westerly along said North Right-of-Way, 33.50 feet along a curve, concave Northwesterly, with a radius of 20.00 feet and a central angle of 95°58'40";
Thence North 75°14'37" West, along said North Right-of-Way, 11.63 feet to the beginning of a tangent curve;
Thence Westerly along said North Right-of-Way, 38.16 feet along a curve, concave Northeasterly, with a radius of 154.00 feet and a central angle of 14°11'45" to a point on the East Boundary of Tract Map 5460, Phase One, recorded in Book 39 of Parcel Maps, Page 34;
Thence North 61°02'52" West, along said East Boundary of said Tract Map and Right-of-Way, 95.38 feet to the beginning of a tangent curve;
Thence Northwesterly along said tract boundary and Right-of-Way, 395.26 feet along a curve concave Northeasterly with a radius of 470.00 feet and a central angle of 48°11'05" to the Southeast corner of Tract Map 5640, Phase Four, recorded in Book 41 of Maps, Page 15 and the beginning of a tangent curve;
Thence Northerly along the East line of said Phase Four and said Right-of-Way, 104.91 feet along a curve concave Northwesterly with a radius of 470.00 feet and a central angle of 12°47'21";
Thence North 00°05'12" West, along said East line and Right-of-Way, 152.68 feet;
Thence South 89°49'41" West, 456.22 feet;
Thence South 00°10'19" East, 29.63 feet;
Thence North 90°00'00" West, 97.00 feet to the East Boundary of said Phase Four;
Thence North 00°03'38" West, along said East Boundary, 520.00 feet to the South Right-of-Way of Nance Street;
Thence North 89°56'22" East, along said South Right-of-Way, 58.00 feet to the East Right-of-Way of Towner Drive of said Phase Four;
Thence departing said South Right-of-Way of Nance Street, North 00°03'38" West, along said East Right-of-Way of Towner Drive, 50.00 feet;
Thence North 45°03'38" West, along said East Right-of-Way, 28.28 feet;
Thence North 00°03'38" West, along said East Right-of-Way, 155.00 feet;
Thence North 44°56'22" East, along said East Right-of-Way, 28.28 feet;
Thence South 89°56'22" West, along said East Right-of-Way, 18.00 feet to East boundary of said Phase Four;
Thence North 00°03'38" West, along said East boundary, 152.79 feet to the South Right-of-Way of Varsity Road;
Thence South 89°16'47" East, along said South Right-of-Way, 200.00 feet;
Thence South 89°51'10" East, along said South Right-of-Way, 1,146.26 feet;
Thence North 89°00'05" East, along said South Right-of-Way, 100.00 feet;
Thence South 89°51'10" East, along said South Right-of-Way, 326.48 feet to the beginning of a tangent curve;
Thence Southeasterly, along said South Right-of-Way, 31.34 feet along a curve concave Southwesterly with a radius of 20.00 feet and a central angle of 89°47'33" to the West Right-of-Way of Campus Drive and the TRUE POINT OF BEGINNING;

Excepting therefrom those portions of Walnut Street, that lie within the above described parcel.

Also, excepting therefrom all mineral rights, Drill Islands, and Drill Island access routes previously disclosed, as provided in Deeds of Record.

Reserving therefrom the future Right-of-Way of Walnut Street, lying South of Varsity Road.

Containing 37.85 acres, more or less.

Kristie M. Achee, PLS 8189
Date

QK 9/18/2017
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RESOLUTION NO. ____________

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE ARVIN COMMUNITY REDEVELOPMENT COMMISSION APPROVING THE TRANSFER OF ONE 3.65 ACRE PARCEL (APN 190-020-14) FROM THE SUCCESSOR AGENCY TO THE KERN COMMUNITY COLLEGE DISTRICT (KCCD) FOR THE AMOUNT OF $10,000.00

WHEREAS, On February 7, 2017, The Arvin City Council and Successor Agency approved and authorized the City Manager and Executive Director, respectively, or his designee, to grant and transfer the City- and Successor Agency-owned properties to KCCD for the sole purpose of developing a Community College Project.

WHEREAS, The City is currently entering into a Disposition and Development Agreement with KCCD to develop a college center on 37-acre site that includes the 3.65-acre, Successor Agency owned site. In order to develop the college center, KCCD also requires the Successor Agency owned property.

WHEREAS, the property is currently listed on the Long Range Property Manage Plan for property that will be sold for future retail/commercial development.

WHEREAS, earlier this year the Successor Agency reached out to the Department of Finance to get its preliminary thoughts or concerns regarding such a transfer.

WHEREAS, as part of this process, the Successor Agency outlined the grounds as to why this transfer would be appropriate and beneficial given its intended educational uses and the unique challenges experienced by the Arvin community in this regard. (See Attachment 1, with Resolutions as Exhibits.) The reasons outlined in the attached letter remain valid as to why such a transfer is appropriate.

WHEREAS, A Department of Finance representative informally responded that the property is listed as “Approved for Sale,” and there must be value given for the property proposed use to be in line with its “permissible use.” The representative also indicated that the Department of Finance does not need to be notified in regards to the sale.

WHEREAS, value in the amount of $10,000.00 would be given for the transfer of the property, and is consistent with its “permissible use.”

WHEREAS, the Oversight Board for the Successor Agency to the Arvin Community Redevelopment Commission hereby desires to approve the transfer of the parcel to KCCD for $10,000.00.

NOW THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT COMMISSION HEREBY RESOLVES:

1. The above recitals are true and correct and are incorporated by reference.
2. Transfer of the property to Kern County College District would result in the taxing entities receiving the value of significantly improved education rates, not only with the City of Arvin itself, but also for other disadvantaged communities in the surrounding area. In turn, this will
result in a labor pool that is better prepared to fulfill the needs of local businesses, which will then result in an increase in tax revenue to the benefit of the Agency’s taxing authorities.

3. Value for the transfer of the property is being given consistent with its permissible use, and transfer of the property to the Kern County College District would resulting in long-term benefits to the Agency’s taxing entities and the individuals they serve.

4. The Executive Director, or his designee, is directed and authorized to enter into an agreement to transfer one (1) 3.65-acre parcel (APN 190-02-14) from the Successor Agency to the Kern County College District in the amount of $10,000.00, in a form substantially the same as attached hereto as Exhibit “A,” subject to approval as to legal form by the Agency Counsel.

5. This Resolution shall take effect immediately.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the Oversight Board for the Successor Agency to the Arvin Community Redevelopment Agency at a special meeting thereof held on the 18th day of October 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

____________________________________
CECILIA VELA, Secretary

OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY

By:

____________________________________
GARY RICE, Chair

I, ______________________________, Secretary of the Oversight Board, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the Oversight Board for the Successor Agency to the Arvin Community Redevelopment Agency, Arvin, California, on the date and by the vote indicated herein.
AGREEMENT NO. 2017-27

DISPOSITION AND DEVELOPMENT AGREEMENT

By and Among

THE CITY OF ARVIN ACTING AS SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY;

THE CITY OF ARVIN;

and

THE KERN COMMUNITY COLLEGE DISTRICT
DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT is entered into as of the Effective Date (as defined below), by and among THE CITY OF ARVIN AS SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY ("Successor Agency"), THE CITY OF ARVIN ("City") and the KERN COMMUNITY COLLEGE DISTRICT ("District"). Successor Agency, City and District agree as follows:

I. (§ 100) PURPOSE OF THE AGREEMENT.

A. (§ 101) Purpose of the Agreement.

This Agreement is intended to effectuate the transfer and development of certain real property owned by the City and the Successor Agency consistent with original redevelopment plan and in accordance with the best interests of the City of Arvin.

The District, which has campuses in Bakersfield, Ridgecrest and Porterville, provides traditional two-year higher education courses and associate degrees as well as critical job training including first responders and training that supports other local industries. On November 8, 2016, the voters of the District approved Measure J sponsored by the District authorizing the issuance of Five Hundred Two Million Dollars ($502,000,000) in bonds ("Bond Proceeds") to benefit the Kern Community College District Facilities Improvement District No. 1. The District may only use the Bond Proceeds to fund construction, reconstruction, rehabilitation or replacement of school facilities. The District's selection of projects utilizing the Bond Proceeds will consider projects involving matching funds, financial assistance and grants from other entities.

The educational attainment levels within the City are low thereby limiting the potential labor market. A community college outreach center within the City would not only provide jobs but also provide access to higher education and training thus increasing the educational attainment levels and job potential of many of the City's residents.

The City owns that certain unimproved real property located south of Varsity Avenue and west of Campus Drive, specifically APNs. 190-020-46 & 48, consisting of approximately 32.57 acres ("City Property") which has an estimated fair market value of Four Million Two Hundred Thousand Dollars ($4,200,000). The Successor Agency owns that certain unimproved parcel located at the southwest corner of the intersection of Varsity Avenue and Campus Drive, APN 190-020-14, consisting of approximately 3.65 acres and which is immediately adjacent to the City Property ("Successor Agency Property") which has an estimated fair market value of Four Hundred Seventy-Five Thousand Dollars ($475,000). The City Property and Successor Agency Property is hereinafter sometimes collectively referred to as the "Site."

The City is willing to contribute the City Property and the Successor Agency is willing to sell the Successor Agency Property for less than fair market value for the development of a community college outreach center and educational services pursuant to a disposition and development agreement in which (i) the City would grant the City Property to the District at
no cost to the District in AS-IS condition pursuant to a grant deed containing applicable covenant language and waive its standard City planning and development fees and/or City impact fees; (ii) the Successor Agency will sell the Successor Agency Property to the District for less than fair market value; and (iii) the District will commit to start construction of a community college outreach center or facilities to provide educational services on the site with a capacity for servicing up to one thousand (1,000) full time Equivalent students ("FTES") within five (5) years of the Closing (as hereinafter defined) and diligently prosecute to completion, coordinate with the City for road closures and other off-site construction issues which may impact City services, and obtain the approval of the City for proposed street alignments and dedicate the public streets and off-site improvements to the City (collectively the “Project” and “Community College Project”).

The Successor Agency’s sale of the Successor Agency Property is (i) consistent with Successor Agency’s approved Long-Range Property Management Plan; (ii) the development of the Successor Agency Property as part of the Site pursuant to this Agreement is in the best interests of the City and its residents; and (iii) in accordance with the public purposes and provisions of applicable federal, state and local laws.

As consideration for the contribution of the Site to District together with the waiver of applicable City applicable fees, District commits (i) to commence to construct the Community College Project within five (5) years of the Closing and diligently prosecute same to completion, and (ii) to thereafter operate a community college outreach center on the Site for a period of not less than ten (10) years.

B.  ($102) Site.

The Site consists of both the City Property and the Successor Agency Property.

C.  ($103) City Property.

The City Property consists of two (2) parcels (APN No. 190-020-46 & 48) depicted on Attachment No. 1 and legally described on Attachment No. 2A. The total surface area of the City Property is approximately 33.57 acres.

D.  ($104) Successor Agency Property.

The Successor Agency Property consists of one (1) parcel (APN 190-020-14) depicted on Attachment No. 1 and legally described on Attachment No. 2B. The total surface area of the Successor Agency is approximately 3.65 acres.


District acknowledges that the only financial assistance being provided is set forth in this Agreement which includes the contribution of the City Property at no cost to District, the contribution of the Successor Agency Property at below market value, and waiver of City’s fees. District shall be responsible for all construction and development costs to construct the Project on the Site, including: grading and site preparation; building construction; site development and infrastructure; design; and Division of the State Architect (DSA) plan
review and inspection fees and development fees except as provided herein. The Project is more particularly described in the Scope of Development.

As consideration for the Financial Assistance, District covenants to (i) commence construction of the Community College Project within five (5) years of the Closing (as hereinafter defined) and thereafter diligently prosecute same to completion; (ii) commence operations as a community college outreach center beginning with the first full semester after completion of construction; and (iii) operate a community college outreach center for not less than ten (10) years from the date of completion.

II. **($200) DEFINITIONS.**

The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

A. **($201) Agreement.**

The term "Agreement" shall mean this Disposition and Development Agreement, including all attachments which are a part hereof and incorporated herein in their entirety, and all other documents incorporated herein by reference.

B. **($202) Certificate of Completion.**

The term "Certificate of Completion" shall mean that document prepared in accordance with Section 512 of this Agreement in the form of Attachment No. 5, which shall evidence that the construction and development of the improvements required by this Agreement have been satisfactorily completed and District has complied with the obligations to commence operations as a community college as set forth in Section 601.

C. **($203) City.**

The term "City" shall mean the City of Arvin, a municipal corporation.

D. **($204) City Property.**

The term "City Property" shall mean the two (2) parcels (APN No. 190-020-46 & 48) depicted on Attachment No. 1 and legally described on Attachment No. 2A. The total surface area of the City Property is approximately 33.57 acres.

E. **($205) Claims and Litigation.**

The term "Claims or Litigation" shall mean any challenge by adjacent owners or any other third parties (i) to the legality, validity or adequacy of the General Plan, development approvals, this Agreement, CEQA compliance or other actions of City or Successor Agency pertaining to the Project, (ii) seeking damages against City or Successor Agency as a consequence of the foregoing actions or for the taking or diminution in value of their property, or in any other manner, or (iii) for any tort claim or action against the City or Successor Agency arising in connection with Developer's construction of the Project.
F. **(§ 206) Closing.**

The term "Closing" shall mean the closing of the Escrow by Escrow Agent's distributing the funds and documents received through Escrow to the party entitled thereto as provided herein, which closing shall occur on or before one hundred ninety (190) days after Escrow is opened, unless extended by mutual agreement of the parties.

G. **(§ 207) Community College Project.**

The term "Community College Project" shall mean the improvements as described in Section 101 and detailed in the Scope of Development including all the improvements constructed by District on the Site pursuant to this Agreement, including, but not limited to, construction of buildings, landscaping, construction of parking areas, and related improvements. Upon completion, the Community College Project will be the Bakersfield College Arvin Educational Outreach Center which will be operated by the District for a period of not less than ten (10) years after completion of the construction.

H. **(§ 208) Days.**

The term "days" shall mean calendar days and the statement of any time period herein shall be calendar days, and not working days, unless otherwise specified.

I. **(§ 209) Deeds.**

The term "Deeds" shall mean both (i) that Grant Deed conveying the City Property to District which shall be substantially in the form of Attachment No. 4A ("City Deed"), and (ii) that Grant Deed conveying the Successor Agency Property to District which shall be substantially in the form of Attachment No. 4B with the assignment and assumption page executed by the City. ("Successor Agency Deed").

J. **(§ 210) Deposit or Good Faith Deposit.**

The term "Deposit" or "Good Faith Deposit" shall mean the good faith deposit in the sum of One Thousand Dollars ($1,000) paid by District upon execution of this Agreement to secure District's good faith performance of the terms hereof. The Deposit shall be delivered to Escrow upon opening of Escrow to be credited to the Purchase Price at Closing.

K. **(§ 211) DOF**

The term "DOF" shall mean the California Department of Finance.

L. **(§ 212) DOF Approval**

The term "DOF Approval" shall mean the formal written approval from the DOF if required for the Successor Agency obligations under this Agreement. After approval by Successor Agency and Oversight Board, the DOF has the opportunity to review Oversight Board actions in accordance with Health & Safety Code Section 34179(h). The Oversight Board is required to submit information regarding its actions electronically to the DOF which has five (5) days to respond. If the DOF elects to formally review the Oversight Board's
actions, it has forty (40) days thereafter to do so at which time it must issue written indication of either its approval or disapproval to the action.

M.  (§ 213)  DSA

The term "DSA" shall mean the Division of the State Architect.

N.  (§ 214)  Effective Date.

The Effective Date of this Agreement shall occur on the last to occur of the following:

a. The date this Agreement is executed on behalf of the City after public hearing and approval.

b. The date this Agreement is executed on behalf of Successor Agency after public hearing and approval by (i) both Successor Agency and the Oversight Board, and (ii) the DOF Approval is obtained, if applicable.

c. The District has provided evidence of the allocation of Bond Proceeds for the Project pursuant to Section 407.

District shall submit the executed Agreement to the City and Successor Agency on or before the date of the first hearing by City and Successor Agency.

If the Agreement is approved by the Successor Agency, Successor Agency shall submit the Agreement to the Oversight Board for approval and if approved by the Oversight Board, Successor Agency shall submit the Agreement for DOF Approval, if required. If the DOF Approval is obtained, Successor Agency shall execute the Agreement as soon as possible after the DOF Approval is obtained and return an executed and dated copy to the City. If the City approves the Agreement, the City shall execute this Agreement and provide a copy to the District.

The parties agree to confirm in writing the date that is the Effective Date.

N.  (§ 215)  Enforced Delay.

The term "Enforced Delay" shall mean any delay described in Section 803 caused without fault and beyond the reasonable control of a party, which delay shall justify an extension of time to perform as provided in Section 803.

O.  (§ 216)  Escrow.

The term "Escrow" shall mean the escrow established with Escrow Agent pursuant to this Agreement for the conveyance of the Site from City and Successor Agency to District pursuant to this Agreement.
P.  (§ 217) Escrow Agent.

The term "Escrow Agent" shall mean Fidelity National Title Insurance Company, located at 7485 N. Palm Avenue, Suite 106, Fresno, Ca 93711 and empowered hereunder to act as Escrow Agent for this transaction. The Escrow officer shall be Bernadette Watson (559) 261-8919 Bernadette.Watson@fnf.com.

Q.  (§ 218) License to Enter Agreement.

The term “License to Enter Agreement” shall mean that certain License to Enter Agreement dated __________, 2017 between District and the Successor Agency and City pursuant to which District had the opportunity to enter the Property to perform its due diligence.


The term “Long-Range Property Management Plan” shall mean the Updated Long-Range Property Management Plan approved by the Oversight Board on February 25, 2014 by Resolution 2014-02 (modifying 2014-01) submitted to the DOF by Successor Agency and which was approved by the DOF pursuant to its letter dated March 7, 2014.

S.  (§ 220) Project.

The term “Project” shall have the same meaning as “Community College Project” including the requirements set forth in the Scope of Development.

T.  (§ 221) Purchase Price.

The term "Purchase Price" shall mean that amount agreed upon by the parties as the payment by District to Successor Agency for the purchase of the Successor Agency Property Site, which amount shall be Ten Thousand Dollars ($10,000).

U.  (§ 222) Redevelopment Plan.

The term "Redevelopment Plan" shall mean the Redevelopment Plan for the Redevelopment Project Area in the City of Arvin, as adopted by Ordinance No. 290 of the City Council on July 2, 1996 and as such Redevelopment Plan has been amended from time to time.

V.  (§ 223) Redevelopment Project Area.

The term "Redevelopment Project Area" shall mean the Arvin Redevelopment Project Area No. 1, which is located in the City of Arvin, California. The exact boundaries of the Redevelopment Project Area are specifically described in the Redevelopment Plan.

W.  (§ 224) Scope of Development.

The term “Scope of Development” shall mean the work as defined in the “Scope of Development” in Attachment No. 3 for the Project.
X.  (§ 225) **Site and Site Depiction.**

The Project shall be located on the Site consisting of approximately 37.22 acres of land in the City, as generally shown in the "Site Depiction" in Attachment No. 1. The Site is legally described in the "Legal Description" set forth in Attachments No. 2A and 2B.

Y.  (§ 226) **Successor Agency Property.**

The term "Successor Agency Property" shall mean that certain parcel (APN 190-020-14) depicted on Attachment No. 1 and legally described on Attachment No. 2B. The total surface area of the Successor Agency is approximately 3.65 acres.

Z.  (§ 227) **Title.**

The term "Title" shall mean the fee interest in the Site conveyed to District.

AA.  (§ 228) **Title Company.**

The term "Title Company" shall mean Fidelity National Title Insurance Company located at 2540 West Shaw Lane, Suite 112, Fresno, CA 93711 empowered hereunder to act as the Title Company. The title officer shall be Wisneski, Marc Marc.Wisneski@titlegroup.fntg.com Direct: 559-492-4212.

BB.  (§ 230) **Transfer.**

The term "Transfer" shall have the meaning set forth in Section 304.

CC.  (§ 231) **Water Well Work.**

The term "Water Well Work" shall mean the work to be performed by the District as defined in Section I of the Scope of Development (Attachment No. 3).

DD.  (§ 232) **Attachments.**

This Agreement includes the following attachments which are incorporated herein and made a part hereof as though fully set forth herein:

- Attachment No. 1  Site Depiction
- Attachment No. 2A  Legal Description – City Property
- Attachment No. 2B  Legal Description – Successor Agency Property
- Attachment No. 3  Scope of Development
- Attachment No. 4A  City Grant Deed
- Attachment No. 4B  Successor Agency Grant Deed
- Attachment No. 5  Certificate of Completion
III.  (§ 300) PARTIES TO THE AGREEMENT.

A.  (§ 301) City.

The City is the City of Arvin, a municipal corporation.

B.  (§ 302) Successor Agency.

Successor Agency is the legal successor in interest to the Arvin Community Redevelopment Agency ("ACRA") which was dissolved in accordance with Health & Safety Code Section 34173 et seq. All of Successor Agency’s obligations under this Agreement, the related agreements and any continuing obligations or liabilities are subject to California law. Successor Agency is a public body exercising governmental functions and powers, and organized and existing under the applicable portions of California’s Community Redevelopment Law of the State of California (Health and Safety Code Sections 33000, et seq.).

After the Closing, all post-closing obligations of the Successor Agency will be assigned to and assumed by, the City as specified in Section 515.

C.  (§ 303) District.

1. Identification and District’s Representations.

District is the Kern Community College District. The principal office of District for the purposes of this Agreement is located at 2100 Chester Avenue, Bakersfield, CA 93301. Except as may be expressly provided herein below, all of the terms, covenants and conditions of this Agreement shall be binding on and inure to the benefit of District and the permitted successors and assigns of District.

2. Qualifications.

Subject to the provisions of Section 304, the qualifications and identity of District are of particular concern to City and Successor Agency and it is because of such qualifications and identity that City and Successor Agency have entered into this Agreement with District. City and Successor Agency have considered the experience, financial capability, and quality of education provided by District, the Site location and characteristics for the Community College Project. Based upon these considerations, City and Successor Agency have imposed the restrictions on transfer set forth in this Agreement.

D.  (§ 304) Restrictions on Transfer.

The term "Transfer" shall mean and include any assignment, mortgage, conveyance, or encumbrance of this Agreement, the Site, or the improvements thereon.

1. Restrictions Prior to Completion.

Prior to issuance of the Certificate of Completion, District shall not Transfer this Agreement or any of District’s rights and obligations hereunder, or any interest in the Site or
in the improvements thereon, directly or indirectly, voluntarily or by operation of law, except as provided below, without the prior written approval of City and Successor Agency, and if so purport ed to be transferred, the same shall be null and void.

In the absence of specific written agreement by City and Successor Agency, prior to the issuance of a Certificate of Completion, no assignment or transfer by District of all or any portion of its interest in the Site or this Agreement (including without limitation an assignment or transfer not requiring City and Successor Agency approval hereunder) shall be deemed to relieve it or any successor party from any obligations under this Agreement with respect to the completion of the development of the Project. In addition, no attempted assignment of any of District’s obligations shall be effective unless and until the successor party executes and delivers to Successor Agency and City an assumption agreement in a form reasonably approved by Successor Agency and City assuming such obligations.

2. **Exception.**

The foregoing prohibition shall not apply to the conveyance or dedication of any portion of the Site to the City or other appropriate governmental agencies, or the granting of easements or permits to facilitate the development of the Site.

3. **Restrictions After Completion.**

District, City and Successor Agency acknowledge that the Site is being conveyed to District in reliance on District’s expertise and integrity to construct and operate the Community College Project. District may not sell, transfer, convey, hypothecate, assign or sublease all or any portion of its interest in the Site without complying with the Transfer restrictions contained in this Agreement and the Deeds. After the issuance of the Certificate of Completion, District and its successors and assigns, shall not sell, transfer, convey, assign or lease all or any portion of its interest in the Site without the prior written consent of City which may be withheld in the sole discretion of City except to another viable educational institution and/or an entity that supports the educational mission to operate a community college outreach center as determined by the District and does not violate the intent prescribed by the City in its sole discretion.

**IV. (§ 400) ACQUISITION AND DISPOSITION OF THE SITE.**

A. **(§ 401) Conveyance.**

In accordance with and subject to all the terms, covenants and conditions of this Agreement (including, but not limited to, the DOF Approval, if applicable, and payment of the Purchase Price), Successor Agency and City agree to convey the Site to District in the form of the Deeds, and District specifically agrees to accept the Site and covenants to develop and operate the Site as a Community College Project consistent with the permissible uses as further described in Section 601.

B. **(§ 402) Escrow.**

Escrow shall be opened within three (3) days of the Effective Date. This Agreement shall constitute the joint escrow instructions of Successor Agency and City and District to
Escrow Agent, and a duplicate original of this Agreement shall be delivered to Escrow Agent upon the opening of Escrow. Escrow Agent is empowered to act under the instructions in this Agreement. Successor Agency, City and District shall promptly prepare, execute, and deliver to Escrow Agent such additional escrow instructions (including Escrow’s standard general provisions) consistent with the terms herein as shall be reasonably required by Escrow Agent. No provision of any additional escrow instructions shall modify this Agreement without specific written approval of the modification(s) by both (i) District, and (ii) City and Successor Agency.

C. (§ 403) Good Faith Deposit.

Concurrently with the Opening of Escrow, District shall deposit with Escrow sum of One Thousand Dollars ($1,000) which shall be credited to District at the Closing. The Deposit shall be security for District’s good faith and diligent performance of the obligations and duties of District in accordance with the terms of this Agreement.

If District defaults in its obligations under this Agreement, then Successor Agency shall be entitled to the Deposit to compensate Successor Agency for its expenses and other actual and consequential damages and District shall execute any documents reasonably required by Escrow to release the Deposit to Successor Agency.

In the event Escrow fails to close because of the failure of District’s Conditions to Closing pursuant to Section 404(1) and notwithstanding District’s good faith and diligent efforts, then District shall be entitled to the return of the Deposit. In the event Escrow does close, the Deposit shall be credited against the Purchase Price for the Successor Agency Property.

D. (§ 404) Conditions to Close of Escrow.

1. District’s Conditions to Closing.

District’s obligation to acquire the Site and to close Escrow, shall, in addition to any other conditions set forth herein in favor of District, be conditioned and contingent upon the satisfaction or written waiver by District, of each and all of the following conditions (collectively the "District’s Conditions to Closing") within the time provided in Section 204:

(a) District has obtained the approval of its Board for the Community College Project and committed the Bond Proceeds for construction of same.

(b) Title shall be conveyed in a good and merchantable condition subject only to those exceptions recited in the Deeds and those exceptions to title approved pursuant to Section 406 and the Title Company has agreed to issue the Title Policy in the amount of the fair market value of the Site with such endorsements as reasonably required by District.

(c) District has received all approvals and permits required of a California community college district, including but not limited to: satisfactory environmental, soils and geotechnical reports as well as CEQA
mitigation measures acceptable to the District in its sole and absolute discretion.

(d) At Closing, the Site shall be delivered to District free and clear of any tenants or right of possession of any other persons or entities.

Any waiver of the foregoing conditions must be express and in writing delivered in a timely manner. In the event that the foregoing conditions have not been satisfied or waived within the time provided in this Agreement, the District may terminate this Agreement by delivering a written notice in accordance with Section 410. In the event the condition can still not be cured in accordance with Section 410, District shall be entitled to return of the Deposit as provided in Section 403 without deduction, offset or recoupment.

2. **Successor Agency’s Conditions to Closing.**

Successor Agency’s obligation to deliver the Site and to close Escrow, shall, in addition to any other conditions set forth herein in favor of Successor Agency, be conditioned and contingent upon the satisfaction or written waiver by Successor Agency, of each and all of the following conditions (collectively the "Successor Agency’s Conditions to Closing") within the time provided in the Schedule of Performance:

(a) District has provided to City and Successor Agency evidence of the approval by the District’s Board for the Community College Project and the commitment of the Bond Proceeds.

(b) District has deposited the Purchase Price (less the Deposit) into Escrow together with all other applicable documents required under this Agreement.

(c) As of the Closing, District shall not be in default hereunder, nor shall any event or occurrence exist that with the passage of time or giving of notice or both would constitute such a default by District.

(d) City shall concurrently transfer the City Property to District pursuant to this Agreement.

Any waiver of the foregoing conditions must be express and in writing. In the event that District fails to satisfy City and Successor Agency’s foregoing conditions or defaults in the performance of its obligations hereunder, City and/or Successor Agency may terminate this Agreement and the Escrow pursuant to Section 404 without any liability to District and shall be entitled to retain the Deposit without deduction, offset or recoupment, and without any liability to District in accordance with Section 410(3).

3. **City’s Conditions to Closing.**

City’s obligation to deliver the Site and to close Escrow, shall, in addition to any other conditions set forth herein in favor of City, be conditioned and contingent upon the satisfaction or written waiver by City, of each and all of the following conditions (collectively
the "City's Conditions to Closing") within the time provided in the Schedule of Performance:

(a) District has provided to City evidence of the approval by the District’s Board of the Community College Project and the commitment of the Bond Proceeds.

(b) District has deposited the all applicable documents required under this Agreement.

(c) As of the Closing, District shall not be in default hereunder, nor shall any event or occurrence exist that with the passage of time or giving of notice or both would constitute such a default by District.

(d) Successor Agency shall concurrently transfer the Successor Agency Property to District pursuant to this Agreement.

Any waiver of the foregoing conditions must be express and in writing. In the event that District fails to satisfy City’s foregoing conditions or defaults in the performance of its obligations hereunder, City may terminate this Agreement and the Escrow pursuant to Section 404 without any liability to District and shall be entitled to retain the Deposit as liquidated damages without deduction, offset or recoupment, and without any liability to District in accordance with Section 410(3).

4. Tax ID Certificate.

Prior to the Closing Date, District, City and Successor Agency shall execute and deliver a certificate ("Taxpayer ID Certificate") in such form as may be required by the IRS pursuant to Section 6045 of the Internal Revenues Code or the regulations issued pursuant thereto, certifying as to the description of the Site, date of Closing, the Purchase Price and taxpayer identification numbers as required by law. Prior to the Closing, District, City and Successor Agency shall cause to be delivered to the Escrow Agent such other items, instruments and documents, and the parties shall take such further actions, as may be necessary or desirable in order to complete the Closing. At the Closing neither party shall be in breach of its obligations hereunder.

E. (§ 405) Conveyance of the Site.

1. Time for Conveyance.

Escrow shall close after satisfaction (or written waiver by the benefited party) of the applicable conditions to close of Escrow, but not later than the date specified in Section 206, unless extended by the mutual agreement of the parties or any Enforced Delay. Possession of the Site shall be delivered to District concurrently with the conveyance of fee title free of all tenancies and occupants other than any title matters approved in accordance with Section 406.
2. **Escrow Agent to Advise of Costs.**

On or before the date set in Section 206, Escrow Agent shall advise City, Successor Agency and District in writing of the fees, charges, and costs necessary to clear title and close Escrow, and of any documents which have not been provided by said party and which must be deposited in Escrow to permit timely Closing.

3. **Deposits by Successor Agency & City Prior to Closing.**

On or before, but not later than two (2) business days prior to the date set for the Closing, Successor Agency shall deposit into Escrow (i) the Successor Agency Deed, executed and acknowledged by Successor Agency; (ii) an estoppel certificate certifying that District has completed all acts, other than as specified, necessary for conveyance; (iii) the Taxpayer ID Certificate; and (iv) payment of Successor Agency’s share of costs as set forth in Section 409.

On or before, but not later than two (2) business days prior to the date set for the Closing in Section 206, City shall deposit into Escrow (i) the City Deed, executed and acknowledged by City; (ii) the acceptance page executed by City to be attached to the Successor Agency Deed; (iii) an estoppel certificate certifying that District has completed all acts, other than as specified, necessary for conveyance; (iv) the Taxpayer ID Certificate; and (v) payment of City’s share of costs as set forth in Section 409.

4. **Deposits by District Prior to Closing.**

On or before, but not later than two (2) business days prior to the date set for the Closing, District shall deposit into Escrow (i) an estoppel certificate certifying that City and Successor Agency have completed all acts, other than as specified, necessary to conveyance; (ii) the balance of the Purchase Price; (iii) the Taxpayer ID Certificate; (iv) consents to each of the Deeds to be attached to the respective Deed prior to recordation; (v) a Preliminary Change of Ownership (PCOR); and (vi) payment to Escrow Agent of District’s share of costs in accordance with Section 409.

5. **Recordation and Disbursement of Funds.**

Upon the completion by City, Successor Agency and District of the required deliveries and actions prior to Closing, Escrow Agent is authorized to pay any fees under applicable law, and thereafter cause to be recorded in the appropriate official records of Kern County, California, in the following order: (i) the City Deed with District’s consent attached, (ii) the Successor Agency Deed with both the City’s acceptance and assumption page and the District’s consent attached, and (iii) any other appropriate instruments delivered through this Escrow, if necessary or proper to vest title of the Site in District in accordance with the terms of this Agreement. Immediately following Closing, Escrow Agent shall deliver the Title Policy to District (with a copy to City and Successor Agency) insuring title and conforming to the requirements of Section 406. Following recordation, Escrow Agent shall deliver conformed copies of all recorded documents to District, City and Successor Agency. In addition, after deducting any sums specified in this Agreement, Escrow Agent shall disburse funds to the party entitled thereto, including delivery of the Purchase Price to Successor Agency.
Documentary transfer taxes will not be applicable under Revenue & Tax Code Section 11922 and recording fees will not be applicable under Government Code Section 6103.

F.  (§ 406) **Title Matters.**

1.  **Condition of Title.**

At close of Escrow, Successor Agency shall convey to District fee title to the Successor Agency Property subject only to: (i) the Redevelopment Plan, this Agreement, and the Successor Agency Deed; (iii) quasi-public utility, public alley and public street easements of record; and (iv) covenants, conditions and restrictions and other encumbrances and title exceptions approved by District under this Section 406.

At close of Escrow, the City shall convey to District fee title to the City Property subject only to: (i) the Redevelopment Plan, this Agreement, and the City Deed; (iii) quasi-public utility, public alley and public street easements of record; and (iv) covenants, conditions and restrictions and other encumbrances and title exceptions approved by District under this Section 406.

2.  **Exclusion of Oil, Gas, and Hydrocarbons.**

Title shall be conveyed subject to the exclusion therefrom to the extent now or hereafter validly excepted and reserved by the parties named in deeds, leases and other documents of record of all oil, gas, hydrocarbon substances and minerals of every kind and character lying more than five hundred feet (500') below the surface, together with the right to drill into, through, and to use and occupy all parts of the Site lying more than five hundred feet (500') below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances or minerals from the Site but without, however, any right to use either the surface of the Site or any portion thereof within five hundred feet (500') of the surface for any purpose or purposes whatsoever. In addition to the foregoing, District shall take title subject to any surface rights of entry which are disclosed by the Title Report.

3.  **Delivery of Possession to District.**

Immediately after the Close of Escrow and subject to any surface rights disclosed in the Title Report (i) Successor Agency shall deliver exclusive possession of the Successor Agency Property to District; and (ii) City shall deliver exclusive possession of the City Property to District.

4.  **Agreement to Not to Encumber Site.**

Successor Agency covenants to District that commencing with the Effective Date through the Close of Escrow, it will not transfer, sell, hypothecate, pledge, or otherwise encumber the Successor Agency Property without the express written permission of District. City covenants to District that commencing with the Effective Date through the Close of Escrow, it will not transfer, sell, hypothecate, pledge, or otherwise encumber the City Property without the express written permission of District.
5. **Approval of Title Exceptions.**

Within ten (10) days after the date in Section 402, Successor Agency and City shall deliver a current title report for both the Successor Agency Property and the City Property to District including copies of all documents referenced therein. Within twenty (20) days of receipt of the title report, District shall deliver to Successor Agency written notice, with a copy to Escrow Agent, specifying in detail any exception disapproved. Within ten (10) days of District’s disapproval notice, Successor Agency and City shall each deliver written notice to District as to whether it will or will not cure the disapproved exceptions or otherwise provide an appropriate endorsement ("Response Notice"). If Successor Agency or City, as applicable, elects not to cure the disapproved exceptions or provide an endorsement, District may terminate this Agreement by written notice to Successor Agency and City (with a copy to Escrow) delivered within ten (10) days of its receipt of the Response Notice ("Termination Notice"). If District does not deliver the Termination Notice within the specified time period, District shall conclusively be deemed to have withdrawn its earlier disapproval. If Successor Agency or City elects to cure the disapproved exceptions, it shall do so on or before the Closing. Thereafter, if Escrow fails to timely close because (i) Successor Agency or City has failed to cure the disapproved exceptions, or (ii) due to exceptions not previously reported but which arise due to acts of owner subsequent to issuance of the preliminary title report (provisions (i) and (ii) are referenced to herein as "Acts of Owner"), and if the applicable owner cannot cure said defects within the time provided in Section 410 and District elects to terminate this Agreement and the Escrow, then Successor Agency shall return the Deposit to District which shall be District’s sole remedy. In the event the failure to close is due to the existence of other conditions of title not approved by District which (i) are not the result of acts of District, or (ii) are not reasonably acceptable to District, then the parties shall negotiate in good faith to correct the title problem, and shall consider courses of action with the title company, bonding and indemnities, and other modifications to this Agreement.

6. **Title Policy.**

At the close of Escrow, Escrow Agent shall cause the Title Company to issue and deliver to District an ALTA non-extended coverage title insurance policy ("Title Policy") insuring that the fee simple title of the Site is vested in District in the condition required by this Agreement, including any endorsements reasonably requested by District and in the amount of the fair market value of the Site. District shall pay the cost of issuing to District an ALTA non-extended policy for the Site and any additional endorsements or coverage requested by District. If District requests an ALTA extended policy, District shall also any additional costs as well an ALTA survey required by the Title Company. At Closing, the Escrow Agent shall provide Successor Agency and City with a copy of the Title Policy. The Title Company shall, if requested by District in writing and at District’s sole cost and expense, provide District with an endorsement to the Title Policy to insure the amount of District’s estimated construction cost of the Improvements and any other endorsements requested by District.
G. (§ 407) District’s Commitment of Bond Proceeds.

District shall deliver to City and Successor Agency documentary evidence of District’s allocation and commitment of Bond Proceeds sufficient to construct the Community College Project on or before the Effective Date.

H. (§ 408) Condition of Site; AS-IS Acquisition

1. AS-IS Acquisition.

EXCEPT FOR THE OBLIGATIONS OF CITY AND SUCCESSOR AGENCY TO ABANDON WATER WELLS AS SET FORTH ON THE SCOPE OF DEVELOPMENT, DISTRICT ACKNOWLEDGES AND AGREES THAT SUCCESSOR AGENCY AND CITY ARE CONVEYING THE SITE TO DISTRICT IN “AS-IS” CONDITION WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND AND SHALL NOT BE RESPONSIBLE FOR ANY HAZARDOUS MATERIALS ON THE SITE.

2. Site Assessment and Remediation.

Pursuant to the License to Enter, District has been given the right, in its discretion but at its sole cost and expense, to undertake additional investigation to assess both the physical condition of the Site (“Physical Inspection”) as well as the environmental condition of the Site in accordance with Section 408(4) (“Environmental Investigation”). District shall complete its Physical Inspection and Environmental Investigation prior to the Effective Date. If, during the course of the Physical Inspection or Environmental Investigation, District discovers the existence of any (i) Environmental Compliance Cost, (ii) Environmental Cleanup Liability, (iii) Hazardous Materials of any kind whatsoever in, on or under the Site, or (iv) other issue, problem or hazard (whether environmental or relating to the physical condition of the Site) that would frustrate the purpose for which District desires to enter into this Agreement, District shall not enter into this Agreement.

3. Disclaimer of WARRANTIES.

Upon the Close of Escrow, District shall acquire the Site in its “AS-IS” condition and shall be responsible for any defects in the Site, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Site, and the existence of any contamination, Hazardous Materials, vaults, debris, pipelines, abandoned wells or other structures located on, under or about the Site. Neither City nor Successor Agency makes any representation or warranty concerning the physical, environmental, geotechnical or other condition of the Site, the suitability of their properties for the Project, or the present use of their respective property and specifically disclaims all representations or warranties of any nature concerning the Site made by them and their respective employees, agents and representatives. The foregoing disclaimer includes, without limitation, topography, climate air, water rights, utilities, present and future zoning, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Site is suited, or drainage. Neither City nor Successor Agency makes any representation or warranty concerning the compaction of soil upon the Site, nor of the suitability of the soil for construction.
4. **Right to Enter Site; Indemnification.**

City and Successor Agency have permitted District to access the Site to inspect and investigate pursuant to the License to Enter Agreement. As of the Effective Date and subject to compliance with the requirements set forth below and prior to Closing, City and Successor Agency grants to District, its agents and employees a limited license to enter upon the Site for the purpose of conducting engineering surveys, soil tests, investigations or other studies reasonably necessary to evaluate the condition of the Site, which studies, surveys, reports, investigations and tests shall be done at District's sole cost and expense.

Prior to entering the Site, District shall obtain City's and Successor Agency's written consent which shall not be unreasonably withheld or delayed provided District complies with all the following requirements. District shall (i) notify City and Successor Agency prior to each entry of the date and the purpose of intended entry and provide the names and affiliations of the persons entering the Site; (ii) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Site during or after such investigation; (iii) comply with all applicable laws and governmental regulations (including issuance of applicable permits); (iv) allow an employee of City and/or Successor Agency to be present at all times; (v) keep the Site free and clear of all materialmen's liens, lis pendens and other liens or encumbrances arising out of the entry and work performed under this paragraph; (vi) maintain or assure maintenance of workers' compensation insurance (or state approved self-insurance) on all persons entering the Site in the amounts required by the State of California; (vii) provide to City and Successor Agency prior to initial entry a certificate of insurance evidencing that District has procured and paid premiums for an all-risk public liability insurance policy written on a per occurrence and not claims made basis in a combined single limit of not less than TWO MILLION DOLLARS ($2,000,000) which insurance names City and Successor Agency as additional insureds; and other requirements specified in Section 506; (viii) return the Site to substantially its original condition following District's entry; (ix) provide City and Successor Agency copies of all studies, surveys, reports, investigations and other tests derived from any inspection without representation or warranty but with the right of City and Successor Agency to use the report without further consent from or payment to the issuer; and (x) take the Site at Closing subject to any title exceptions caused by District exercising this license to enter.

District agrees to indemnify, defend and hold City and Successor Agency free and harmless from and against any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) which City and/or Successor Agency may suffer or incur as a consequence of District's exercise of the license granted pursuant to this Section and/or the License to Enter Agreement, or any act or omission by District, any contractor, subcontractor or material supplier, engineer, architect or other person or entity acting by or under District (except City or Successor Agency and its agents) with respect to the Site, excepting to the extent such claims arise out of the negligence or misconduct of City or Successor Agency and their respective employees, agents and representatives, as applicable.

Notwithstanding termination of this Agreement for any reason, the obligations of District under this Section as well as any agreement for early entry which may be entered
into by City and Successor Agency and District prior to the Effective Date shall remain in full force and effect.

5. **Hazardous Materials; Release of City and Successor Agency.**

District understands and agrees that in the event District incurs any loss or liability concerning Hazardous Materials (as hereinafter defined) and/or oil wells and/or underground storage tanks and/or pipelines whether attributable to events occurring prior to or following the Closing, then District may look to any prior owners of the Site, but under no circumstances shall City or Successor Agency be liable directly or indirectly regarding Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines. (In the event that City or Successor Agency has indemnified any prior owner, District may not recover any such amounts from that owner to the extent that such owner will seek recovery from City or Successor Agency; City or Successor Agency shall provide reasonable notice of any such indemnity agreements with prior owners.) District, and each of the entities constituting District, if any, from and after the Closing, hereby waives, releases, remises, acquits and forever discharges Successor Agency, City, their respective directors, officers, share-holders, employees, and agents, and their respective heirs, successors, personal representatives and assigns, of and from any and all Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs, as those terms are defined below, and from any and all actions, suits, legal or administrative orders or proceedings, demands, actual damages, punitive damages, loss, costs, liabilities and expenses, which concern or in any way relate to the physical or environmental conditions of the Site, the existence of any Hazardous Material thereon, or the release or threatened release of Hazardous Materials therefrom, whether existing prior to, at or after the Closing. It is the intention of the parties pursuant to this release that any and all responsibilities and obligations of Successor Agency and City, and any and all rights, claims, rights of action, causes of action, demands or legal rights of any kind of District, its successors, assigns or any affiliated entity of District, against Successor Agency, or City, arising by virtue of the physical or environmental condition of the Site, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material therefrom, whether existing prior to, at or after the Closing, are by this Release provision declared null and void and of no present or future force and effect as to the parties; provided, however, that no parties shall be deemed third party beneficiaries of such release. In connection therewith, District and each of the entities constituting District, expressly agree to waive any and all rights which said party may have under Section 1542 of the California Civil Code which provides as follows:

"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."

**DISTRICT'S INITIALS:**

District further agrees that in the event District obtains, from former or present owners of the Site or any other persons or entities, releases from liability, indemnities, or other forms of hold harmless relating to the subject matter of this section. Without limiting the foregoing, District agrees not to initiate any legal process against the City or Successor Agency, and
hereby fully releases the City and Successor Agency, in connection with any Environmental Claims, Environmental Cleanup Liability or Environmental Compliance Costs.

For purposes of this Section 408, the following terms shall have the following meanings:

a. "Environmental Claim" means any claim for personal injury, death and/or property damage made, asserted or prosecuted by or on behalf of any third party, including, without limitation, any governmental entity, relating to the Site or its operations and arising or alleged to arise under any Environmental Law.

b. "Environmental Cleanup Liability" means any cost or expense of any nature whatsoever incurred to contain, remove, remedy, clean up, or abate any contamination or any Hazardous Materials on or under all or any part of the Site, including the ground water thereunder, including, without limitation, (A) any direct costs or expenses for investigation, study, assessment, legal representation, cost recovery by governmental agencies, or ongoing monitoring in connection therewith and (B) any cost, expense, loss or damage incurred with respect to the Site or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

c. "Environmental Compliance Cost" means any cost or expense of any nature whatsoever necessary to enable the Site to comply with all applicable Environmental Laws in effect. "Environmental Compliance Cost" shall include all costs necessary to demonstrate that the Site is capable of such compliance.

d. "Environmental Law" means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (A) pollution or protection of the environment, including natural resources, (B) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (C) 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, or (D) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

e. "Hazardous Material" is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental Successor Agency, the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (A) petroleum or oil or gas or any direct or derivate product or byproduct thereof; (B) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health
and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (C) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (D) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Sections 25501(j) and (k) and 25501.1 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (E) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (F) “used oil” as defined under Section 25250.1 of the California Health and Safety Code; (G) asbestos; (H) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations, or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division 4.5 of Title 22 of the California Code of Regulations; (I) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (J) designated as a “toxic pollutant” pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (K) defined as a “hazardous waste” pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); (L) defined as a “hazardous substance” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601); (M) defined as “Hazardous Material” pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; or (N) defined as such or regulated by any “Superfund” or “Superliens” law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines, as now, or at any time here-after, in effect.

Notwithstanding any other provision of this Agreement, District’s release and indemnification as set forth in the provisions of this Section, as well as all provisions of this Section shall survive the termination of this Agreement and shall continue in perpetuity.

I. (§ 409) Costs of Escrow.

1. Allocation of Costs.

Escrow Agent is authorized to allocate costs as follows: District shall pay the cost of the Title Policy and any additional coverage and special endorsements. No documentary taxes will be due pursuant to Revenue and Tax Code Section 11922. Also, no recording fees should be paid as all parties are exempt as governmental or quasi-governmental entities. District shall pay all Escrow and similar fees. Each party shall pay its own attorneys’ fees for the drafting of this Agreement and any legal work required to consummate this transaction, however, this provision shall not be construed to limit the rights of a non-defaulting party under Section 707.
2. **Prorations and Adjustments.**

As City and Successor Agency are exempt from ad valorem taxes and assessments on the Site, no prorations shall be made by Escrow Agent.

3. **Extraordinary Services of Escrow Agent.**

Escrow fees and charges contemplated by this Agreement incorporate only the ordinary services of Escrow Agent as listed in this Agreement. In the event that Escrow Agent renders any service not provided for in this Agreement, or that Escrow Agent is made a party to, or reasonably intervenes in, any litigation pertaining to this Escrow or the subject matter thereof, then Escrow Agent shall be reasonably compensated for such extraordinary services and reimbursed for all costs and expenses occasioned by such default, controversy or litigation.

4. **Escrow Agent's Right to Retain Documents.**

Escrow Agent shall have the right to retain all documents and/or other things of value at any time held by it hereunder until such compensation, fees, costs and expenses are paid. The parties jointly and severally promise to pay such sums upon demand.

J. **(§ 410) Termination of Escrow.**

1. **Termination.**

Escrow (and this Agreement) may be terminated by demand of a party who then shall have fully performed its obligations hereunder if:

(a) The Conditions to Closing have not occurred or have not been approved, disapproved, or waived as the case may be, by the approving party by the date established herein for the occurrence of such Condition, including any grace period pursuant to this Section; or

(b) Escrow is not in a condition to close by the date set for Closing; or

(c) Either party is in breach of the terms and conditions of this Agreement.

In the event of the foregoing, the terminating party may, in writing, demand return of its money, papers, or documents from the Escrow Agent and shall deliver a copy of such demand to the non-terminating party or parties. No demand shall be recognized by the Escrow Agent until thirty (30) days after the Escrow Agent shall have mailed copies of such demand to the non-terminating party or parties, and if no objections are raised in writing to the terminating party and the Escrow Agent by the non-terminating party within the thirty (30) day period. In the event of such objections, the opportunity to cure shall be provided as stated below in Subsection 2 of this Section. In addition, the Escrow Agent is authorized to hold all money, papers, and documents until instructed in writing by District, City and Successor Agency or, upon failure thereof, by a court of competent jurisdiction;
provided that after expiration of the cure period provided in Subsection 2 of this Section, and if said condition has not been cured, the Deposit shall be retained by Successor Agency or the Deposit shall be paid by Successor Agency to District, as the case may be, as required herein. If no such demands are made, the Escrow shall be closed as soon as possible and neither party shall have any further liability to the other.

2. **Opportunity to Cure.**

Prior to Closing, in the event any of the Conditions to Closing are not satisfied or waived by the applicable party with the power to approve said Conditions (the "approving party"), then such party shall explain in writing to the other party (the "non-approving party") the reason for the disapproval. Thereafter, the non-approving party shall have an additional thirty (30) days to satisfy any such Condition to Closing, and only if such Conditions still cannot be satisfied may the approving party terminate the Escrow. In the event Escrow is not in a condition to close because of a default by a party, and the performing party has made demand as stated in Subsection 1 of this Section, then upon the non-performing party’s delivering its objection to Escrow Agent and the performing party within the above thirty (30) day period, the non-performing party shall have the right to cure the default in accordance with and in the time provided in Section 701(1).

K. **(§ 411) Responsibility of Escrow Agent.**

1. **Deposit of Funds.**

   All funds received in Escrow shall be deposited by Escrow Agent in a special Escrow account with any state or national bank doing business in the State of California and may not be combined with other Escrow funds of Escrow Agent or transferred to any other general Escrow account or accounts.

2. **Notices.**

   All communications from Escrow Agent shall be directed to the addresses and in the manner provided in Section 801 of this Agreement for notices, demands and communications among Successor Agency, City and District.

3. **Sufficiency of Documents.**

   Escrow Agent is not to be concerned with the sufficiency, validity, correctness of form, or content of any document prepared outside of Escrow and delivered to Escrow. The sole duty of Escrow Agent is to accept such documents and follow District’s and Successor Agency’s instructions pursuant to this Agreement.

4. **Exculpation of Escrow Agent.**

   Escrow Agent shall not be liable for the failure of any of the Conditions to Closing of this Escrow, forgeries or false personation, unless such liability or damage is the result of negligence or willful misconduct by Escrow Agent.
5. **Responsibilities in the Event of Controversies.**

If any controversy documented in writing arises among District, City and Successor Agency or with any third party with respect to the subject matter of this Escrow or its terms or conditions, Escrow Agent shall not be required to determine the same, to return any money, papers or documents, or take any action regarding the Site prior to settlement of the controversy by a final decision by an arbitrator, by a court of competent jurisdiction, or by written agreement of the parties to the controversy, as the case may be. Escrow Agent shall be responsible for timely notifying District, City and Successor Agency of the controversy. In the event of such a controversy, Escrow Agent shall not be liable for interest or damage costs resulting from failure to timely close Escrow or take any other action unless such controversy has been caused by the failure of Escrow Agent to perform its responsibilities hereunder.

V. **(§ 500) DEVELOPMENT OF THE SITE.**

A. **(§ 501) Scope of Development.**

The Site shall be developed by District as provided in the Scope of Development, District’s Basic Concept Drawings pursuant to Section 502.

B. **(§ 502) Development Plans, Final Building Plans, Environmental Review.**

1. **Proposed Development’s Consistency with Plans and Codes.**

City and Successor Agency (to the best of its knowledge) represent and warrant that the City’s General Plan, Zoning Ordinance and other applicable requirements under this Agreement permit District’s proposed development, and construction, operation, and use of the Site as provided in this Agreement, including without limitation the Scope of Development, subject only to (i) approval of the Project in accordance with applicable law, (ii) those development approvals yet to be obtained, and (iii) City’s and Successor Agency’s review and approval of the Project in accordance with the California Environmental Quality Act; provided that it is expressly understood by the parties that neither City nor Successor Agency makes any representations or warranties with respect to approvals required by any other governmental entity or with respect to approvals hereinafter required from City and Successor Agency and Successor Agency and City reserve full police power authority over the Project. However, City and Successor Agency shall cooperate with District in procuring the foregoing approvals. Nothing in this Agreement shall be deemed to be a prejudgment or commitment with respect to such items or a guarantee that such approvals or permits will be issued within any particular time or with or without any particular conditions. District agrees to comply with all City municipal code requirements for development.

2. **District Efforts to Obtain Approvals.**
District shall exercise its best efforts to timely submit all documents and information necessary to obtain all off-site development and building approvals from the City in a timely manner, and Successor Agency shall cooperate with District in connection therewith.

3. **Reasonable Assistance.**

Subject to District’s compliance with all applicable laws and regulations governing such matters as public hearings, environmental review, City and Successor Agency agrees to provide reasonable assistance to District, at no cost to City or Successor Agency, in the expeditious processing of District’s submittals required under this Section in order that District can obtain a final approval of its off-site improvement plans.

4. **Disapproval.**

City and Successor Agency shall approve or disapprove any submittal made by District pursuant to this Section within thirty (30) days after such submittal. All submittals made by District shall note the thirty (30) day time limit, and specifically reference this Agreement and this section. Any disapproval shall state in writing in reasonable detail the reason for the disapproval and the changes which City or Successor Agency requests be made. District shall make the required changes and revisions and resubmit for approval as soon as is reasonably practicable but no more than thirty (30) days of the date of disapproval. Thereafter, City and Successor Agency shall have an additional ten (10) business days for review of the resubmittal, but if City or Successor Agency disapproves the resubmittal, then the cycle shall repeat, until City’s and Successor Agency’s approval have been obtained. The foregoing periods may be shortened if so specified in this Agreement.

5. **CEQA.**

District shall be the lead agency for obtaining the approval of this Agreement and the Project as required by the California Environmental Quality Act ("CEQA") and shall be solely responsible for all costs and expenses for all CEQA reports and investigations. A copy of all CEQA reports and documents shall be provided to City and Successor Agency as soon as possible upon District’s receipt of same.

District shall, at its sole cost and expense, satisfy all conditions and mitigation requirements necessary to ensure that the Project conforms to all applicable CEQA requirements including, but not limited to, all mitigation measures required for the Project. If mitigation requirements reasonably require that the City’s general plan or similar elements, City shall promptly initiate appropriate procedures to do so provided that District funds the cost of all work required to effect same. Nothing herein shall be construed to imply that City is committing to make any legislative decisions with respect to such modifications and City shall comply with all applicable laws with respect to any such modifications.

District agrees to indemnify and hold City and Successor Agency harmless for all Claims and Litigation.

C. **(§ 503) Costs of Construction: Financial Assistance.**
The cost of developing the Site and constructing all of the on-site and off-site improvements, if any, at or about the Site (including the Water Well Work) required to be constructed for the Project shall be borne solely by District. City agrees to waive all fees applicable to the Community College Project except for costs of the City Planner, building inspectors and engineers. District shall comply with all applicable laws including prevailing wages (if applicable) and shall defend and hold Successor Agency and City harmless from and against any and all increase in construction costs, or other liability, loss, damage, costs, or expenses (including reasonable attorneys’ fees and court costs) arising from or as a result of any action or determination that District was subject to prevailing wages in connection with the construction of the Project.

D. (§ 504) Schedule of Performance; Progress Reports.

District shall begin and complete all plans, reviews, construction and development specified in the DSA approved plans and specifications so as to comply with the timeframe stated in Section 101. Once construction is commenced, it shall be diligently pursued to completion.

E. (§ 505) Indemnification during Construction.

During construction on the Site and until such time as a Certificate of Completion has been issued under this Agreement, District agrees to and shall indemnify and hold City harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys’ fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on the Site and which shall be directly or indirectly caused by any acts done thereon or any errors or omissions of District or its agents, servants, employees, or contractors. District shall not be responsible for (and such indemnity shall not apply to) any acts errors or omissions of City or its agents, servants, employees or contractors. City shall not be responsible for any acts, errors or omissions of any person or entity except its own agents, servants, employees or contractors subject to any and all statutory and other immunities.

F. (§ 506) Bodily Injury, Property Damage and Workers’ Compensation Insurance.

1. Types of Insurance.

Prior to the entry of District on the Site by or on behalf of District, District shall procure and maintain (or cause to be procured and maintained), at its sole cost and expense, in a form and content reasonably satisfactory to City and Successor Agency, during the entire term of such entry or construction, the following policies of insurance as applicable for such entry.

Prior to the entry of District on the Site for commencement of any construction by or on behalf of District (including without limitation any site preparation work such as soil and engineering tests and grading), District shall procure and maintain (or cause to be procured and maintained), at its sole cost and expense, in a form and content reasonably satisfactory
to City, during the entire term of such entry or construction, the following policies of insurance.

(a) **Commercial General Liability Insurance (collectively “CGL”).** District shall keep or cause to be kept in force for the mutual benefit of Successor Agency, City, and District CGL insurance against claims and liability for personal injury or death arising from the use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least Two Million Dollars ($2,000,000) for bodily injury or death to any one person, at least Five Million Dollars ($5,000,000) for any one accident or occurrence, and at least One Million Dollars ($1,000,000) for property damage.

(b) **Broad Form Property Insurance.** District shall procure and shall maintain (or cause to be procured and maintained) in force "all risks" broad form property insurance including vandalism and malicious mischief, covering improvements in place and all material and equipment at the job site furnished under contract, but excluding contractor's, subcontractor's, and construction manager's tools and equipment and property owned by contractor's or subcontractor's employees, with limits in accordance with subsection (a) above.

(c) **Workers' Compensation.** District shall also furnish or cause to be furnished to City and Successor Agency evidence reasonably satisfactory to it that any contractor with whom District has contracted for the performance of any work for which District is responsible hereunder carries workers' compensation insurance as required by law.

2. **Policy Form, Content and Insurer.**

All insurance required by express provisions hereof shall be carried only by insurance companies authorized to do business by California, rated "A-" or better in the most recent edition of Best Rating Guide, and only if they are of a financial category Class VIII or better. All such property policies shall contain language, to the extent obtainable, to the effect that (i) any loss shall be payable notwithstanding any act of negligence of Successor Agency, City, or District that might otherwise result in the forfeiture of the insurance, (ii) District waives the right of subrogation against Successor Agency/City and against Successor Agency's/City's agents and representatives; (iii) the policies are primary and noncontributing with any insurance that may be carried by Successor Agency/City; and (iv) the policies cannot be canceled or materially changed except after thirty (30) days' written notice by the insurer to Successor Agency/City or Successor Agency's/City's designated representative. District shall furnish Successor Agency and City with certificates evidencing the insurance as well as full copies of the policies. However, each year District may furnish Successor Agency and City with certificates of insurance provided that the certificates are in a form satisfactory to Successor Agency and City and specifically includes a statement that City and Successor Agency may rely on the Certificates. Both Successor Agency and City shall
be named as additional insureds on all policies of insurance required to be procured by the terms of this Agreement other than workers’ compensation insurance.

3. **Failure to Maintain Insurance and Proof of Compliance.**

District shall deliver to City and Successor Agency (as applicable), in the manner required for notices, copies of certificates of all insurance policies together with a copy of the policies required hereunder within the following time limits:

(a) For insurance required above, prior to entry of District on the Site and the commencement of any construction by or on behalf of District.

(b) For any renewal or replacement of a policy already in existence, simultaneously with the expiration or termination of the existing policy.

If District fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish City and Successor Agency with required proof that the insurance has been procured and is in force, such failure shall be a default hereunder, subject to the applicable cure period.

G. **(§ 507) Governmental Agency Permits.**

Before commencement of construction or development of any buildings, structures, or other work on the Site which are District’s responsibility, District shall secure or cause to be secured any and all permits which may be required by City for off-site work or any other governmental agency affected by such construction, development or work; provided, however, City hereby waives all applicable fees for the issuance of City permits. District shall not be obligated to commence construction if any such permit is not issued despite good faith effort by District. If there is delay beyond the usual time for obtaining any such permits due to no fault of District, the performance of District shall be extended to the extent such delay prevents any action which could not legally or would not in accordance with good business practices be expected to occur before such permit was obtained.

H. **(§ 508) Rights of Access.**

Representatives of City shall have the reasonable right of access to the Site at any time during normal construction hours during the period of construction, for the purpose of assuring compliance with this Agreement. Such representatives of City shall be those who are so identified in writing by the City Manager. Each such representative of City shall identify himself or herself at the job site office upon his or her entrance to the Site, and shall provide District, or the construction superintendent or similar person in charge on the Site, a reasonable opportunity to have a representative accompany him or her during the inspection. City shall indemnify, defend, and hold District harmless from any injury or property damage caused or liability arising out of City’s exercise of this right of access. The obligations of District under the License to Enter Agreement remain in full force and effect.
I. (§ 509) Applicable Laws.

District shall carry out the construction of the improvements to be constructed by District in conformity with all applicable federal and state laws, including but not limited to, labor laws.

J. (§ 510) Anti-Discrimination during Construction.

District, for itself and its successors and assigns, agrees that in the construction of the improvements to be constructed by District, it shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin.

K. (§ 511) Taxes, Assessments, Encumbrances and Liens.

District shall pay, when due, all real estate taxes and assessments assessed or levied subsequent to conveyance of the Site, if any. Until the date that the District is entitled to the issuance of a Certificate of Completion (as defined in Section 513) executed by City, District shall not place or allow to be placed thereon any mortgage, trust deed, encumbrance or lien (except mechanic’s liens prior to suit to foreclose the same being filed) prohibited by this Agreement. District shall remove or have removed any levy or attachment made on the Site, or assure the satisfaction thereof, within a reasonable time, but in any event prior to a sale thereunder. Nothing herein contained shall be deemed to prohibit District from contesting the validity or amounts of any tax, assessment, encumbrance or lien, nor to limit the remedies available to District in respect thereto.

L. (§ 512) Certificate of Completion.

Upon the completion of all construction required to be completed by District on the Site pursuant to the terms of this Agreement and the commencing of college classes, City shall furnish District with the Certificate of Completion for the Site in the form of Attachment No. 6 upon written request therefor by District. The Certificate of Completion shall be executed and notarized so as to permit it to be recorded in the Office of the Recorder of Kern County.

City shall not unreasonably withhold a Certificate of Completion. If City refuses or fails to furnish a Certificate of Completion within thirty (30) days after written request from District or any entity entitled thereto, City shall provide a written statement of the reasons City refused or failed to furnish a Certificate of Completion. The statement shall also contain City’s opinion of the action District must take to obtain a Certificate of Completion. If the reason for such refusal is confined to the immediate availability of specific items or materials for landscaping, or other minor so-called “punch list” items, City will issue its Certificate of Completion upon the posting of a bond or other security reasonably acceptable to City by District with City in an amount representing one hundred fifty percent (150%) of the fair value of the work not yet completed or other assurance reasonably satisfactory to City.

Such Certificate of Completion is not notice of completion as referred to in the California Civil Code Section 9204 et seq.
M.  (§ 514) **Estoppels.**

At the request of District, City shall, from time to time and upon the request of such holder, timely execute and deliver to District or such holder a written statement of City that no default or breach exists (or would exist with the passage of time, or giving of notice or both) by District under this Agreement, if such be the fact, and certifying as to whether or not District has at the date of such certification complied with any obligation of District hereunder as to which District or such holder may inquire. The form of any estoppel letter shall be prepared by the holder or District and shall be at no cost to City.

N.  (§ 515) **Successor Agency Assignment of Post-Closing Rights and Obligations.**

Effective with the Closing, all post-closing rights and duties of Successor Agency are assigned to and assumed by, City.

VI.  (§ 600) **USES OF THE SITE.**

A.  (§ 601) **Use for Community College Outreach Center.**

District covenants and agrees for itself, its successors, its assigns to commence construction of the Community College Project within five (5) years of the Closing and to diligently prosecute same to completion and after completion of construction to operate a community college outreach center for a period of at least ten (10) years from completion of construction. District further agrees to commence educational operations of the Community College Project within ninety (90) days of the completion of construction and, thereafter, to use, devote, and maintain the Site and each part thereof only for purposes of operating and/or supporting the operations of a community college outreach center. After the ten (10) year successful operation period, the City will execute and acknowledge documentation to confirm the termination of the use restrictions.

Without limiting the generality of the foregoing, District acknowledges and agrees it may only use the Site for operation of a community college outreach center consistent with the terms, covenants and conditions as set forth in this Agreement.

B.  (§ 602) **Obligation to Refrain from Discrimination.**

There shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Site, or any portion thereof, nor shall District, or any person claiming under or through District, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Site or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect in perpetuity.
C. (§ 603) Form of Nondiscrimination and Non-Segregation Clauses.

District shall refrain from restricting the rental, sale, or lease of any portion of the Site on the basis of race, color, creed, religion, sex, marital status, ancestry or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

1. **Deeds.**

   In Deeds the following language shall appear: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee, or any persons claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

2. **Leases.**

   In Leases the following language shall appear: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased."

3. **Contracts.**

   Any contracts which District or, District's heirs, executors, administrators, or assigns propose to enter into for the sale, transfer, or leasing of the Site shall contain a nondiscrimination and non-segregation clause substantially as set forth in Section 602 and in this Section. Such clause shall bind the contracting party and subcontracting party or transferee under the instrument.
D. (§ 604) **Maintenance of Improvements.**

District covenants and agrees for itself, its successors and assigns, that, after issuance of the Certificate of Completion pursuant to this Agreement, District shall be responsible for maintenance of all improvements on the Site from time to time (including without limitation buildings, parking lots, lighting, signs, and walls).

E. (§ 605) **Covenants Run with the Land.**

1. **Covenants Run with the Land.**

   (a) All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the parties and their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons acquiring any rights or interests in the Site, or any portion thereof, whether by operation of laws or in any manner whatsoever and shall inure to the benefit of the parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns.

   (b) All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable law.

   (c) Each covenant to do or refrain from doing some act on the Site hereunder (i) is for the benefit of and is a burden upon every portion of the Site, (ii) runs with such lands, and (iii) is binding upon each party and each successive owner during its ownership of such properties or any portion thereof, and each person having any interest therein derived in any manner through any owner of such lands, or any portion thereof, and each other person succeeding to an interest in such lands.

2. **Beneficiary and Third Party Beneficiary.**

Successor Agency and City are each the beneficiary of the terms and provisions of this Agreement as to the other's property and of the restrictions and covenants running with the land for and in its own right for the purposes of protecting the interests of the community in whose favor and for whose benefit the covenants running with the land have been provided. The covenants in favor of City shall run without regard to whether City has been, remains or is an owner of any land or interest therein in the Site, or in the Redevelopment Project Area. City shall have the right, if any of the covenants set forth in this Agreement which are provided for its benefit are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it may be entitled. With the exception of the City which is a third-party beneficiary of Successor Agency's interests in this Agreement and the covenants in the Successor Agency Deed, no other person or entity shall have any right to enforce the terms of this Agreement under a theory of third-party beneficiary or otherwise.
The covenants running with the land and their duration are set forth in the Successor Agency Deed and the City Deed.

VII. (**§ 700**) **DEFAULTS, REMEDIES, TERMINATION, AND LITIGATION.**

A. (**§ 701**) **Defaults, Right to Cure and Waivers.**

Subject to any Enforced Delay, failure or delay by either party to timely perform any covenant of this Agreement constitutes a default under this Agreement, but only if the party who so fails or delays does not commence to cure, correct or remedy such failure or delay within thirty (30) days after receipt of a written notice specifying such failure or delay, and does not thereafter prosecute such cure, correction or remedy with diligence to completion.

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not institute proceedings against the party in default until thirty (30) days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

Except as otherwise provided in this Agreement, waiver by a party of the performance of any covenant, condition, or promise, shall not invalidate this Agreement, nor shall it be considered a waiver of any other covenant, condition, or promise. Waiver by a party of the time for performing any act shall not constitute a waiver of time for preforming any other act or an identical act required to be performed at a later time. The delay or forbearance by a party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

B. (**§ 702**) **Legal Actions.**

1. **Institution of Legal Actions.**

In addition to any other rights or remedies, and subject to the requirements of Section 701, a party may institute legal action to cure, correct or remedy any Default, to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement. Legal actions must be instituted and maintained in the Superior Court of the County of Kern, State of California, in any other appropriate court in that county, or in the Federal District Court in the Central District of California.

2. **Applicable Law and Forum.**

The internal laws of the State of California shall govern the interpretation and enforcement of this Agreement, without regard to conflict of law principles.

3. **Acceptance of Service of Process.**

In the event that any legal action is commenced by District against Successor Agency, service of process on Successor Agency shall be made by personal service upon
the Executive Director or Secretary of Successor Agency, or in such other manner as may be provided by law.

In the event that any legal action is commenced by District against City, service of process on City shall be made by personal service upon the City Manager or City Clerk, or in such other manner as may be provided by law.

In the event that any legal action is commenced by Successor Agency against District, service of process on District shall be made in such manner as may be provided by law and shall be valid whether made within or without the State of California.

C. (§ 703) Rights and Remedies are Cumulative.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by a party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by another party.

D. (§ 704) Waiver.

Except as otherwise provided in this Agreement, waiver by a party of the performance of any covenant, condition, or promise shall not invalidate this Agreement, nor shall it be considered a waiver of any other covenant, condition, or promise. Waiver by a party of the time for performing any act shall not constitute a waiver of time for performing any other act or an identical act required to be performed at a later time. The delay or forbearance by a party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

E. (§ 705) Specific Performance.

In addition to any other remedies permitted by this Agreement, if a party defaults hereunder by failing to perform any of its obligations herein, the party agrees that the others shall be entitled to the judicial remedy of specific performance, and each party agrees (subject to its reserved right to contest whether in fact a default does exist) not to challenge or contest the appropriateness of such remedy. In this regard, District specifically acknowledges that City and Agency are entering into this Agreement for the purpose of assisting in the development of the Site and not for the purpose of enabling District to speculate with land.

F. (§ 706) Right of Reverter.

As set forth in the Deeds, Successor Agency and City shall have the right, at its option, to reenter and take possession of the respective portion of the Site which it conveyed with all improvements thereon and to terminate and re-vest in Successor Agency and City the estate it conveyed to District if, after Closing and prior to the recordation of the Certificate of Completion, District (or its successors in interest) shall:
1. Fail to commence construction of the improvements as required by this Agreement for a period of ninety (90) days after written notice to proceed from Successor Agency and City, provided that District shall not have obtained a written extension or postponement to which District may be entitled pursuant to this Agreement; or

2. Assign or attempt to assign this Agreement, or any rights herein, or transfer, or suffer any involuntary transfer of, the Site, or any part thereof, in violation of this Agreement, and such violation shall not be cured within thirty (30) days after the date of receipt of written notice thereof by Successor Agency and City to District.

Upon the re-vesting in Successor Agency and City of possession to the respective portion of the Site, as provided in this Section 705, City and Successor Agency shall, pursuant to its responsibilities under state law, use its best efforts to sell the Site as soon and in such manner as Successor Agency and City shall find feasible and consistent with the objectives of such law to a qualified and responsible party or parties (as determined by Successor Agency and City).

This right of reverter shall be interpreted liberally in order to protect City and Successor Agency’s contribution of financial assistance to District which was made as material consideration for Grantee constructing and operating the Community College Project as set forth in this Agreement.

In the event of a sale of the property pursuant to the foregoing, the proceeds thereof shall be applied as follows:

(a) First, to reimburse Successor Agency and City for all costs and expenses incurred by Successor Agency and City, including but not limited to, salaries to personnel, legal costs and attorneys’ fees, and all other contractual expenses in connection with the recapture, management, and sale of the Site; all taxes, assessments and water and sewer charges with respect to the Site (or, in the event that Site is exempt from taxation or assessment or such charges during the period of ownership, then such taxes, assessments, or charges, as determined by the City, as would have been payable if the Site were not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations incurred with respect to the making or completion of the agreed improvements or any part thereof on the Site or part thereof; and amounts otherwise owing Successor Agency and City by District, its successors, or transferees; and

(b) Second, to reimburse District, its successor or transferee, up to the amount equal to (i) the sum of the Purchase Price paid to Successor Agency by District for the Site, (ii) the costs incurred for the development of the Site and for the agreed improvements existing on the Site at the time of the re-entry and repossesson, less (iii) any gains
or income withdrawn or made by District from the Site or the improvements thereon.

(c) Any balance remaining after such reimbursements shall be retained by Successor Agency and City, as applicable, as its property.

To the extent that the right established in this Section involves a forfeiture, it must be strictly interpreted against Successor Agency and City, the party for whose benefit it is created. The rights established in this Section are to be interpreted in light of the fact that Successor Agency has sold the Successor Agency Property at below fair market value and the City is contributing the City Property to District for development and not for speculation in undeveloped land.

G. (§ 707) Attorney’s Fees.

If a party to this Agreement is required to initiate or defend any action or proceeding in any way arising out of the parties’ agreement to, or performance of this Agreement, or is made a party to any action or proceeding by Escrow Agent or other third party, such that the parties hereto are adversarial, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney’s fees from the other. As used herein, the "prevailing party" shall be the party determined as such by a court of law pursuant to the definition in Code of Civil Procedure Section 1032(a)(4), as it may be subsequently amended. Attorney’s fees shall include attorney’s fees on any appeal, and in addition a party entitled to attorney’s fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs that the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

VIII. (§ 800) GENERAL PROVISIONS.

A. (§ 801) Notices, Demands and Communications between the Parties.

Except as expressly provided to the contrary herein, any notice, consent, report, demand, document or other such item to be given, delivered, furnished or received hereunder shall be deemed given, delivered, furnished, and received when given in writing and personally delivered to an authorized agent of the applicable party, or upon delivery by the United States Postal Service, first-class registered or certified mail, postage prepaid, return receipt requested, or by a national "overnight courier" such as Federal Express, at the time of delivery shown upon such receipt; in either case, delivered to the address, addresses and persons as each party may from time to time by written notice designate to the other and who initially are:

District: Kern Community College District
2100 Chester Avenue
Bakersfield, CA 93301
Attn: Thomas J. Burke, Chancellor
B. (§ 802) Non-Liability of City and Successor Agency Officials and Employees; Conflicts of Interest; Commissions.

1. Personal Liability.

No member, official, employee, agent or contractor of City or Successor Agency shall be personally liable to District in the event of any default or breach by City of Successor Agency, as applicable, or for any amount which may become due to District or on any obligations under the terms of the Agreement; provided, it is understood that nothing in this Section 802 is intended to limit City’s or Successor Agency’s liability.

2. Conflict of Interest, Warranty, and Representation of Non-Collusion.

No official, officer, or employee of Successor Agency and/or City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of Successor Agency and/or City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination
of "financial interest" shall be consistent with State law and shall not include interest found to be "remote" or non "interest" pursuant to California Government Code Sections 1091 and 1091.5. District warrants and represents that (s)he/it has not paid or given, and will not pay or give, to any third party including, but not limited to, any Successor Agency and/or City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded this Agreement. District further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Successor Agency and/or City official, officer, or employee, as a result or consequence of obtaining or being awarded any agreement. District is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

3. **Commissions.**

Successor Agency, City and District represent and warrant to the other that it has not retained any broker or finder or paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement. A party shall not be liable for any real estate commissions, brokeragce fees or finders’ fees which may arise from this Agreement, and each party agrees to hold the other parties harmless from any claim by any broker, agent, or finder retained by such party.

C. **(§ 803) Enforced Delay: Extension of Times of Performance.**

Time is of the essence in the performance of this Agreement.

Notwithstanding the foregoing, in addition to specific provisions of this Agreement, performance by a party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; supernatural causes; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; subsurface conditions on the Site and unknown soils conditions; governmental restrictions or priority litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts of another party; acts or the failure to act of a public or agency or entity (except that acts or the failure to act of the agency shall not excuse performance by the agency); or any other causes beyond the reasonable control or without the fault of the party claiming an extension of time to perform. In the event of such a delay (herein "Enforced Delay"), the party delayed shall continue to exercise reasonable diligence to minimize the period of the delay. An extension of time for any such cause shall be limited to the period of the enforced delay, and shall commence to run from the time of the commencement of the cause, provided notice by the party claiming such extension is sent to the other parties within ten (10) days of the commencement of the cause. Failure to provide such notice shall constitute a waiver of the claim.

The following shall not be considered as events or causes beyond the control of District, and shall not entitle District to an extension of time to perform for District’s failure to be able to pay the costs of the Community College Project.
Times of performance under this Agreement may also be extended by mutual written agreement by (i) Successor Agency and City; and (ii) District. The City Manager of City shall have the authority on behalf of City and Successor Agency to approve extensions of time not to exceed a cumulative total of one hundred eighty (180) days with respect to the development of the Site.

D. (§ 804) Books and Records.

1. District to Keep Records.

District shall prepare and maintain all books, records and reports necessary to substantiate District’s compliance with the terms of this Agreement or reasonably required by City or Successor Agency.

2. Right to Inspect.

A party shall have the right, upon not less than seventy-two (72) hours’ notice, at all reasonable times, to inspect the books and records of another party pertaining to the Site as pertinent to the purposes of this Agreement.

3. Ownership of Documents.

Copies of all drawings, specifications, reports, records, documents and other materials pertaining to the condition of the Site prepared by District, its employees, agents and subcontractors, in the performance of this Agreement, which documents are in the possession of District and are not confidential shall be delivered to City and Successor Agency upon request in the event of a termination of this Agreement, and District shall have no claim for additional compensation as a result of the exercise by City or Successor Agency of its rights hereunder. City and Successor Agency shall have an unrestricted right to use such documents and materials as if it were in all respects the owner of the same, provided, however, that (i) City and Successor Agency shall have no rights of reliance thereon, and (ii) District makes no warranty or representation regarding the completeness, accuracy or sufficiency of such documents, and District shall have no liability therefor or in connection therewith. Notwithstanding the foregoing, City and Successor Agency shall not have any right to sell, license, convey or transfer the documents and materials to any third party, or to use the documents and materials for any other site.

E. (§ 805) Assurances to Act in Good Faith.

City, Successor Agency and District agree to execute all documents and instruments and to take all action, including deposit of funds in addition to such funds as may be specifically provided for herein, and as may be reasonably required in order to consummate conveyance and development of the Site as herein contemplated, and shall use their commercially reasonable efforts, to accomplish the Closing and subsequent development of the Site in accordance with the provisions hereof. City, Successor Agency and District shall each diligently and in good faith pursue the satisfaction of any conditions or contingencies subject to their approval.

F. (§ 806) Interpretation.
The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against a party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The section headings are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement. This Agreement includes all attachments attached hereto, which are by this reference incorporated in this Agreement in their entirety. This Agreement also includes the Redevelopment Plan and any other documents incorporated herein by reference, as though fully set forth herein.

G.  **(§ 807) Entire Agreement, Waivers and Amendments.**

This Agreement (together with the License to Enter Agreement) integrates all of the terms and conditions mentioned herein, or incidental hereto, and this Agreement supersedes all negotiations and previous agreements among the parties with respect to all or any part of the subject matter hereof except the License to Enter Agreement pursuant to which the obligations of District shall remain in full force and effect. All waivers of the provisions of this Agreement, unless specified otherwise herein, must be in writing and signed by the appropriate authorities of Successor Agency or District, as applicable, and all amendments hereto must be in writing and signed by the appropriate authorities of Successor Agency, City and District.

H.  **(§ 808) Severability.**

In the event any term, covenant, condition, provision or agreement contained herein is held to be invalid, void or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any term, covenant, condition, provision or agreement contained herein.

I.  **(§ 809) Time for Acceptance of Agreement.**

This Agreement, when executed by District and delivered to City and Successor Agency, must be authorized, executed and delivered: (i) by City not later than 90 days after delivery, and (ii) by Successor Agency, (after approval by the Oversight Board and the DOF, if applicable) not later than 120 days after delivery or this Agreement shall be void, except to the extent that District shall consent in writing to further extensions of time for the authorization, execution, and delivery of this Agreement. After execution by District, this Agreement shall be considered an irrevocable offer until such time as such offer shall become void due to the failure of City and Successor Agency to authorize, execute and deliver the Agreement in accordance with this Section.

J.  **(§ 810) Successor Agency Obligations.**

Under Health & Safety Code Section 34173 et seq. ("Dissolution Statute"), all unobligated funds of a successor agency are swept up by the State. However, the Dissolution Statute provides a process for a successor agency on its six (6) month recognized obligation payment schedule ("ROPS") to obtain funds from the State to pay legal obligations of the successor agency. District acknowledges that it is aware of this process. Successor Agency agrees that after Closing or termination if any amounts are due
to District for obligations of Successor Agency, that Successor Agency will work diligently to timely pursue obtaining and collecting any necessary funds under this procedure for such obligation in accordance with this Agreement. Successor Agency will not be in default of its obligations under this Agreement provided Successor Agency uses reasonably diligent efforts to secure any funds due to District in accordance with the specified process. Upon the Closing, Successor Agency shall have no further obligations of any kind and City shall be deemed its assignee and beneficiary of all Successor Agency’s rights under this Agreement.

K. (§ 811) Execution.

1. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and such counterparts shall constitute one and the same instrument.

2. Successor Agency represents and warrants that: (i) by proper action of Successor Agency, the Oversight Board and the DOF, Successor Agency has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers; and (ii) the entering into this Agreement by Successor Agency does not violate any provision of any other agreement to which Successor Agency is a party.

3. City represents and warrants that: (i) by proper action of City, City has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers; and (ii) the entering into this Agreement by City does not violate any provision of any other agreement to which City is a party.

4. District represents and warrants that: (i) it is duly organized and existing under the laws of the State of California; (ii) by proper action of District, District has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers; and (iii) the entering into this Agreement by District does not violate any provision of any other agreement to which District is a party.

[SIGNATURES ON FOLLOWING PAGE]
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date of execution by Successor Agency.

REMINDER:

District must initial Section 408(5).

DISTRICT
KERN COMMUNITY COLLEGE DISTRICT
By: Thomas J. Burke, Chancellor
Dated: 9-27-, 2017

CITY
CITY OF ARVIN
By: Jose Gurolla, Jr., Mayor
By: Antonio Najada, CMA-EM, City Manager
Dated: 10-3-, 2017

ATTEST:
By: Cecelia Vela, City Clerk

APPROVED AS TO FORM
ALESHIRE & WYNBERG, LLP
By: Shannon Chaffin, City Attorney

[SIGNATURES CONTINUE ON FOLLOWING PAGE]
SUCCESSOR AGENCY

CITY OF ARVIN AS SUCCESSOR AGENCY OF THE ARVIN COMMUNITY REDEVELOPMENT AGENCY

By: 
Jose Gumpa, Jr., Chair
Ahmo Noyola, ICMA-CE, Executive Director

Dated: 10-3, 2017

ATTEST:

By: 
Cecilia Vela,
Successor Agency Secretary

APPROVED AS TO FORM

ALESHIRE & WYNDER, LLP

By: 
Shannon Chaffin
Successor Agency Counsel
ATTACHMENT NO. 1
COMMUNITY COLLEGE DDA
SITE DEPICTION

APN 190-020-46
Vested in City
5.13 Acres

APN 190-020-48
Vested in City
28.44 Acres

APN 190-020-14
SA Property
3.65 Acres
ATTACHMENT NO. 2A
COMMUNITY COLLEGE DDA

LEGAL DESCRIPTION OF CITY PROPERTY

That certain real property in the City of Arvin, County of Kern, State of California legally described as follows:

**PARCEL 1**
The West 45' feet of said Southwest ¼, EXCEPTING THEREFROM the South 160 feet.

**PARCEL 2**
The North 45' feet of said Southwest ¼.

**PARCEL 3**
The North 302.98 feet of the East 52 feet of said Southwest ¼.

**PARCEL 4**
The South 1011.81 feet of the East 52 feet of said Southwest ¼.

**PARCEL 5**
The South 30 feet of the East 195 feet of said Southwest ¼.

**PARCEL 6**
A Triangular shaped parcel bounded on the West by the East line of the West 60 feet of said Southwest ¼, on the South by the North line of the South 60 feet of said Southwest ¼, on the Northeast by a 20 foot radius curve concave to the Northeast and tangent to last said East and North lines.

**PARCEL 7**
A triangular shaped parcel bounded on the West by the East line of Parcel 1, on the North by the South line of Parcel 2, on the Southeast by a 20 foot radius curve concave to the Southeast and tangent to the East line of said Parcel 1 and tangent to the South line of said Parcel 2.

**PARCEL 8**
A triangular shaped parcel bounded on the North by the South line Parcel 2, on the East by the West line of Parcel 3, on the Southwest by a 20 foot radius curve concave to the Southwest and tangent to the South line of said Parcel 2 and tangent to the West line of said Parcel 3.

**PARCEL 9**
A triangular shaped Parcel bounded on the East by the West line of Parcel 4, on the South by the North line of the South 55 feet of said Southwest ¼, on the Northwest by a 20 foot radius curve concave to the Northwest and tangent to last said West and North lines.

Excepting therefrom a 10' wide irrigation line easement for irrigation lines and appurtenances, ingress and egress and the right to maintain said line and appurtenances, said easement is more particularly described as follows:

The South 6.00 feet of the North 43.00 feet of the Southwest Quarter of Section 23, T. 31 S., R. 29 E., K.D.M., City of Arvin, County of Kern, State of California.

RESERVING unto the Grantees herein all oil, gas, other hydrocarbons substances and minerals of any kind or character in, on or thereunder below a depth of 500 feet.
ATTACHMENT NO. 2B
COMMUNITY COLLEGE DDA

LEGAL DESCRIPTION OF SUCCESSOR AGENCY PROPERTY

That certain real property in the City of Arvin, County of Kern, State of California legally described as follows:

A.P.N. 190-020-14
PARCEL 1 OF PARCEL MAP 4958 IN THE CITY OF ARVIN, COUNTY OF KERN, STATE OF CALIFORNIA, AS PER MAP RECORDED MAY 11, 1979 IN BOOK 22, PAGE 160 OF PARCELS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, ALSO LYING WITHIN THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 31 SOUTH, RANGE 29 EAST, M.D.M.
A. General

District agrees that the Site shall be developed and improved in accordance with the provisions of this Agreement together with the plans, drawings, and related documents approved by City and Successor Agency, to the extent applicable, pursuant to this Agreement. District, its supervising architect, engineers, and contractor shall work with City staff to coordinate the overall design, architecture, site layout, open areas, landscaping and parking with regards to architectural design “Mediterranean” theme, mass, scale, bulk, color and materials. Any questions or issues regarding the scope of development not addressed in this Agreement shall be resolved in accordance with the Arvin Municipal Code. As of the Effective Date, the actual construction cost of the Project’s improvements is estimated at Twenty-Three Million Dollars ($23,000,000).

B. Design Criteria

District agrees to develop the Project with a “Mediterranean” theme, together with on-site lighting, design of light standards and fixtures, on-site landscaping and automatic irrigation system consistent with the architectural theme.

C. On-Site Work

District shall be responsible for construction and installation of all on-site improvements. District’s on-site improvements shall be designed so as not to impact City’s current infrastructure relating to traffic, drainage, and sewer. All improvements to be located within a public right-of-way shall comply with all City standards.

D. Circulation Study - Traffic Study; Cost of Improvements.

District shall, at District’s sole cost and expense, promptly cause a traffic study to be completed to evaluate the impact of the Project on the City’s infrastructure. In addition, the Traffic Study shall analyze District’s proposed circulation alternative (see the Map attached hereto as Exhibit A (“Attached Map”), with the City of Arvin’s 2012 Circulation Element street designations relating to Walnut Avenue, a collector with a right-of-width of ninety (90) feet and its potential realignment (“Traffic Study”). Upon completion of the Traffic Study, the parties shall agree on a traffic circulation system addressing both District’s preferred street pattern and City’s Circulation Element. In the event that the resulting agreement affects City’s 2012 Circulation Element and Traffic Impact Fee Program dated March 3, 2015, District shall promptly reimburse City for its costs incurred to update those documents.

District shall also be responsible for the construction cost of all street improvements whether constructed directly by District or to reimburse City if the City constructs same. District shall irrevocably offer to dedicate all rights-of-way to City.

E. Varsity Avenue Off-Site Street Improvements.
City shall construct road improvements along south side of Varsity Avenue from Comanche to Campus (see #1) except for approximately ten (10) feet of pavement from the south edge of existing road improvements to the new road improvements ("Street Gap Improvements"). District shall provide the funds to construct the Street Gap Improvements and the storm drainage infrastructure within the same area.

F. Walnut Street Improvements.

Street improvements between Grapevine Drive and Nectarine Court shall be constructed by City at its cost and expense. The area shown as Item #3A on the Attached Map shall be a public access road. The segment between Nectarine Court and Varsity Road (shown as Item #3B on the Attached Map) shall be a limited access road.

G. Fair Share Agreement.

City and District shall enter into a written agreement to allocate between the parties the cost of all other new infrastructure improvements (not otherwise specifically allocated to a party in this Agreement) required for the Project with such allocation to be based on the concept of "fair share".

H. Access to Natural Gas Pumping Site.

District execute an appropriate document to provide legal access to and from the existing natural gas pumping station on the Site.

I. Purchase of Property; Water Well Work.

District shall, at its sole cost and expense, purchase the existing real property (including the house) shown as #6 on the Attached Map ("Property") for the cost of Ten Thousand Dollars ($10,000) in AS-IS condition. District, at District’s sole cost and expense, cause the existing water wells (located as #5 on the Attached Map) to be abandoned and sealed in compliance with the County of Kern Environmental Health Department ("Water Well Work"). District shall provide clearance documents from the Kern Environmental Health Department to the City.

J. Kern County Fire Contract Services Agreement.

As a result of the Project, the City’s existing agreement with the Kern County Fire Department (KCFD) will need to be renegotiated. Accordingly, the parties shall enter into a fair share agreement to allocate the increased KCFD costs for services between the parties.

K. District Responsible for Certain Fees.

District shall pay to the City the following impact fees as part of the development:

- Police Fee - $350.00 per acre.
- Park Fee - $1000 per 2000 square foot of occupied building area.
- Sewer Fee - $136.00 per student.
- School Fees – TBD*.
Water Fees – TBD*.
Traffic Impact Fees – TBD*.

District shall promptly reimburse City for (i) its costs incurred in City’s review and coordination of all Project plans and drawings; and (ii) impact fees resulting from the Project.

* Amounts will be determined at time of plan submittals since fees are based on project size.

L. Oil Drilling Equipment.

District shall, at its sole cost and expense, work with the owner of all oil drilling equipment to remove it from the Site.

M. Landscaping and Lighting District.

As owner of the Site, District shall join the City’s Lighting and Landscape Maintenance District (LLMD).

N. Reciprocal Easements.

Upon completion of the first phase of the Community College Project, the parties shall enter into a mutually acceptable reciprocal easement and joint use agreement with respect to parking lots, buildings, and open space on the campus.
ATTACHMENT NO. 4A  
COMMUNITY COLLEGE DDA  
CITY GRANT DEED

FREE RECORDING REQUESTED BY AND WHEN RECORDED, RETURN TO:

Kern Community College District  
2100 Chester Avenue  
Bakersfield, CA 93301  
Attn: Chris Hine, General Counsel

APNs. 190-020-46 & 190-020-48  
THE UNDERSIGNED GRANTOR(S) DECLARE(S):  
DOCUMENTARY TRANSFER TAX IS $0 per R&T Code 11922  
(Space Above This Line for Recorder’s Office Use Only)  
(Exempt from Recording Fee per Gov. Code §6103)

GRANT DEED

FOR A VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF ARVIN ("Grantor") hereby grants to KERN COMMUNITY COLLEGE DISTRICT ("Grantee"), the real property in the City of Arvin, County of Kern, State of California, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference ("Property").

As conditions of this conveyance, Grantee covenants by and for itself and any successors-in-interest for the benefit of Grantor as follows:

1. **Governing Documents.** The Property is being conveyed: (i) pursuant to a Disposition and Development Agreement ("DDA") entered into by and among Grantor, Grantee and the City of Arvin as Successor Agency to the Arvin Community Redevelopment Agency ("Successor Agency") dated ____________, 2017; and (ii) subject to the terms of the DDA, this Deed and the Redevelopment Plan, as those terms are defined in the DDA. The DDA and the Redevelopment Plan are public records on file in the office of the City Clerk of the City of Arvin ("City"), located at 200 Campus Drive, Arvin, CA 93203 and are incorporated herein by this reference. Any capitalized terms not defined herein shall have the meanings ascribed to them in the DDA. Grantee covenants and agrees for itself and its successors and assigns to develop the Property in accordance with the DDA and thereafter to use, operate and maintain the Property in accordance with the Redevelopment Plan and this Deed. The Property is also conveyed subject to easements and rights-of-way of record and other matters of record. In the event of any conflict between this Deed and the DDA, the provisions of the DDA shall control.

2. **Uses.** Grantee may only use the Property to construct and operate an community college outreach center and educational activities consistent with the terms, covenants and conditions as set forth in the DDA. Grantee shall have no right to subdivide, separate, or partition the Property, except upon prior written consent of Grantor. Breach of
the terms, covenants, conditions, and provisions of the DDA shall be a material breach of this Deed.

3. **Term of Restriction.** Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor-in-interest to the Property that Grantee, such successors and such assigns, shall not develop, operate, maintain or use the Property in violation of the terms and conditions of the DDA. Grantee shall commence to construct the improvements within five (5) years of the date of recordation of the Deed at the Closing and diligently prosecute same to completion. Furthermore, Grantee covenants and agrees to operate the community college outreach center for a period of not less than ten (10) years from the completion of the construction. However, the covenants contained in Sections 7, 8 and 9 shall remain in effect in perpetuity.

4. **Right of Reverter.** Grantee covenants by and for itself and any successors-in-interest that Grantor shall have the right, at its option, to reenter and take possession of the Property hereby conveyed, with all improvements thereon, and revest in Grantor the estate conveyed to the Grantee if after Closing and prior to recordation of the Certificate of Completion, Grantee or successor-in-interest shall commit a material default as described in the DDA. Within five (5) days after Grantor gives Grantee written notice that Grantor intends to exercise its right to reenter and take possession of the Property, Grantee shall deliver a grant deed duly executed and acknowledged transfer the Property to Grantor. This right of reverter shall be interpreted liberally in order to protect Grantor’s contribution of financial assistance to Grantee which was made as material consideration for Grantee constructing and operating the Community College Project as set forth in the DDA.

5. **Transfer Restrictions.** Grantee shall not transfer or encumber the Property or any of its interests therein except as provided in Section 304 of the DDA.

6. **Reservation of Existing Streets.** Grantor excepts and reserves any existing street, proposed street, or portion of any street or proposed street lying outside the boundaries of the Property which might otherwise pass with a conveyance of the Property.

7. **Continued Maintenance.** Grantee covenants and agrees for itself, its successors and assigns, that, after issuance of the Certificate of Completion pursuant to this Agreement, Grantee shall be responsible for maintenance of all improvements on the Property from time to time (including without limitation buildings, parking lots, lighting, signs, and walls), in good condition and repair, and shall keep the Property free from any accumulation of debris or waste materials. Grantee shall also maintain all landscaping. The foregoing maintenance obligations shall run with the land and shall continue in perpetuity.

8. **Non-Discrimination.** Grantee covenants that there shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Property, or any portion thereof, nor shall Grantee, or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or
vendees of the Property or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect in perpetuity.

9. **Form of Nondiscrimination Clauses in Agreements.** Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Property on the basis of race, color, creed, religion, sex, marital status, age, ancestry, or national origin of any person. All such deeds, leases, or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(a) **Deeds:** In deeds the following language shall appear: "The grantee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself, or any persons claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) **Leases:** In leases the following language shall appear: "The lessee herein covenants by and for itself, its heirs, executors, administrators, successors, and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the leasing, subleasing, renting, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

(c) **Contracts:** In contracts pertaining to conveyance of the reality the following language shall appear: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with
reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

The foregoing covenants shall remain in effect in perpetuity.

10. **Covenants to Run With the Land.** The covenants contained in this Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, and shall be binding upon Grantee, its heirs, successors and assigns to the Property, whether their interest shall be fee, easement, leasehold, beneficial or otherwise.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers or agents hereunto as of __________, 201__.

"GRANTOR"

CITY OF ARVIN

By: ____________________________

Jose Gurrola, Jr., Mayor

ATTEST

By: ____________________________

Cecelia Vela, City Clerk

APPROVED AS TO FORM

ALESHIRE & WYNDER, LLP

By: ____________________________

Shannon Chaffin,

City Attorney
CERTIFICATE OF ACCEPTANCE OF GRANT DEED

By its acceptance of this Grant Deed, the Kern Community College District, a political subdivision of the State of California ("District") as grantee hereby agrees as follows:

1. This is to certify that the interest in real property conveyed by this Grant Deed dated ______________ 2017 from, the City of Arvin, a municipal corporation to the District is hereby accepted by the undersigned officer or agent on behalf of the District pursuant to authority conferred by ______ [resolution] / [action] of the Governing Board of the District, [adopted] / [taken] on ____________ and the District consents to recordation of the Grant Deed and this Certificate of Acceptance by its duly authorized officer.

2. The District expressly understands and agrees that the terms of this Grant Deed shall be deemed to be covenants running with the land and shall apply to all of the District's successors and assigns (except as specifically set forth in the Grant Deed).

Date: ______________ 201__

"DISTRICT"

KERN COMMUNITY COLLEGE DISTRICT

By: _______________________________

Thomas J. Burke, Chancellor
EXHIBIT "A" ATTACHMENT NO. 4A
COMMUNITY COLLEGE DDA

LEGAL DESCRIPTION OF PROPERTY

That certain real property in the City of Arvin, County of Kern, State of California legally described as follows:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA  )
COUNTY OF __________________________  ) ss.

On __________________, 20__ before me, __________________________, a notary public, personally appeared __________________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_______________________________
Notary Public

SEAL.
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA  )
   ) ss.
COUNTY OF ________________  )

On ______________________, 201_ before me, ______________________________, a notary public, personally appeared ______________________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

SEAL:
ATTACHMENT NO. 4B
COMMUNITY COLLEGE DDA

SUCCESSOR AGENCY GRANT DEED

FREE RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Kern Community College District
2100 Chester Avenue
Bakersfield, CA 93301
Attn: Chris Hine, General Counsel

APNs. 190-020-14
THE UNDERSIGNED GRANTOR(S) DECLARE(S):
DOCUMENTARY TRANSFER TAX IS $0 per R&T Code 11922

(Space Above This Line for Recorder's Office Use Only)
(Exempt from Recording Fee per Gov. Code §6103)

GRANT DEED

FOR A VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF ARVIN AS SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY ("Grantor") hereby grants to KERN COMMUNITY COLLEGE DISTRICT ("Grantee"), the real property in the City of Arvin, County of Kern, State of California, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference ("Property").

As condition of this conveyance, Grantee covenants by and for itself and any successors-in-interest for the benefit Grantor which, immediately following the recordation of this Deed assigns and transfers all its rights and obligations as Grantor hereunder to the City of Arvin, a municipal corporation ("City") which, by execution of this Deed below, accepts such assignment and assumes all post-recordation rights and obligations of Grantor hereunder.

1. **Governing Documents.** The Property is being conveyed:(i) pursuant to a Disposition and Development Agreement ("DDA") entered into by and among Grantor, Grantee and the City of Arvin ("City") dated ____________ , 2017; and (ii) subject to the terms of the DDA, this Deed and the Redevelopment Plan, as those terms are defined in the DDA. The DDA and the Redevelopment Plan are public records on file in the office of the City Clerk of the City located at 200 Campus Drive, Arvin, CA 93203 and are incorporated herein by this reference. Any capitalized terms not defined herein shall have the meanings ascribed to them in the DDA. Grantee covenants and agrees for itself and its successors and assigns to develop the Property in accordance with the DDA and thereafter to use, operate and maintain the Property in accordance with the Redevelopment Plan and this Deed. The Property is also conveyed subject to easements and rights-of-way of record and other matters of record. In the event of any conflict between this Deed and the DDA, the provisions of the DDA shall control.
2. **Uses.** Grantee may only use the Property to construct and operate an community college outreach center and educational activities consistent with the terms, covenants and conditions as set forth in the DDA. Grantee shall have no right to subdivide, separate, or partition the Property, except upon prior written consent of Grantor. Breach of the terms, covenants, conditions, and provisions of the DDA shall be a material breach of this Deed.

3. **Term of Restriction.** Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor-in-interest to the Property that Grantee, such successors and such assigns, shall not develop, operate, maintain or use the Property in violation of the terms and conditions of the DDA. Grantee shall commence to construct the improvements within five (5) years of the recordation of this Deed (which occurs at the Closing as defined in the DDA) and diligently prosecute same to completion. Furthermore, Grantee covenants and agrees to operate the community college outreach center for a period of not less than ten (10) years after completion of the construction. However, the covenants contained in Sections 7, 8 and 9 shall remain in effect in perpetuity.

4. **Right of Reverter.** Grantee covenants by and for itself and any successors-in-interest (which includes the City as a third party beneficiary of this right) that Grantor (or City) shall have the right, at its option, to reenter and take possession of the Property hereby conveyed, with all improvements thereon, and revest in Grantor the estate conveyed to the Grantee if after Closing and prior to recordation of the Certificate of Completion, Grantee or successor-in-interest shall commit a material default as described in the DDA. Within five (5) days after Grantor gives Grantee written notice that Grantor intends to exercise its right to reenter and take possession of the Property, Grantee shall deliver a grant deed duly executed and acknowledged transfer the Property to Grantor. This right of reverter shall be interpreted liberally in order to protect Grantor's contribution of financial assistance to Grantee which was made as material consideration for Grantee constructing and operating the Community College Project as set forth in the DDA.

5. **Transfer Restrictions.** Grantee shall not transfer or encumber the Property or any of its interests therein except as provided in Section 304 of the DDA.

6. **Continued Maintenance.** Grantee covenants and agrees for itself, its successors and assigns, that, after issuance of the Certificate of Completion pursuant to this Agreement, Grantee shall be responsible for maintenance of all improvements on the Property from time to time (including without limitation buildings, parking lots, lighting, signs, and walls), in good condition and repair, and shall keep the Property free from any accumulation of debris or waste materials. Grantee shall also maintain all landscaping in a healthy condition, including prompt replacement of any dead or diseased plants. The foregoing maintenance obligations shall run with the land and shall continue in perpetuity.

7. **Non-Discrimination.** Grantee covenants that there shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Property, or any portion thereof, nor shall Grantee, or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection,
location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect in perpetuity.

8. **Form of Nondiscrimination Clauses in Agreements.** Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Property on the basis of race, color, creed, religion, sex, marital status, age, ancestry, or national origin of any person. All such deeds, leases, or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

   (a) **Deeds:** In deeds the following language shall appear: "The grantee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself, or any persons claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

   (b) **Leases:** In leases the following language shall appear: "The lessee herein covenants by and for itself, its heirs, executors, administrators, successors, and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

   "That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the leasing, subleasing, renting, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

   (c) **Contracts:** In contracts pertaining to conveyance of the realty the following language shall appear: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with
reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

The foregoing covenants shall remain in effect in perpetuity.

11. **Covenants to Run With the Land.** The covenants contained in this Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, and shall be binding upon Grantee, its heirs, successors and assigns to the Property, whether their interest shall be fee, easement, leasehold, beneficial or otherwise.

12. **Approval by California Department of Finance.** The transfer of the Property by Grantor to Grantee in this Deed has been approved by the California Department of Finance (DOF) pursuant to that certain letter dated __________, 201__, a copy of which is attached hereto as Exhibit "B", if applicable. If the DOF does not require any approval of this matter, this condition shall be inapplicable.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers or agents hereunto as of ________, 201__.

"GRANTOR"

CITY OF ARVIN ACTING AS SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY

ATTEST

By: ____________________________
Cecelia Vela, Successor Agency Secretary

By: ____________________________
Jose Gurrola, Jr., Chair

APPROVED AS TO FORM

ALESHIRE & WYNDER, LLP

By: ____________________________
Shannon Chaffin
Successor Agency Counsel
IMMEDIATELY FOLLOWING RECORDATION OF THIS DEED, THE CITY OF ARVIN, A MUNICIPAL CORPORATION, ACCEPTS THE ASSIGNMENT OF GRANTOR’S RIGHTS UNDER THIS DEED AND CONCURRENTLY ASSUMES ALL OBLIGATIONS OF GRANTOR.

CITY OF ARVIN, a municipal corporation

By: ____________________________
Jose Gurrola, Jr., Mayor

ATTEST

By: ____________________________
Cecelia Vela, City Clerk

APPROVED AS TO FORM

ALESHIRE & WYNDER, LLP

By: ____________________________
Shannon Chaffin
City Attorney
CERTIFICATE OF ACCEPTANCE OF GRANT DEED

By its acceptance of this Grant Deed, the Kern Community College District, a political subdivision of the State of California ("District") as grantee hereby agrees as follows:

1. This is to certify that the interest in real property conveyed by this Grant Deed dated ______________ 2017 from, the CITY OF ARVIN AS SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY to District is hereby accepted by the undersigned officer or agent on behalf of the District pursuant to authority conferred by ______ [resolution] / [action] of the Governing Board of the District, [adopted] / [taken] on________________ and the District consents to recordation of the Grant Deed and this Certificate of Acceptance by its duly authorized officer.

2. The District expressly understands and agrees that the terms of this Grant Deed shall be deemed to be covenants running with the land and shall apply to all of the District's successors and assigns (except as specifically set forth in the Grant Deed).

Date:______________, 201__

"DISTRICT"

KERN COMMUNITY COLLEGE DISTRICT

By: ____________________________________________________

Thomas J. Burke, Chancellor
EXHIBIT "A" ATTACHMENT NO. 4B
COMMUNITY COLLEGE DDA

LEGAL DESCRIPTION OF PROPERTY

That certain real property in the City of Arvin, County of Kern, State of California legally described as follows:
EXHIBIT "B" ATTACHMENT NO. 4B
COMMUNITY COLLEGE DDA

DOF APPROVAL

[Copy to be attached prior to recordation]
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF ______________

On ______________, 201_ before me, ____________________________, a notary public, personally appeared ____________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

________________________________________
Notary Public

SEAL:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA  )
COUNTY OF _____________  ) ss.

On __________________, 201_ before me, _____________________________, a notary public, personally appeared _____________________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____________________
Notary Public

SEAL:
CERTIFICATE OF COMPLETION

Pursuant to that certain Disposition and Development Agreement ("Agreement") dated _____________, 20__ by CITY OF ARVIN ("City") and KERN COMMUNITY COLLEGE DISTRICT ("District") (together with the CITY OF ARVIN AS SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY), District has agreed to develop that certain real property situated in the City of Arvin, County of Kern, State of California, described on Exhibit "A" attached hereto and made a part hereof ("Property").

RECITALS:

A. As referenced in the Agreement, City is required to furnish District with a Certificate of Completion upon completion of construction and development and the opening of the outreach center for classes on the Property, which certificate shall be in such form as to permit it to be recorded in the Official Records of Kern County, California.

B. The Agreement provides for certain covenants to run with the land, which covenants were incorporated in the Deeds (as defined in the Agreement).

C. This Certificate of Completion shall constitute a conclusive determination by City of the satisfactory completion by District of the construction and development required by the Agreement and of District’s compliance with the terms of the Agreement with respect to such construction, development and commencement of operations of the Community College Project, but not of the Deeds nor of the Declaration, the provisions of which shall continue to run with the land pursuant to their terms, including the continued operation of the Community College Project.

D. City has conclusively determined that the construction and development on the Property required by the Agreement has been satisfactorily completed by District in full compliance with the terms of the Agreement and that the classes have commenced on the Property.
NOW, THEREFORE,

1. The improvements required to be constructed have been satisfactorily completed and the outreach center has been opened for classes in accordance with the provisions of the Agreement.

2. This Certificate of Completion shall constitute a conclusive determination of satisfaction of the agreements and covenants contained in the Agreement with respect to the obligations of District, and its successors and assigns, to construct the improvements and the dates for the beginning and completion thereof.

3. This Certificate of Completion shall not constitute evidence of District's compliance with continuing operations covenant and other covenants in the Deeds, the provisions of which shall continue to run with the land.

5. This Certificate of Completion is not a Notice of Completion as referred to in California Civil Code Section 9204 et seq.

6. Except as stated herein, nothing contained in this instrument shall modify in any way any other provisions of the Agreement or any other provisions of the documents incorporated therein.

IN WITNESS WHEREOF, City has executed this Certificate of Completion this ___ day of _____________, 201__.

CITY

CITY OF ARVIN, a municipal corporation

By: ____________________________
    Jose Gurrola, Jr., Mayor

Dated: _________________________, 2017

ATTEST:

By: ____________________________
    Cecelia Vela,
    City Clerk

APPROVED AS TO FORM

ALESHIRE & WYNDER, LLP

By: ____________________________
    Shannon Chaffin
    City Attorney
CONSENT TO RECORDATION

KERN COUNTY COMMUNITY DISTRICT as the District (defined herein) and the owner of the fee title to the real property legally described herein, hereby consents to the recordation of this Certificate of Completion against the Property (defined herein).

Date: ________________, 201__

"DISTRICT"

KERN COMMUNITY COLLEGE DISTRICT

By: ______________________________

Thomas J. Burke, Chancellor
LEGAL DESCRIPTION
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA )
COUNTY OF ____________________ ) ss.

On _____________________, 201_ before me, ________________________________, a notary public, personally appeared ________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

__________________________
Notary Public

SEAL:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA )
 ) ss.
COUNTY OF _____________ )

On ________________, 201_ before me, ____________________________, a notary public, personally appeared _________________________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

SEAL:
March 13, 2017

VIA U.S. MAIL

Mr. Zuber Tejani
OFFICE OF STATE AUDITS AND EVALUATIONS
CALIFORNIA DEPARTMENT OF FINANCE
915 L Street
Sacramento, California 95814-3706

Re: Proposed Transfer of Property Located at 925 Varsity Road in Arvin, CA
(APN: 190-020-14) to the Kern County Community College District

Dear Mr. Tejani:

Thank you for taking the time to look into this matter. I am the Successor Agency Counsel for the Successor Agency to the Arvin Community Redevelopment Agency (“Agency”) and the City Attorney for the City of Arvin (“City”). The Agency desires to transfer a parcel of property held by it, with APN 190-020-14 and consisting of approximately 3.6 acres (“Agency Property”) to the Kern Community College District (“KCCD”) for an amount that is below the Agency Property’s anticipated market value. While such a transfer does not confer an immediate monetary benefit to the Agency’s taxing entities, as outlined below the long term benefit of this proposed transfer is greater than any short term monetary benefit that may be realized.

We would like to informally discuss this with you to get your preliminary thoughts, and ask that you contact us at your convenience. We hope that the California Department of Finance (“DOF”) agrees with the Agency’s assessment of the long-term maximized value that the Agency’s taxing entities will receive.

I. BACKGROUND ON KCCD AND POTENTIAL COMMUNITY COLLEGE OUTREACH CENTER

KCCD is a taxing entity of the Agency. KCCD provides traditional two-year higher education courses, associate degrees, and job training for critical positions, including first responders and training that supports other local industries, for Kern County. KCCD has colleges or centers in Bakersfield, Ridgecrest, Delano, and Porterville. However, those campuses do not sufficiently meet the educational and training needs for the City’s residents, including residents in the surrounding region, such that it results in a relatively limited labor market. At the November 8, 2016, election, the voters of KCCD approved $502 million in bonds to benefit the Kern Community College District Facilities Improvement District No. 1 (“Bond”), to be expended on construction over a 22-year period in five phases with each phase ranging from four to five years each. A proposed college outreach center in the Arvin area was identified in the measure approving the Bond. KCCD’s selection of projects to be funded by the proceeds of the
Bond, and the priority of those projects, will be based upon matching funds and grants from other entities, such as the City and Agency.

Currently there is only one location that meets the potential criteria for the construction of a proposed community college in Arvin: the 32.5 acres of City property and the 3.6 acres of Agency property identified more specifically below. If transferred, these two properties will provide the City, the Agency, and the Agency’s taxing entities (including KCCD) with a unique opportunity to help commence the planning and construction of a community college outreach center within the City during the first phase of the Bond. This is a real opportunity to quickly improve and meet the educational and training needs of the City and its surrounding regions (“Project”). In turn, this improvement will provide the taxing entities with the long-term value of an improved economy due to a more educated labor pool.

II. Project Site

KCCD, the City, and the Agency have identified two properties that would be suitable for the construction of the Project. The City currently owns a 32.5 acre property with APNs 190-020-46 and 190-020-48 (“City Property”). The aforementioned Agency Property is approximately 3.6 acres and is immediately adjacent to the City Property. Given the proximity of these two properties, in order to facilitate the construction of the Project and to best utilize the Agency Property, both the City Property and the Agency Property must be transferred to KCCD.

III. Expeditious Disposition with a Maximized Value

The City has expressed its desire to collaborate with KCCD by transferring the City Property to KCCD for the construction of the KCCD outreach center within the City.¹ The Agency has also expressed the same interest in relation to the Agency Property.² However, the Agency Property is currently listed on the Successor Agency’s Long Range Property Management Plan (“LRPMP”) as a property that will be sold for future retail/commercial development. Since the adoption of the LRPMP on September 19, 2013, and in light of the approval of the Bond by KCCD’s voters, the Agency has determined that the Agency Property would instead be best utilized as part of KCCD’s proposed community college outreach center.

A. Expeditious Disposition

Health & Safety Code Section 34177(e) requires the assets be disposed of in an expeditious manner. Once approved by the Agency’s Oversight Board and the Department of

¹ City Council Resolution No. 2017-05.
² Arvin Successor Agency Resolution No. 2017-06.
Finance, transferring the Agency Property to KCCD would occur very quickly since the maximized value will come in the form of the development of a community college at KCCD’s cost. Selling the property to a private party would take a significantly longer time, because the Agency would have to seek out potential buyers and determine how a particular buyer would result in a maximized value for the taxing entities is unknown. Transferring the Agency Property to KCCD would also be a significant step in moving the Agency forward in its statutory function of expeditiously winding down the activities of the former Arvin Community Redevelopment Agency ("former RDA") pursuant to Health & Safety Code Section 34177(h).

B. Maximized Value

Redevelopment Dissolution Law (codified under Parts 1.8 and 1.85 of Division 24 of the Health & Safety Code) requires that the assets of the Agency be disposed in a manner that maximizes value so that the Agency’s taxing entities, in particular public education entities such as KCCD, receive the greatest benefit. In this case, the best way to maximize the long-term value of the Agency Property is to transfer it to KCCD, along with the City Property, so that KCCD will be able to develop these properties into a new community college outreach center that will serve all of Kern County by improving education levels and by boosting the labor pool of the region. As it is presently, the Agency has determined that the Agency Property has no future development potential without also being attached to the City Property, because i) there are no other sites currently within the City of Arvin that could meet the criteria to serve as a proposed community college outreach center; and ii) the 3.6 acre Agency Property would effectively be in a development “island” surrounded by the proposed community college outreach center and roadways, and due to its size and location would have limited, if any, development potential outside of that associated with the proposed outreach center.

The City of Arvin and its surrounding communities are in dire need of a local, public community college outreach center. The closest KCCD community college is Bakersfield College, which is 22.4 miles away. Moreover, Bakersfield College serves all of Bakersfield and all of its surrounding suburbs, including the City. The next closest KCCD community college campus is Bakersfield College’s Delano Center, which is 53.7 miles away. Further, the nearest full-sized community college is Porterville College, which is 70.7 miles away. This has very likely contributed to the City’s lower number of individuals, aged 25 or older, who are high school graduates or higher (33.6% compared to the national average of 86.7% for the years 2011-2015) and substantially lower number of individuals with a bachelor’s degree or higher (2.8% compared to the national average of 29.8% for the years 2011-2015). In other words, to be able to meet the national average of individuals earning a bachelor’s degree or higher, almost

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3 Health & Safety Code section 34177(e).
4 http://www.census.gov/quickfacts/table/LFE041214/0602924,00/accessibe.
a 1,000% improvement over existing levels would be required – a virtual impossibility without a nearby and accessible community college outreach center. When this is combined with the City’s substantial foreign-born population (44.2% compared with the national average of 13.2% for the years 2011-2015), it becomes evident that the lack of meaningful educational opportunities has not only undermined the opportunities available to the City’s native born population, but has also substantially undermined the available opportunities of the City’s foreign born population to improve their living conditions.

By transferring both the City and Agency properties to KCCD, the taxing entities will receive the value of significantly improved education rates, not only within the City itself, but also for other disadvantaged communities in the surrounding area. In turn, this will result in a labor pool that is better prepared to fulfill the needs of local businesses, which will then result in an increase in tax revenue to the benefit of the Agency’s taxing entities.

Redevelopment Dissolution Law was also enacted to address budgetary shortfalls in California and, in particular, address the issue of education funding in California. Thus, in winding down the affairs of the former RDA, Redevelopment Dissolution Law requires the Agency to dispose of the former RDA’s assets in a manner that generates the most value to the Agency’s taxing entities, including its education taxing entities such as KCCD. Given the regional educational demographics affecting the Agency’s taxing entities, it is imperative that the long-term value of a sale of the Agency Property be considered. For example, it makes little sense to sell the Agency Property for the purpose of high-end commercial or residential development if there is an insufficient workforce, due to lack of educational opportunities, that can fill those jobs and, as a result of lacking educational opportunities, be the consumers of such high-end developments. Simply considering the short term value would not provide a benefit to the Agency’s taxing entities and, in particular, its educational taxing entities.

Of course, it is difficult to truly evaluate any sale of the Agency Property without first having and examining the exact nature of that sale. We are hopeful that the DOF is supportive of the principle that maximization of value under Redevelopment Dissolution Law should focus on the resulting long-term benefits to the Agency’s taxing entities and the individuals they serve. We also expect that DOF may have questions regarding this proposed transfer, and we would be delighted to address them.

Would you be willing to informally discuss this matter over the phone? Please contact Robert Khuu at 949-223-1180 or via email at rkuu@awattorneys.com to make arrangements that work for your schedule.
Mr. Zuber Tejani  
March 13, 2017  
Page 5

Very truly yours,

ALESHIRE & WYNDER, LLP

[Signature]
Shannon L. Chaffin
Arvin City Attorney and Agency Counsel
for the Successor Agency of the Arvin
Community Redevelopment Agency

RK:SLC:bb

Enclosures (2)

cc:
Alfonso Noyola, ICMA-CM (with encl.)
(by email - anoyola@arvin.org)
City Manager
CITY OF ARVIN

Robert D. Ruiz, CPA (with encl.)
(by email - rruiz@arvin.org)
Finance Director
CITY OF ARVIN

01159.0012/349459.10
ARVIN SUCCESSOR AGENCY RESOLUTION NO. 2017-06

A RESOLUTION OF THE AGENCY BOARD OF THE CITY OF ARVIN AS SUCCESSOR AGENCY OF THE ARVIN COMMUNITY REDEVELOPMENT AGENCY ("SUCCESSION AGENCY") TO APPROVE AN AGREEMENT BETWEEN THE SUCCESSOR AGENCY AND THE KERN COMMUNITY COLLEGE DISTRICT FOR THE DEVELOPMENT OF A COMMUNITY COLLEGE CAMPUS IN THE CITY OF ARVIN.

WHEREAS, the Kern Community College District ("District") provides traditional two year higher education courses and associate degrees as well as critical job training including first responders and training that supports other local industries; and

WHEREAS, the District has campuses in Bakersfield, Ridgecrest, Delano and Porterville which serve as an economic hub for Kern and Tulare Counties; and

WHEREAS, on November 8, 2016, the voters of the District approved Measure J sponsored by the District authorizing the issuance of $502 Million in bonds ("Bond Proceeds") to benefit the Kern Community College District Facilities Improvement District No. 1; and

WHEREAS, the District may only use the Bond Proceeds to fund construction, reconstruction, rehabilitation or replacement of school facilities; and

WHEREAS, the District’s selection of projects utilizing the Bond Proceeds will consider projects involving matching funds and grants from other entities; and

WHEREAS, the educational attainment levels within the City of Arvin are low thereby limiting the potential labor market; and

WHEREAS, a community college campus and educational service opportunities within the City of Arvin ("City") would not only provide jobs but also provide access to higher education and training thus increasing the educational attainment levels and job potential of many of the City’s residents; and

WHEREAS, the City owns that certain unimproved real property located south of Varsity Avenue and west of Campus Drive specifically APNs. 190-020-46 & 48 consisting of approximately 32.5 acres ("City Property"); and

WHEREAS, the City Property could be used for the development of a community college campus and educational services for the benefit of the City and surrounding communities; and

WHEREAS, the City has agreed to contribute City Property for the development of a community college campus and educational services pursuant to a disposition and development agreement ("City DDA") in which (i) the City would grant the City Property to the District at no cost to the District in As-Is condition pursuant to a grant deed containing applicable covenant language and waive its standard City planning and development fees; (ii) the District will commit to develop a community college campus or educational service provisions on the site within five (5) years of execution, coordinate with the City for road closures and other construction issues which may impact City services, and obtain the approval of the City for proposed street alignments and dedicate the public streets and improvements to the City, and (iii) the parties would agree to other standard provisions for the City DDA (collectively the "Community College Project"); and
WHEREAS, the Successor Agency owns that certain unimproved parcel located at the southwest corner of the intersection of Varsity Avenue and Campus Drive, APN 190-020-14, consisting of approximately 3.6 acres and which is immediately adjacent to the City’s Property ("Successor Agency Site") and which could be used for the Community College Project; and

WHEREAS, the Successor Agency is willing to promote the use of the Successor Agency Site to the District as a part of the Community College Project under an agreement or other contractually binding arrangement, such as a Development and Disposition Agreement, to (i) allow the District to have a first right of refusal to the Successor Agency Site to develop a community college campus or provide educational services on both the Successor Agency Site and the City Property ("Project Site") within five (5) years of execution; and/or (i) to facilitate the transfer of the Successor Agency Site to the District to develop a community college campus on the Project Site within five (5) years of execution; and

WHEREAS, in order to facilitate the timely execution of such an agreement or other contractually binding arrangement, the Executive Director is authorized to (i) proceed with the documentation necessary to effect the Community College Project upon such other terms and conditions as determined by the Executive Director as approved as to legal form by the Successor Agency Legal Counsel, which may include a right of first refusal or other mechanisms to provide the District with the opportunity to acquire the Successor Agency Site on beneficial terms; and (ii) to execute documents to contractually bind the Successor Agency subject to the approval of the Oversight Board and, if applicable, the California Department of Finance ("DOF"); and

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency Board as follows:

SECTION 1: The Community College Project would be beneficial to the City and surrounding community by providing access to higher education and training thus increasing the educational attainment levels and job potential of the residents of the City.

SECTION 2: The Successor Agency supports and encourages the use of the Successor Agency Site by the District for the Community College Project.

SECTION 3: The Successor Agency approves and authorizes the Executive Director to take all necessary steps necessary to enter into an agreement or other contractually binding arrangement, such as a Development and Disposition Agreement ("DDA"), and to execute all documents necessary to (i) allow the District to have a first right of refusal to the Successor Agency Site to start construction of a community college campus and educational services on the Project Site within five (5) years of execution; and/or (i) to facilitate the sale or transfer of the Successor Agency Site to the District to start construction of a community college campus or facilities to provide educational services on the Project Site within five (5) years of execution. Said agreement(s) shall contain provisions that the Successor Agency Site is being transferred As-Is, the District will obtain approval from the City of any proposed street alignments and dedicate the streets and associated public improvements in fee simple to the City, the District will coordinate with the City for road closures and other construction issues which may impact City services, and other standard provisions to effectuate the right of first refusal or transfer. Any agreement or other contractually binding arrangement must be approved as to legal form by the Successor Agency Legal Counsel.

SECTION 4: Upon execution of an agreement by the Executive Director as authorized and directed in Section 3, and subject to approval by the Successor Agency Legal Counsel as to legal form, said agreement or contractual arrangement is recommended for approval by the Oversight Board. The Executive Director is hereby authorized to transmit this resolution Oversight Board and any agreement for Oversight Board review and approval or to seek any other approvals necessary for a right of first
refusal or to arrange for the transfer of the Successor Agency Property to the District for the Community College Project.

SECTION 5: If approved by the Oversight Board, the agreement or other contractually binding arrangement is recommended for approval by the DOF and the Executive Director is hereby authorized to transmit both this resolution and the approval of the Oversight Board to the DOF for their review and approval, to the extent said approval is required by law.

SECTION 6: The Successor Agency approves this Resolution and urges the City to move forward with a robust public engagement process to meet the City’s Regional Housing Needs Assessment Allocation.

I HEREBY CERTIFY that the foregoing resolution was passed, approved and adopted by the Successor Agency Board at a regular meeting thereof held on the 07th day of February, 2017 by the following vote:

AYES: AM Ortiz, AM Madrigal, AM Martinez, AM Robles, Chair Gurrola

NOES:

ABSTAIN:

ABSENT:

ATTEST

CECILIA VELA, Agency Secretary

CITY OF ARVIN ACTING AS THE SUCCESSOR AGENCY OF THE ARVIN COMMUNITY REDEVELOPMENT AGENCY

By: JOSE GURROLA, Chair

APPROVED AS TO FORM

By: SHANNON L. CHAFFIN, Successor Agency Legal Counsel
Aleshire & Wynder, LLP

I, ________________, Successor Agency Secretary for the City of Arvin as the Successor Agency of the Arvin Community Redevelopment Agency, DOES HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the Successor Agency Board on the date and by the vote indicated herein.
RESOLUTION NO. 2017-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARVIN TO APPROVE A DEVELOPMENT AND DISPOSITION AGREEMENT BETWEEN THE CITY AND THE KERN COMMUNITY COLLEGE DISTRICT FOR THE DEVELOPMENT OF A COMMUNITY COLLEGE CAMPUS IN THE CITY OF ARVIN.

WHEREAS, the Kern Community College District ("District") provides traditional two year higher education courses and associate degrees as well as critical job training including first responders and training that supports other local industries; and

WHEREAS, the District has campuses in Bakersfield, Ridgecrest, Delano and Porterville, which serve as an economic hub for Kern and Tulare Counties; and

WHEREAS, on November 8, 2016, the voters of the District approved Measure J sponsored by the District authorizing the issuance of $502 Million in bonds ("Bond Proceeds") to benefit the Kern Community College District Facilities Improvement District No. 1; and

WHEREAS, the District may only use the Bond Proceeds to fund construction, reconstruction, rehabilitation or replacement of school facilities; and

WHEREAS, the District’s selection of projects utilizing the Bond Proceeds will consider projects involving matching funds and grants from other entities; and

WHEREAS, the educational attainment levels within the City of Arvin ("City") are low thereby limiting the potential labor market; and

WHEREAS, a community college campus within the City would not only provide jobs but also provide access to higher education and training thus increasing the educational attainment levels and job potential of many of the City’s residents; and

WHEREAS, the City owns that certain unimproved real property located south of Varsity Avenue and west of Campus Drive, specifically APNs. 190-020-46 & 48, consisting of approximately 32.5 acres ("City Property"); and

WHEREAS, the City Property could be used for the development of a community college campus and educational services for the benefit of the City and surrounding communities; and

WHEREAS, the City is willing to contribute the City Property for the development of a community college campus and educational services pursuant to a disposition and development agreement ("DDA") in which (i) the City would grant the City Property to the District at no cost to the District in As-Is condition pursuant to a grant deed containing applicable covenant language and waive its standard City planning and development fees; (ii) the District will commit to start construction of a community college campus or facilities to provide educational service on the site within five (5) years of execution, coordinate with the City for road closures and other construction issues which may impact City services, and obtain the approval of the City for proposed street alignments and dedicate the public streets and improvements to the City; and (iii) the parties would agree to other standard provisions for the City DDA (collectively the "Community College Project"); and
WHEREAS, in order to facilitate the timely execution of a final DDA, the City Manager is authorized to (i) proceed with the documentation necessary to effect the Community College Project upon such other terms and conditions as determined by the City Manager reflected in a DDA as approved as to legal form by the City Attorney, and (ii) to execute the DDA thereby contractually binding the City; and

WHEREAS, the City of Arvin acting as Successor Agency to the Arvin Redevelopment Agency ("Successor Agency") owns that certain unimproved parcel located at the southwest corner of the intersection of Varsity Avenue and Campus Drive, APN 190-020-14 consisting of approximately 3.6 acres ("Successor Agency Site"), and which is immediately adjacent to the City Property; and

WHEREAS, the City is willing to use its best efforts to have the Successor Agency concurrently provide for either a right of first refusal or another mechanisms to ensure transfer the Successor Agency Site to the District as a part of the Community College Project.

NOW, THEREFORE, BE IT RESOLVED by the City Council as follows:

SECTION 1: The Community College Project would be beneficial to the City and surrounding community by providing access to higher education and training thus increasing the educational attainment levels and job potential of the residents of the City.

SECTION 2: The City supports and encourages the use of the City Property by the District for the Community College Project. The City’s contribution of the City Property at no cost to the District will increase the chances to secure the Community College Project.

SECTION 3: The City approves and authorizes the City Manager to negotiate and execute a DDA with the District, as approved by the City Attorney as to legal form, which shall provide that (i) the City will grant the City Property to the District at no cost to the District in as-is condition pursuant to a grant deed containing applicable covenant language and waive its standard City planning and development fees; (ii) the District will commit to start construction of a community college campus or educational service provisions on the site within five (5) years of execution, coordinate with the City for road closures and other construction issues which may impact City services, and obtain the approval of the City for proposed street alignments and dedicate the public streets and improvements to the City, and (iii) the parties would agree to other standard provisions for the City DDA.

SECTION 4: The City agrees to encourage the Successor Agency to arrange for the Successor Agency Site to be used for the Community College Project in conjunction with the transfer of the City Property to the District.

SECTION 5: This Resolution is approved and staff is directed to work towards a diligent and robust public engagement process to adequately meet the City’s Regional Housing Needs Assessment Allocation under housing element law.
I HEREBY CERTIFY that the foregoing resolution was passed, approved and adopted by the Arvin City Council at a regular meeting thereof held on the 07th day of February, 2017 by the following vote:

AYES: CM Ortiz, CM Madrigal, CM Martinez, MPT Robles, Mayor Gurrola

NOES:

ABSTAIN:

ABSENT:

ATTEST:

CECILIA VELA, City Clerk

CITY OF ARVIN

By: JOSE GURROLA, Mayor

APPROVED AS TO FORM:

By: SHANNON L. CHAFFIN, City Attorney
    Aleshire & Wynder, LLP

I, _________________________, City Clerk for the City of Arvin, DOES HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the City Council on the date and by the vote indicated herein.
RESOLUTION NO. 2017-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARVIN TO APPROVE A DEVELOPMENT AND DISPOSITION AGREEMENT BETWEEN THE CITY AND THE KERN COMMUNITY COLLEGE DISTRICT FOR THE DEVELOPMENT OF A COMMUNITY COLLEGE CAMPUS IN THE CITY OF ARVIN.

WHEREAS, the Kern Community College District ("District") provides traditional two year higher education courses and associate degrees as well as critical job training including first responders and training that supports other local industries; and

WHEREAS, the District has campuses in Bakersfield, Ridgecrest, Delano and Porterville, which serve as an economic hub for Kern and Tulare Counties; and

WHEREAS, on November 8, 2016, the voters of the District approved Measure J sponsored by the District authorizing the issuance of $502 Million in bonds ("Bond Proceeds") to benefit the Kern Community College District Facilities Improvement District No. 1; and

WHEREAS, the District may only use the Bond Proceeds to fund construction, reconstruction, rehabilitation or replacement of school facilities; and

WHEREAS, the District’s selection of projects utilizing the Bond Proceeds will consider projects involving matching funds and grants from other entities; and

WHEREAS, the educational attainment levels within the City of Arvin ("City") are low thereby limiting the potential labor market; and

WHEREAS, a community college campus within the City would not only provide jobs but also provide access to higher education and training thus increasing the educational attainment levels and job potential of many of the City’s residents; and

WHEREAS, the City owns that certain unimproved real property located south of Varsity Avenue and west of Campus Drive, specifically APNs. 190-020-46 & 48, consisting of approximately 32.5 acres ("City Property"); and

WHEREAS, the City Property could be used for the development of a community college campus and educational services for the benefit of the City and surrounding communities; and

WHEREAS, the City is willing to contribute the City Property for the development of a community college campus and educational services pursuant to a disposition and development agreement ("DDA") in which (i) the City would grant the City Property to the District at no cost to the District in As-Is condition pursuant to a grant deed containing applicable covenant language and waive its standard City planning and development fees; (ii) the District will commit to start construction of a community college campus or facilities to provide educational service on the site within five (5) years of execution, coordinate with the City for road closures and other construction issues which may impact City services, and obtain the approval of the City for proposed street alignments and dedicate the public streets and improvements to the City; and (iii) the parties would agree to other standard provisions for the City DDA (collectively the “Community College Project”); and
WHEREAS, in order to facilitate the timely execution of a final DDA, the City Manager is authorized to (i) proceed with the documentation necessary to effect the Community College Project upon such other terms and conditions as determined by the City Manager reflected in a DDA as approved as to legal form by the City Attorney, and (ii) to execute the DDA thereby contractually binding the City; and

WHEREAS, the City of Arvin acting as Successor Agency to the Arvin Redevelopment Agency ("Successor Agency") owns that certain unimproved parcel located at the southwest corner of the intersection of Varsity Avenue and Campus Drive, APN 190-020-14 consisting of approximately 3.6 acres ("Successor Agency Site"), and which is immediately adjacent to the City Property; and

WHEREAS, the City is willing to use its best efforts to have the Successor Agency concurrently provide for either a right of first refusal or another mechanisms to ensure transfer the Successor Agency Site to the District as a part of the Community College Project.

NOW, THEREFORE, BE IT RESOLVED by the City Council as follows:

SECTION 1: The Community College Project would be beneficial to the City and surrounding community by providing access to higher education and training thus increasing the educational attainment levels and job potential of the residents of the City.

SECTION 2: The City supports and encourages the use of the City Property by the District for the Community College Project. The City’s contribution of the City Property at no cost to the District will increase the chances to secure the Community College Project.

SECTION 3: The City approves and authorizes the City Manager to negotiate and execute a DDA with the District, as approved by the City Attorney as to legal form, which shall provide that (i) the City will grant the City Property to the District at no cost to the District in As-Is condition pursuant to a grant deed containing applicable covenant language and waive its standard City planning and development fees; (ii) the District will commit to start construction of a community college campus or educational service provisions on the site within five (5) years of execution, coordinate with the City for road closures and other construction issues which may impact City services, and obtain the approval of the City for proposed street alignments and dedicate the public streets and improvements to the City, and (iii) the parties would agree to other standard provisions for the City DDA.

SECTION 4: The City agrees to encourage the Successor Agency to arrange for the Successor Agency Site to be used for the Community College Project in conjunction with the transfer of the City Property to the District.

SECTION 5: This Resolution is approved and staff is directed to work towards a diligent and robust public engagement process to adequately meet the City’s Regional Housing Needs Assessment Allocation under housing element law.

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I HEREBY CERTIFY that the foregoing resolution was passed, approved and adopted by the Arvin City Council at a regular meeting thereof held on the 07th day of February, 2017 by the following vote:

AYES: CM Ortiz, CM Madrigal, CM Martinez, MPT Robles, Mayor Gurrola

NOES: ____________________________

ABSTAIN: ____________________________

ABSENT: ____________________________

ATTEST: ____________________________

CECILIA VELA, City Clerk

CITY OF ARVIN

By: JOSE GURROLA, Mayor

APPROVED AS TO FORM

By: SHANNON L. CHAFFIN, City Attorney
    Aleshire & Wynder, LLP

I, ___________________________________, City Clerk for the City of Arvin, DOES HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the City Council on the date and by the vote indicated herein.