

RESOLUTION NO. 95-002

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

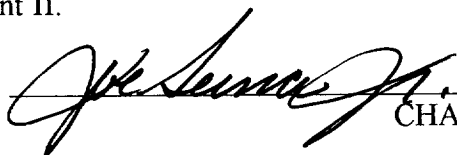
ON DATE OF JAN 17 1995

RELEASE WITH WAIVER AND ESTOPPEL AND INDEMNIFICATION AGREEMENTS FOR FEDERAL COURTHOUSE


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

Section 1. The Executive Director is authorized to enter into that certain agreement labeled "Release with Waiver and Estoppel," attached as Attachment I.

Section 2. The Executive Director is authorized to enter into that certain agreement labeled "Indemnification Agreement," attached as Attachment II.


CHAIR

ATTEST:


SECRETARY

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NO FEE DOCUMENT:

Entitled to free recording
per Government Code 6103.
Recording Requested by the
REDEVELOPMENT AGENCY OF
THE CITY OF SACRAMENTO

When Recorded Return to:
REDEVELOPMENT AGENCY OF
THE CITY OF SACRAMENTO
630 I Street, C-33
Sacramento, CA 95814
Attn: Legal Department

RELEASE WITH WAIVER AND ESTOPPEL

The Redevelopment Agency of the City of Sacramento, a public body, corporate and politic, ("Agency") does make and issue this release, waive and estoppel in consideration of the concurrent transfer of the real property ("Property") described in Exhibit I (and attached and incorporated in this document by this reference), by the City of Sacramento to the United States of America, General Services Administration, for uses of the federal government, which uses are in furtherance of the respective redevelopment plans covering the Property, and which uses benefit the affected redevelopment areas and the community as a whole,

1. With regard to the Property and for so long as the property is used for purposes of the federal government, the Agency releases all conditions, regulations, restrictions and controls of the "Amended Redevelopment Plan for the Capitol Mall Riverfront Project No. 4," commonly known as the Merged Downtown Sacramento Redevelopment Project ("Downtown Redevelopment Project"), adopted June 17, 1986, and recorded in Book 86-07-29 at Page 1597 et seq. of the records of the County Recorder of Sacramento County; including, without limitation, the requirements of "Declaration of Restrictions," dated February 25, 1972, recorded as document number 29960 in Book 72-0406 at Page 244 et seq., and the requirements of implementing plans and strategies related to the Downtown Redevelopment Project, including without limitation the "Implementation Strategy for the Merged Downtown Sacramento Redevelopment Project Area;" the "Sacramento Urban Design Plan;" the "Contract for Sale of Land for Redevelopment by a Public Body" dated July 19, 1977 (recorded in book 77-11-14, beginning at Page 1126); and the Special Warranty Deed, dated November 9, 1977 (recorded in Book 77-11-14, beginning at Page 1172).

2. With regard to the Property and for so long as the property is used for purposes of the federal government, the Agency releases all conditions, regulations, restrictions and controls of the "Redevelopment Plan of the Richards Boulevard Redevelopment Project" ("Richards Boulevard Redevelopment Plan") dated July 17, 1990 and recorded July 19, 1990, in Book 90-07-19 at Page 1188 et seq. and re-recorded on August 7, 1990 on Book 90-08-07 at Page 1583 and re-recorded by memorandum on September 15, 1993 in Book 93-09-15 at Page 0128 et seq., including,

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without limitation, the requirements of any and all recorded restrictions, covenants and conditions and implementation plans and strategies.

3. With regard to the Property and for so long as the Property is used for purposes of the federal government, the Agency waives its right to use eminent domain to obtain any property rights, of any kind whatsoever, in the Property under the Downtown Redevelopment Plan, the Richards Boulevard Redevelopment Plan, or otherwise.

4. The Agency acknowledges that the development of the Property for purposes of the federal government is and shall be in conformance with the Downtown Redevelopment Plan and the Richards Boulevard Redevelopment Plan. The Agency acknowledges that it has the power and authority to make the preceding releases and waivers. The Agency acknowledges that the City of Sacramento and the United States of America have acted in reliance upon the preceding waivers and releases. Therefore, the Agency is and shall be estopped from asserting any control over the development of the property by, or while owned by, the federal government or any subdivision of the federal government.

Executed on _____ in Sacramento, California

REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO

By: _____
JOHN E. MOLLOY
Executive Director

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INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT ("Agreement") is made and entered into as of this ____ day of _____, 1994, by and between CHICAGO TITLE INSURANCE COMPANY, a California corporation ("Chicago Title"), and THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic, of the State of California ("Agency") in consideration of their mutual obligations, the parties agree as follows:

1. Purpose

1.1. The City of Sacramento ("City") and Southern Pacific Transportation Company ("SPTCO") have entered into an agreement for transfer of the real property ("SPTCO Parcel") described in Exhibit 1 attached to and incorporated in this Agreement by this reference and City and United States of America, General Services Administration have entered into an agreement for transfer to United States of America, General Services Administration of the real property ("Property") described in Exhibit 2 attached to and incorporated in this Agreement by this reference. United States of America, General Services Administration is acquiring the property for purposes of the federal government.

1.2. United States of America, General Services Administration, in acquiring the Property for federal governmental purposes, requires, among other things, that the Property be free and clear of Agency's redevelopment requirements and Agency's power of eminent domain.

1.3. Concurrently with this Indemnification Agreement, Agency has executed a Release with Waiver and Estoppel which restricts Agency authority and power with regard to the Property.

2. Indemnification. Agency shall indemnify Chicago Title and hold Chicago Title harmless from and against any and all losses, claims, liabilities, suits, fines, penalties and costs, which arise, result from or relate to claims or suits threatened or commenced by United States of America, General Services Administration against Chicago Title arising from or with respect to Chicago Title providing United States of America, General Services Administration with a policy of title insurance that indicates City is the record title holder of the Property and that City's deed to United States of America, General Services Administration conveys fee title without exception for any item relating to the Merged Downtown Sacramento Redevelopment Plan, the Richards Boulevard Redevelopment Plan, or any of the documents related to, in furtherance of or implementing such redevelopment plans, including without limitation, the actions of the Agency purporting to be pursuant to such plans and documents.

3. Policy of Title. Agency's indemnification of Chicago Title is conditioned upon Chicago Title issuing a policy of title as described in Section 2 above without conditions or exceptions relating to the Merged Downtown Sacramento Redevelopment Plan, the Richards Boulevard Redevelopment Plan or any instrument or powers of the Agency related to or arising from such plans.

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4. Notices, Demands and Communications Between the Parties. Formal notices, demands and communications between the parties shall be sufficiently given if dispatched by personal delivery or by registered or certificated mail, postage prepaid, return receipt requested, to the principal offices of the addressee party, as noted below. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail. Any such notice, demand or communication shall be deemed to have been received upon delivery if given by personal delivery.

If to Agency:

THE REDEVELOPMENT AGENCY OF
THE CITY OF SACRAMENTO
630 I Street
Sacramento, California 95814
Attention: Executive Director

If to Chicago Title:

CHICAGO TITLE INSURANCE
COMPANY
1601 Executive Court
Sacramento, California 95864
Attention: Area Underwriter

5. Conflict of Interests. No member, official or employee of the Agency shall have any personal interest, direct or indirect, in this Agreement nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

6. Nonliability of Agency Officials and Employees. No member, official or employee of Agency shall be personally liable to Chicago Title or any successor-in-interest in the event of any default or breach by Agency or for any amount which may become due to Chicago Title or to its successor or on any obligations under the terms of this Agreement.

7. Attorney Fees. If any party shall institute any action or proceeding ("Suit") against any other party relating to any breach or alleged violation of any covenant, term or obligation of this Agreement or enforcement of the provisions of this Agreement, the "Prevailing Party" shall be entitled to recover from the nonprevailing party, as part of the Prevailing Party's reasonable attorney fees incurred since commencement of the Suit, as fixed by the court.

The "Prevailing Party" shall be the party which by law is entitled to recover its costs of Suits, whether or not the Suit proceeds to final judgement. If a final judgement is rendered in a Suit, said judgement shall specify the Prevailing Party's right to recover its costs of Suit (including attorney fees) incurred in enforcing, perfecting and executing such judgment, and including without limitations, such costs incurred in connection with any of the following: (i) post-judgement motions; (ii)

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contempt proceedings; (iii) garnishment, levy, and debtor/third party examinations; (iv) discovery; and (v) bankruptcy litigation.

A party not entitled to recover its costs shall not recover attorney fees; provided, however, where a party shall have instituted and then dismissed Suit against a defendant party, without the concurrence of such other party, such defendant party shall be the Prevailing Party. No sum for attorney fees shall be included in calculating the amount of a judgement to determine whether a party is the Prevailing Party entitled to recover its costs and attorney fees. The term "attorney fees" shall include fees of outside counsel and reasonable costs allocable to a party's in-house counsel.

8. California Law. This Agreement shall be construed in accordance with the substantive laws of the State of California without regard to the choice of law rules thereof. The rule of construction that a document can be construed strictly against the drafter shall have no application to this Agreement.

9. Severability. If one or more of the provisions of this Agreement shall be held to be illegal or otherwise void or invalid, the remainder of this Agreement shall not be affected thereby and shall remain in full force and effect to the maximum extent permitted under applicable laws and regulations.

10. Successors and Assigns. This Agreement and each and every term and condition hereof shall bind and inure to the benefit of the parties hereto, their successors and assigns.

Executed as of the day and year first above written in Sacramento, California.

"Agency"
THE REDEVELOPMENT AGENCY OF
THE CITY OF SACRAMENTO, a public
body, corporate and politic, of the State of
California

By: _____
JOHN E. MOLLOY
Executive Director

"Chicago Title"
CHICAGO TITLE INSURANCE
COMPANY, a California corporation

By: _____
Its: _____

Approved as to form:

By: _____
General Counsel

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