

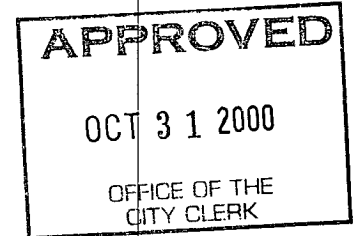
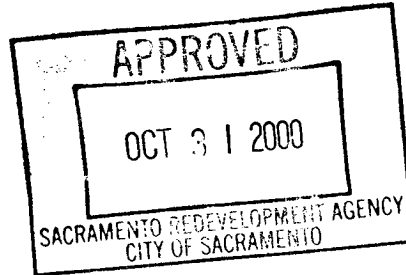


**Sacramento
Housing &
Redevelopment
Agency**

October 18, 2000

5.1

Redevelopment Agency of the
City of Sacramento
Sacramento, California



Honorable Members in Session:

SUBJECT: APPROVAL TO ENTER INTO AN OWNER PARTICIPATION AGREEMENT WITH CONDITIONAL GRANT AGREEMENT WITH GRANT JOINT UNION HIGH SCHOOL DISTRICT TO FUND GRANT UNION HIGH SCHOOL FACILITIES IMPROVEMENTS

LOCATION & COUNCIL DISTRICT

Grant Union High School, 1400 Grand Avenue; Council District 2

RECOMMENDATION

Staff recommends adoption of the attached resolution, which authorizes the Executive Director or her designee to:

- Enter into an Owner Participation Agreement with Conditional Grant Agreement with Grant Joint Union High School District (GJUSHD); and
- Amend the Agency budget to transfer \$2,000,000 from the Public Improvements Project to the Grant Union High School Facilities project.

CONTACT PERSONS

John Dangberg, Director - City Community Development, 440-1357
Donna Melendez, Senior Redevelopment Planner, 566-6487

FOR COUNCIL MEETING OF October 31, 2000

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the City of Sacramento

October 18, 2000

Page 2

SUMMARY

The report recommends approval of an Owner Participation Agreement with Conditional Grant Agreement (OPA/CGA) with the Grant Joint Union High School District (GJUHSD) for the construction of public improvements for the perimeter of the Grant Union High School campus in Del Paso Heights, and to amend the Agency budget to implement the project. It is proposed that \$2 million in tax-exempt funds derived from the December 1999 Capital Improvement Revenue Bond be allocated to this project, which has an overall budget of almost \$11 million. The proposed improvements are the result of a comprehensive public participation process initiated in the spring of 1999. The OPA/CGA, attached and also on file with the Agency Clerk, includes a Scope of Work, Schedule of Performances, an Equal Opportunity and Local Hire Initiatives agreement, which specifies responsibilities of the Agency and GJUHSD, and the donation of \$2 million of Agency funds to the District.

RAC ACTION

At its meeting of October 12, 2000, the Del Paso Heights Redevelopment Advisory Committee approved a motion recommending the actions described in this staff report. The vote was as follows:

AYES: Block, Blue, Covington, Langston, Lee, Loree, Mack, Scoggins,
Valez-Balay, Wells, Whittaker

NOES: None

ABSENT: Ahkiong, Kinsey

COMMISSION ACTION

At its meeting October 18, 2000, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Amundson, Burns, Dobbins, Graham, Harland, Holloway, Newsome,
Rotz, Simon

NOES: None

NOT PRESENT TO VOTE: Cespedes

ABSENT: Castello

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the City of Sacramento
October 18, 2000
Page 3

TABLE OF CONTENTS

BACKGROUND	3
FINANCIAL CONSIDERATIONS	5
POLICY CONSIDERATIONS	5
ENVIRONMENTAL REVIEW	6
W/MBE	6
ATTACHMENTS	
Attachment 1: Site Map, Grant Union High School.....	7
Attachment 2: Map, Del Paso Heights Redevelopment Project Area.....	8
Attachment 3: Recommended Improvements, Grant Union High School.....	9-15
Attachment 4: Partnership Project Budget.....	16
Attachment 5: Bond Revenue and Public Improvements Projects Budget.....	17
Attachment 6: Owner Participation Agreement with Conditional Grant Agreement	18-75
RESOLUTION.....	76-77

BACKGROUND

Grant Union High School (Attachment 1, Site Map) is the most highly valued public institution in the community of Del Paso Heights (DPH) and in the DPH Redevelopment Area (Attachment 2, Project Area). Its architecture has been adopted as the thematic style in the Marysville Boulevard Design Guidelines. Grant Union has a rich history and generations of proud alumni. As the Agency worked with the Redevelopment Advisory Committee (RAC) and the community to frame funding priorities for the Redevelopment Agency's December 1999 Capital Improvement Revenue Bond (CIRB) issue, not surprisingly, the school was identified as a critical piece of the overall neighborhood revitalization strategy. Staff also views Grant Union as an important element in the success of our strategies to increase homeownership in the Del Paso Heights area and concomitantly our success at Del Paso Nuevo.

While the Agency prepared for the CIRB, Grant Joint Union High School District (GJUHS) was conducting a school facilities assessment, preparatory to a November 1999 school bond measure. If successful, the school bond would fund classroom modernization and exterior campus enhancements. Because both the Agency and School District were simultaneously contemplating ways to provide much-needed improvements to Grant Union High School, the wisdom of collaboration became evident.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the City of Sacramento
October 18, 2000
Page 4

In late spring 1999 a broad-based group was convened to discuss a partnership that could potentially elevate both the school improvement goals and the broader community revitalization goals. An unprecedented collaborative was brought together to discuss the opportunity to improve the physical infrastructure of Grant Union High School. Participants included: Members of the GJUHSD Board and Administration, Grant Union administrators, the City of Sacramento, SHRA, District 2 City Council Member, and RAC and community members. Thus was formed the Grant High Facilities Planning Team.

The Team undertook a comprehensive planning effort that included the following:

- Identifying shared goals and opportunities for partnership;
- Developing funding strategies;
- Assessing leverage opportunities, and legal and policy items;
- Establishing project selection criteria and goals; and
- Developing a citizen participation process.

Two professionally facilitated Vision Workshops were held at Grant Union High School in the fall of 1999. The workshops were attended by students, parents, District and High School staff and administrators, alumni, and community leaders (including the RAC). This outstanding participatory process led to the development of a Vision Manual for improvements to the school.

In November 1999, the Grant District's bond measure just missed the two-thirds required vote. This meant there would be no bond funding available for the "enhancement" improvements identified in the Vision Manual. The District, however, became eligible for \$7.9 million in State "Hardship" and match funding for classroom modernization.

In January 2000:

- The RAC accepted the final Vision Manual;
- The District architects began a cost analysis; and
- The RAC Planning/Special Projects subcommittee began prioritizing a potential redevelopment project based on this analysis.

The recommended improvements include the following (Attachment 3):

- Demolition of existing fencing;
- New ornamental perimeter fencing with pilasters;
- Replacement of interior and stadium fencing with dipped, colored chain link;
- New campus/community message board at Grand Avenue and Dry Creek Road;
- New signage at football stadium and at northeast corner of campus (at Grand Avenue);
- Repair, re-coat retaining walls at stadium and on Dry Creek Road; and
- New perimeter landscaping and irrigation.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the City of Sacramento
October 18, 2000
Page 5

In addition, a variety of other enhancements are planned including (Attachment 4):

- An educational component whereby students involved in the GEO program (Grant's Environmental Organization) will have hands-on learning experience with landscape architecture professionals in the design and development of the project;
- The District will relocate the bus maintenance facility from the campus (this emerged as a high priority during the Vision Workshops);
- The District will pave the visitor parking lot and demolish interior fencing; and
- The City of Sacramento will invest \$200,000 for lighting, and provide a heating system for the swimming pool to accommodate year-round use.

The RAC and staff concur that this project is an important and integral piece of the neighborhood's overall commercial and residential revitalization goals. With the combined funding, nearly \$11 million will be invested in Grant Union High School to help elevate this highly valued institution, which is a landmark centerpiece in the Del Paso Heights community and Project Area. Moreover, the project supports and values the youth of the community, who are or will be students at Grant Union High School, and who hold the keys to the long-term revitalization of the community.

FINANCIAL CONSIDERATIONS

Construction of this project will cost \$2 million, which will be allocated from the Public Improvement Projects fund, leaving a balance of \$1,403,077 million. Details of the December 1999 bond issue budget and its public improvements component are shown in Attachment 5.

TYPE	SOURCE	AMOUNT	
Tax Increment	Tax Exempt Bond Proceeds	\$2,000,000	
	TOTAL	\$2,000,000	

POLICY CONSIDERATIONS

The action recommended in this report is consistent with the Fifth Amendment of the *Del Paso Heights Redevelopment Plan*, the *Del Paso Heights Five Year Implementation Plan*, and the *Vision Manual for Grant Union High School*. The proposed project is eligible for redevelopment funding based on the following criteria of redevelopment law:

- The improvements must primarily benefit the redevelopment project area;
- There must be no other means of financing the public improvements proposed;
- Tax increment fund will be used to assist in the elimination of one or more blighting conditions; and
- The use of tax increment is consistent with the project area's Implementation Plan.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the City of Sacramento
October 18, 2000
Page 6

ENVIRONMENTAL REVIEW

The approval of the OPA/CGA is in furtherance of the *Del Paso Heights Redevelopment Plan*, as amended. Per CEQA Guidelines Sections 15180, 15162, and 15163, actions to eliminate blight and encourage redevelopment in a redevelopment area were deemed approved at the time of adoption of the redevelopment plan. The proposed improvement actions will be reviewed pursuant to CEQA by the lead agencies for those actions. The proposed project is not a federal undertaking pursuant to NEPA.

M/WBE CONSIDERATIONS

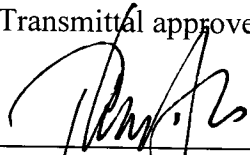
M/WBE considerations do not apply. The project does not involve federal funds, and the Agency's M/WBE policy is, therefore, not applicable.

Respectfully submitted,

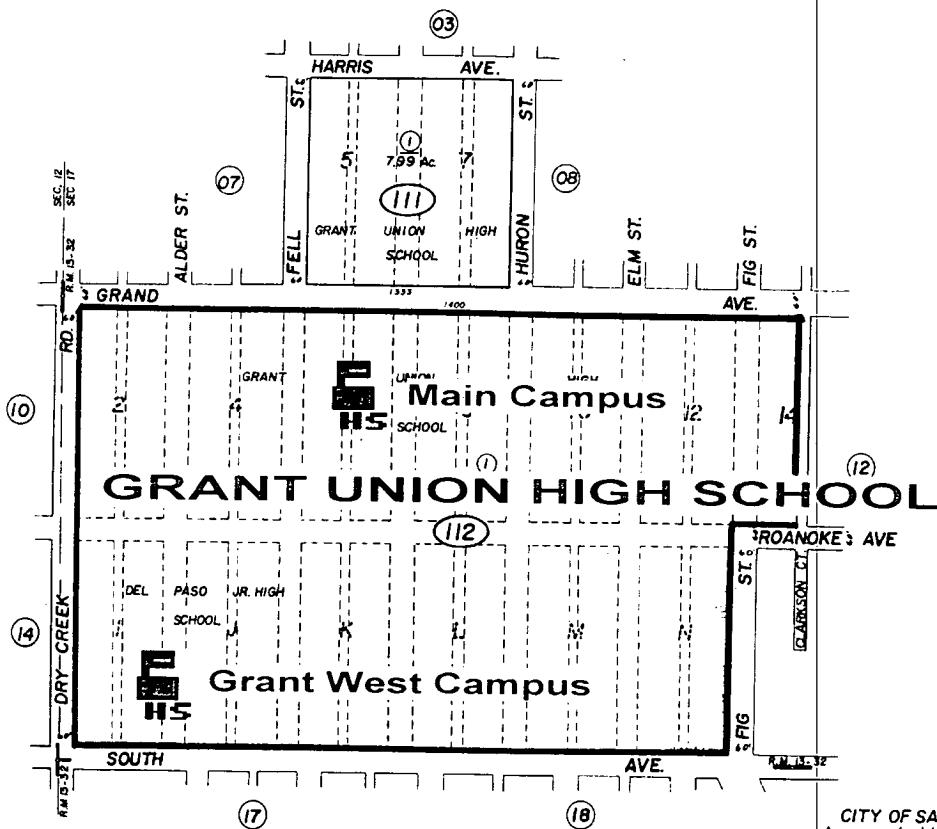


ANNE M. MOORE
Executive Director

Transmittal approved,



ROBERT P. THOMAS
City Manager



East Del Paso Heights, R.M. Bk. 13, Pg.32 NOTE—Assessor's Block Numbers Shown in Ellipses.
Assessor's Parcel Numbers Shown in Circles.

CITY OF SACRAMENTO
Assessor's Map Bk.251-Pg.11
County of Sacramento, Calif.

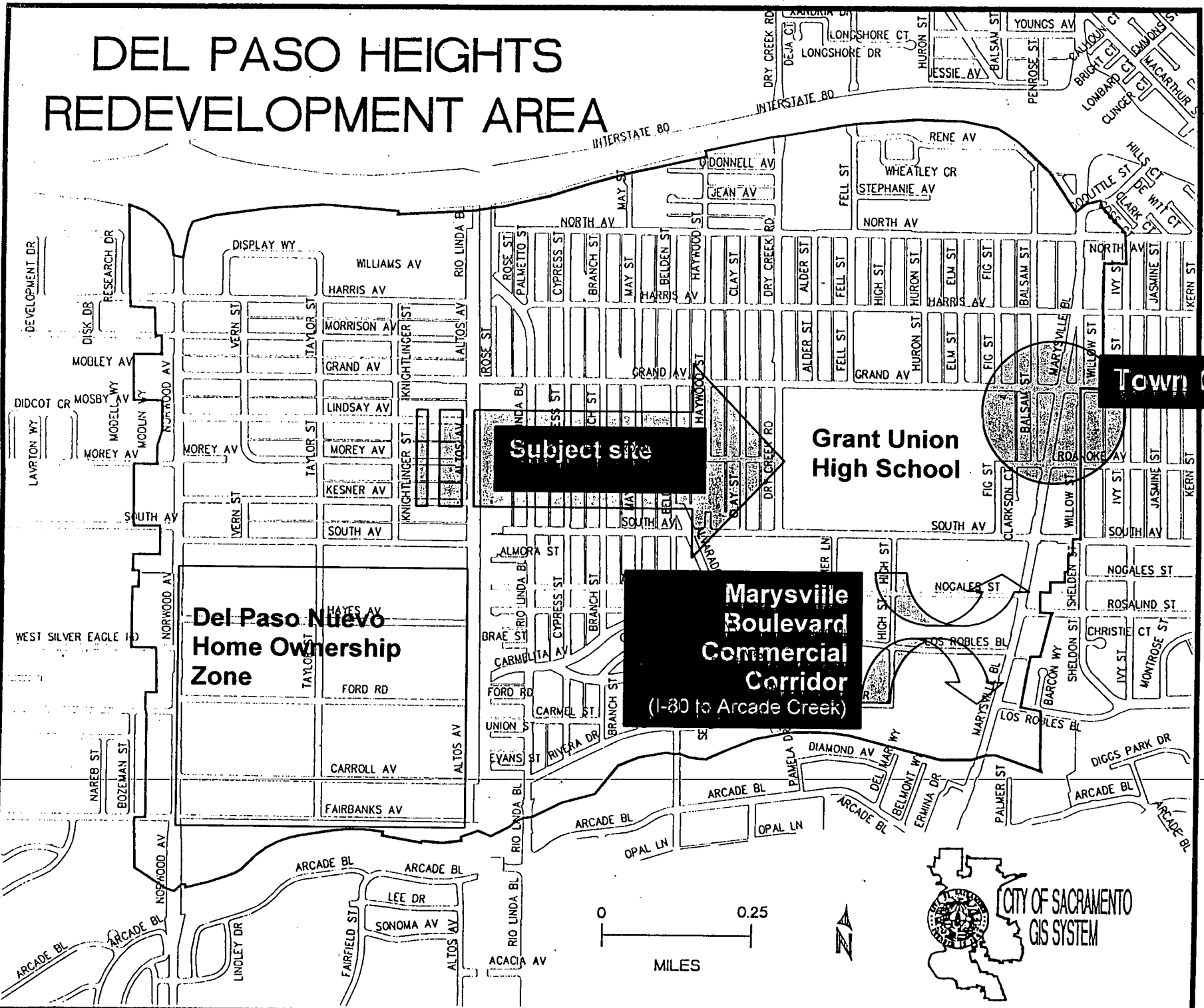
GRANT UNION HIGH SCHOOL

Del Paso Heights Redevelopment Project Site

Property Boundaries

North	Grand Avenue
South	South Avenue
East	Fig and Balsam streets
West	Dry Creek Road

DEL PASO HEIGHTS REDEVELOPMENT AREA



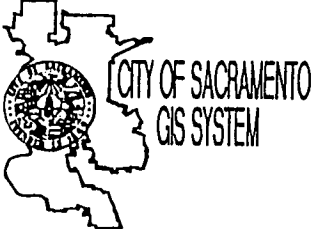
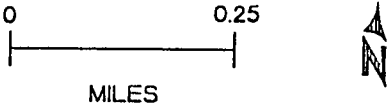
Town Center

Subject site

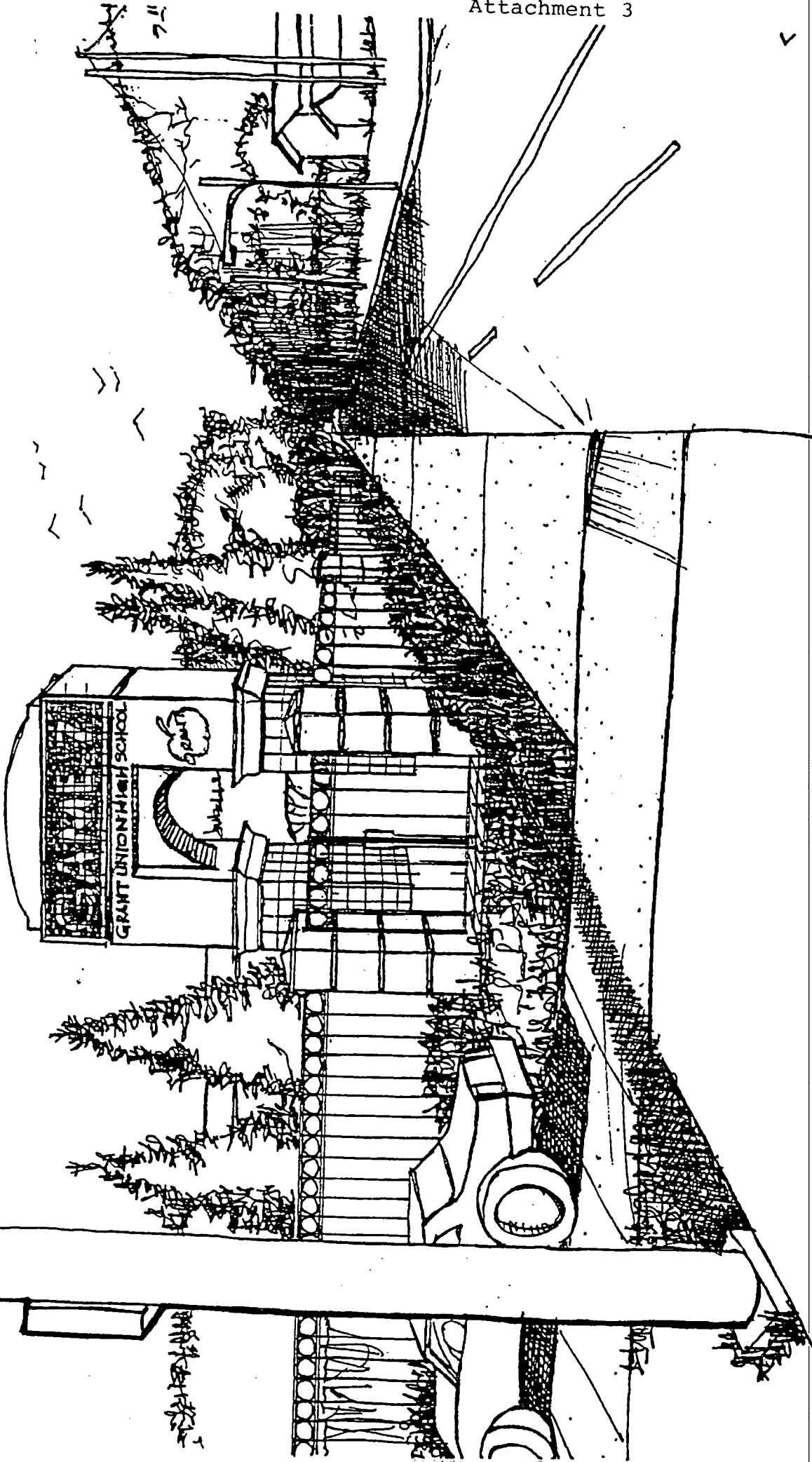
Grant Union High School

**Marysville Boulevard Commercial Corridor
(I-80 to Arcade Creek)**

Del Paso Nuevo Home Ownership Zone



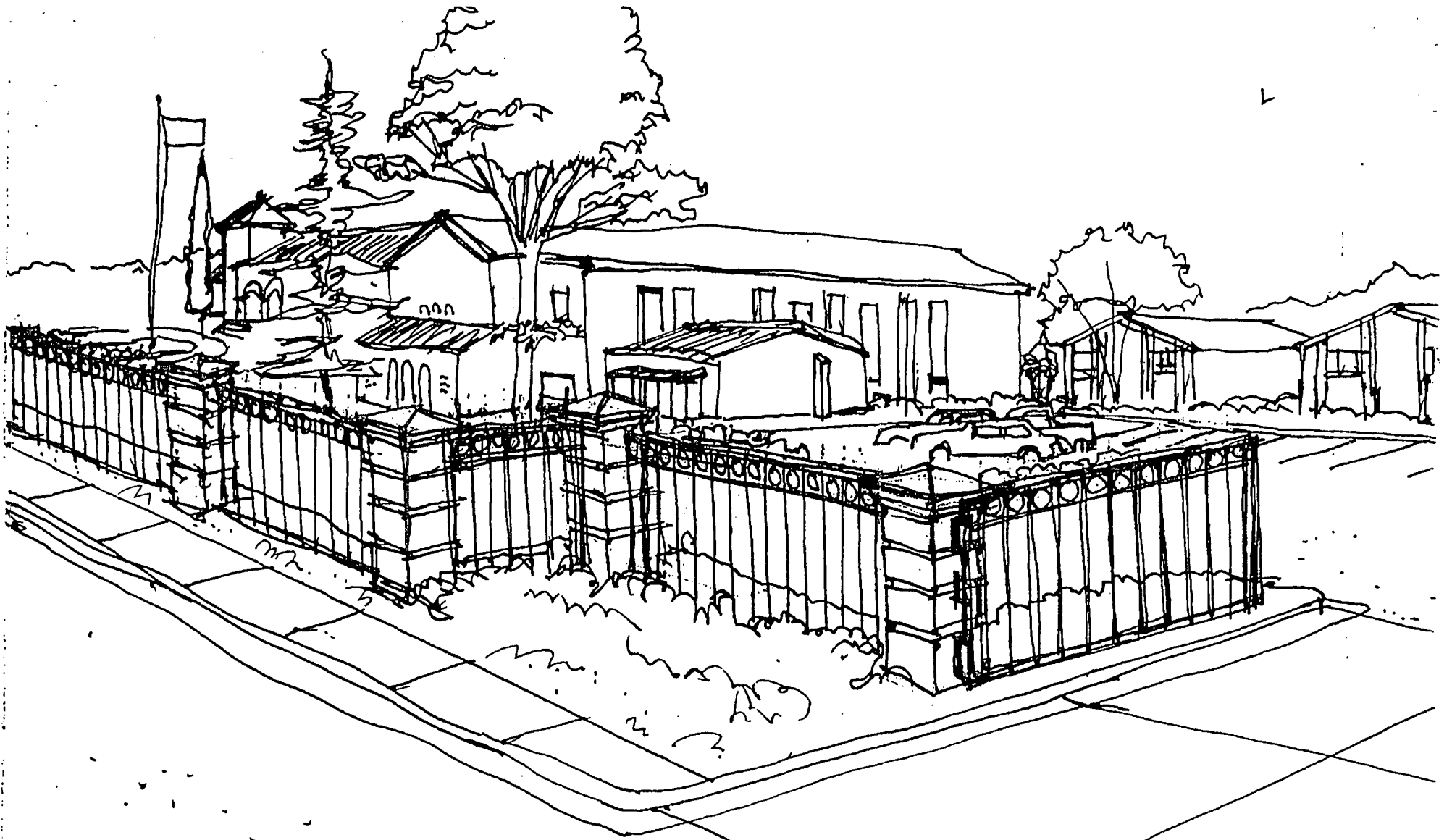
Attachment 3



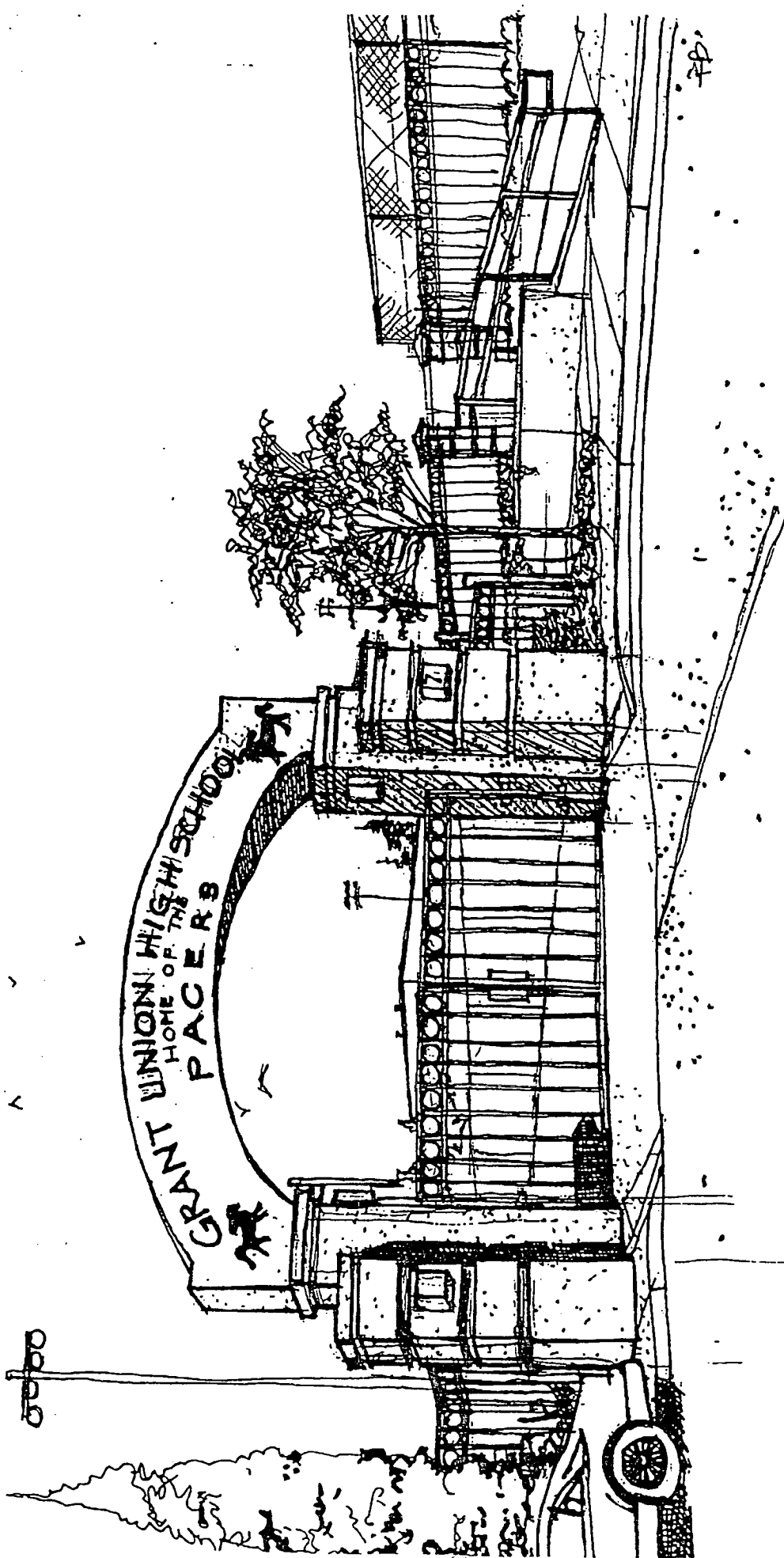
BALSAM STREET SCHOOL SIGNAGE



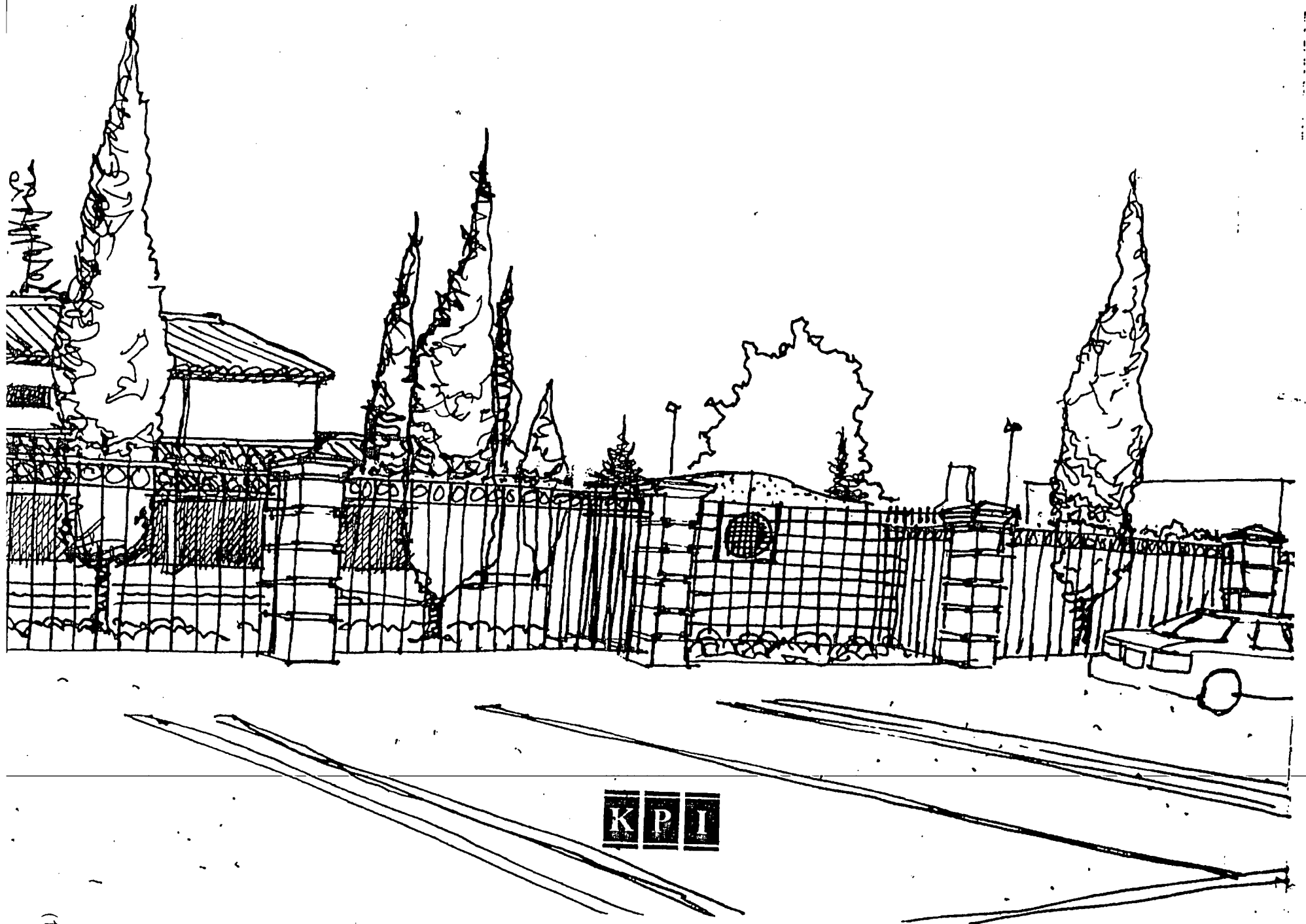
EVENTS SIGNAGE



CAMPUS FENCE LANDSCAPE

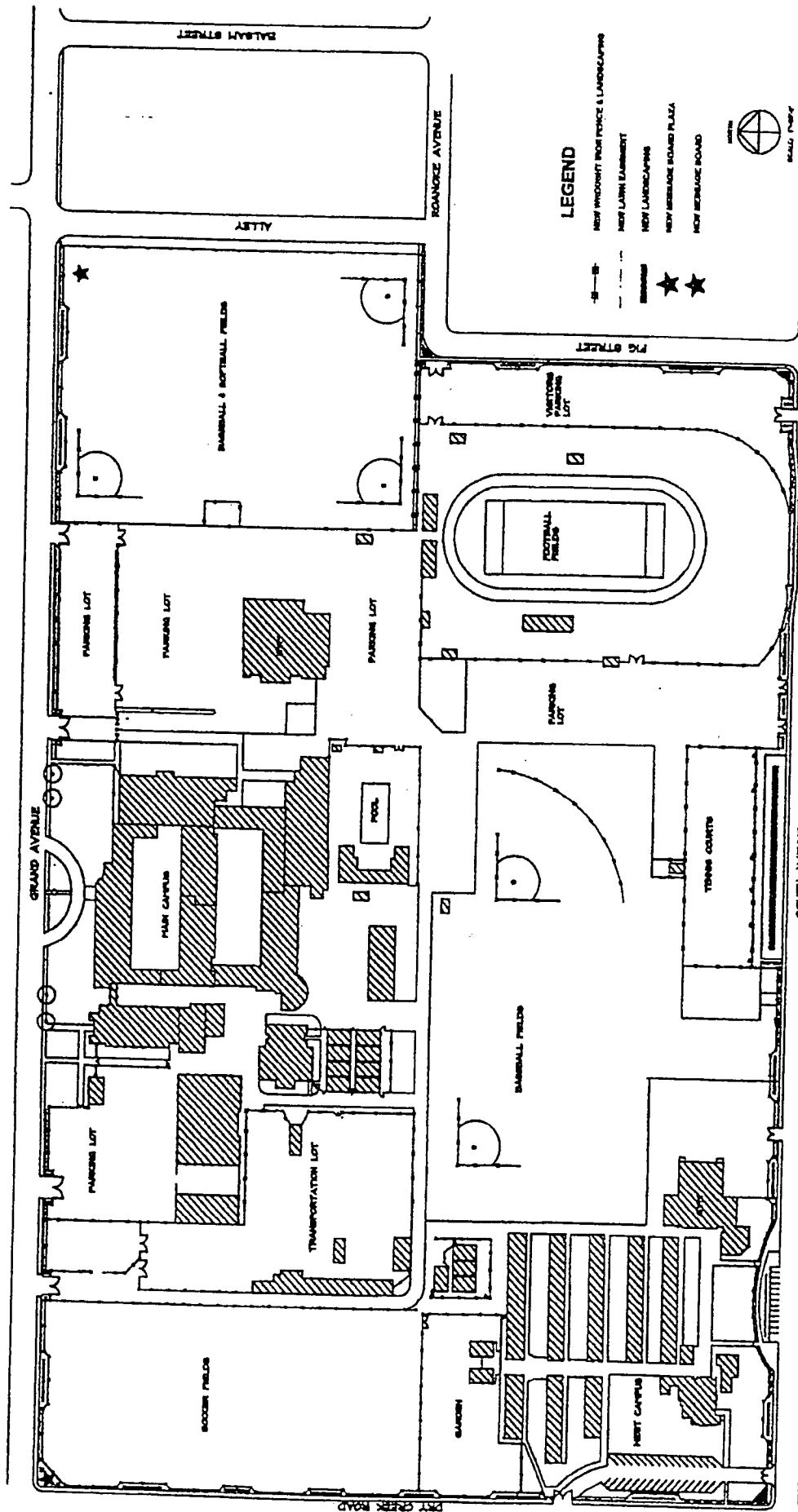


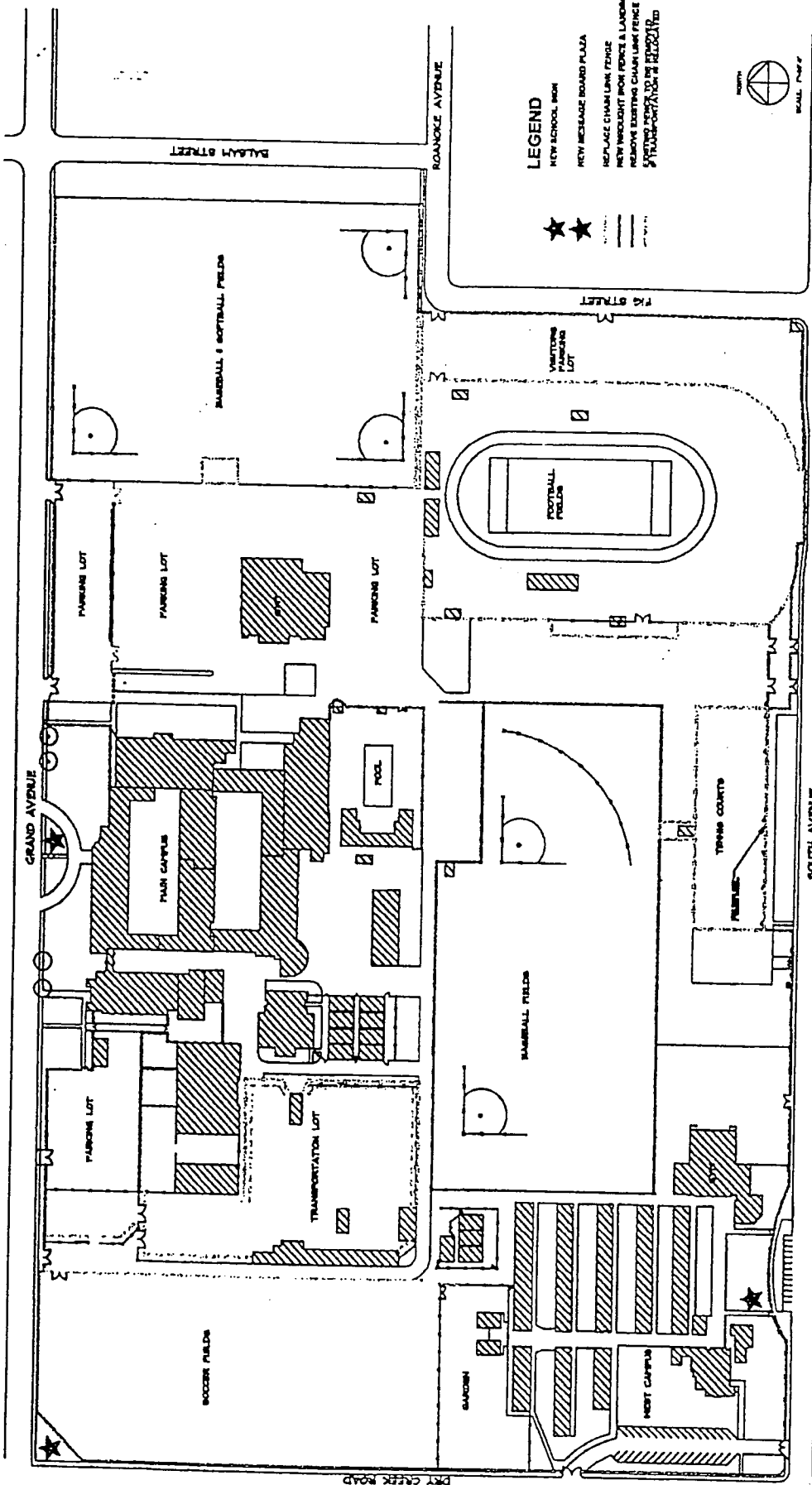
VISITOR PARKING ENTRANCE



KPI

POOL FENCE LANDSCAPE





Attachment 4

GRANT UNION HIGH SCHOOL
IMPROVEMENTS

PARTNERSHIP PROJECT BUDGET

SOURCE	USE	AMOUNT
DPH TI (Bond Proceeds)	Perimeter fencing, landscaping, gateways, signage	\$ 2,000,000
GJUHSD	Relocation of bus maintenance facility, buses, and demolition of Quonset hut	500,000
GJUHSD	Paving of visitor parking lot (stadium)	308,000
GJUHSD	Demolition of interior fencing	5,000
GJUHSD/State (Hardship and Match funds)	Classroom modernization	7,952,090
City of Sacramento-CIP ('00 General Fund)	Lighting Heat system for pool	200,000
	TOTAL NEW INVESTMENT	\$10,965,090

Attachment 5

Del Paso Heights 1999 CIR Bond Revenue Budget

Item	Source	Amount
Economic Development and Town Center (TC): <ul style="list-style-type: none"> • GSUL (\$1.5 million) • MAN/NC (\$285,000) • TC Devel. (\$1.16 million) • Exterior Rebate Program (\$300,000) 	CIR Tax Exempt Bond Proceeds	\$3,530,000
*Public Improvement Projects ➤ (See table below for itemized list of projects)	Same as above	3,693,967
Taxable Bond Fund Uses <ul style="list-style-type: none"> • Commercial Loan Program (\$300,000) • MAN/NC (\$285,000) • Development Assistance (\$275,000) 	CIR Taxable Bond Proceeds	860,000
Housing Development Assistance (Del Paso Nuevo)	CIR Tax exempt bond proceeds (20% Housing Set-Aside)	2,200,000
TOTAL BOND		\$10,283,967

*Del Paso Heights Public Improvement Projects Budget

Item	Source	Amount
*PUBLIC IMPROVEMENTS PROJECTS Budget	CIR Tax Exempt Bond Proceeds (for Public Improvement Projects)	\$3,693,967
Marysville Boulevard Improvements	Same as above	<224,000>
Marysville Boulevard Improvements	Same as above	<66,890>
<i>SUBTOTAL</i>		<i>\$3,403,077</i>
Grant High School Improvements	Same as above	<2,000,000>
Net PUBLIC IMPROVEMENTS PROJECT Budget	BALANCE REMAINING	\$1,403,077

NOTE: The Major Category List adopted for the Bond listed the Public Improvement Projects as follows:

- Implement Marysville Boulevard Urban Design Plan
- Facility Improvement Project with Grant High School (Partnership Project)
- Other projects as funding permits

**OWNER PARTICIPATION AGREEMENT
WITH CONDITIONAL GRANT AGREEMENT**

Del Paso Heights Project Area Tax Increment

Redevelopment Agency of the City of Sacramento
Del Paso Heights Redevelopment Project Area
Grant Joint Union High School District
1333 Grand Avenue
Sacramento, California 96838

THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO (“Agency”) and GRANT JOINT UNION HIGH SCHOOL DISTRICT (“Developer”) have entered into this Owner Participation Agreement, (herein referred to as the “OPA”) in consideration of the mutual promises and upon the representations, terms and conditions set out below. [The capitalized terms in this OPA shall have the meanings assigned in Section 14.]

FINDINGS

- A. Agency has adopted the Del Paso Heights Redevelopment Plan pursuant to the Community Redevelopment Law for rehabilitation of blighted areas in the Project Area, which encompasses the Site. (California Health and Safety Code §33000 et seq.).
- B. Agency’s primary purpose in entering this OPA is the redevelopment of the Site. The Project will benefit and improve the Project Area and serve the best interests of and the health, safety and welfare of City residents. The Project is consistent with and furthers the Redevelopment Plan, will assist in the elimination of blighting influences in the Project Area, and will further the following goals of the Implementation Plan for the Project Area: elimination of blighting conditions; increased property values; and enhanced public safety.
- C. Developer is the owner of Grant Union High School, real property located in the Project Area, more particularly described in Exhibit A: Property Description, which is incorporated herein by this reference (“Property”).
- D. Developer has determined and Agency finds that no other reasonable means of financing improvements to be made to the Property pursuant to this OPA are available to the community.
- E. Improvements to Property are so interwoven with Developer’s improvements that they cannot be done practically by separate contract and competitive bidding would result in greater public cost.
- F. In order to accomplish said purpose, Developer will redevelop the Property in the manner and for the uses described in this OPA. Therefore, Developer desires to develop the Property, and Agency desires to assist development of the Property, on the terms and conditions in this OPA.

AGREEMENT

NOW THEREFORE, in consideration of the following mutual covenants, obligations and agreements and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

1. CALIFORNIA ENVIRONMENTAL QUALITY. The California Environmental Quality Act is applicable to the actions of the Agency regarding the Project, and Agency is the lead agency under CEQA. In accordance with the California Environmental Quality Act (ACEQA) and its implementing regulations, an Initial Study of the Project has been prepared in accordance with the California Code of Regulations (ACCR) §15063 and, based upon such Initial Study, it is found and determined that the Project has no potential for causing significant impacts upon the environment. The Project is, therefore, exempt from further environmental review pursuant to CCR §15061(b)(3). The Agency has prepared a Notice of Exemption for the Project in accordance with California Code of Regulations 15062. Developer, at Developer's cost, shall comply with all measures in mitigation of adverse environmental impacts of the Project identified after CEQA review and adopted as conditions to Project approval. Developer shall incorporate in the Final Plans, as applicable, all such mitigation measures, if any. Developer shall comply with monitoring plans, if any, required as a condition of approval of the Project and cooperate with the Agency regarding such monitoring. This Agreement shall not be construed to limit the application of CEQA to the Project or to changes in the Project or to restrict Agency's actions in meeting its CEQA obligations.

The City may also have CEQA obligations regarding the Project that are separate and distinct from Agency obligations. In fulfilling their respective obligations under CEQA, the City and Agency shall each act independently, and the City and Agency shall each exercise their legislative and adjudicative powers pursuant to CEQA, without regard to any obligations of the Agency under this OPA. Agency shall not be liable to Developer or any purported third party beneficiary of this Agreement for Agency's action or omission in fulfilling its CEQA obligations for the Project.

2. SCHEDULE OF PERFORMANCES. The parties shall carry out their obligations under this OPA at the times or within the periods stated in Exhibit B: Schedule of Performances, incorporated herein by this reference.

3. THE PROJECT. Developer shall develop the Project described in the Exhibit C: Scope of Development, incorporated herein by this reference, and the Final Plans. The Project, in general terms, is the demolition of chain-link, razor-wire fence and installation of a decorative iron fence and gates, with street-front landscaping, decorative paving and monumental signage. Developer shall assure that the Project contains quality materials and conforms to all applicable building, zoning, design and usage laws, rules, regulations and guidelines, including without limitation, requirements imposed by other governmental authorities in proper exercise of their authority.

4. PREPARATION OF PLANS AND RELATED DOCUMENTS. Developer has provided Agency with a general description of the Project and a set of architectural drawings depicting the Project. Exhibit D: Preliminary Plans is incorporated into this OPA by reference herein. The Agency has approved the Preliminary Plans for the development of the Site which consists of architectural drawings prepared by Developer. The Agency has been induced to undertake its obligations under this OPA by Developer's promise to construct the Project in accordance with Preliminary Plans, the Scope of Development and the provisions of this OPA. Developer shall prepare the Final Plans, which shall include all construction plans, drawings, specifications and other documents necessary to obtain all required building permits for the construction of the Project. The Final Plans are deemed to include changes or corrections approved as provided in this OPA. The Final Plans are deemed to incorporate all mitigation measures that may be required for compliance with CEQA approvals for the Project.

4.1 AGENCY APPROVAL OF FINAL PLANS. Developer shall submit the Final Plans or changes to the Final Plans to the Agency, clearly marked on its exterior "URGENT: PLAN REVIEW" or the equivalent. If the Final Plans do not conform to this OPA, Agency may reject them, and Developer shall have no rights under this OPA to develop the Project until Agency has reviewed and approved corrected Final Plans. Agency shall be deemed to have approved the Final Plans or changes to the Final Plans unless Agency has given written disapproval, with specificity, within thirty (30) days after their proper delivery to Agency. Agency's disapproval of a portion of the Final Plans or change to the Final Plans shall be deemed a disapproval of the entire submission unless Agency has stated otherwise in writing. Agency's approval of Final Plans is not an assurance of the adequacy or correctness of the Final Plans. The Final Plans may be approved by the Agency's Executive Director, without further review by the Agency's governing board, if (a) the Final Plans conform in all material respects to the OPA, (b) the Final Plans are not in violation of any ruling by a governmental authority in proper exercise of its jurisdiction, and (c) a building permit can be issued based upon the Final Plans.

4.2. GOVERNMENTAL CHANGES. If any revisions or corrections of the Final Plans shall be required by any government official, agency, department or bureau in exercise of its proper jurisdiction, the Developer shall inform the Agency. If Agency and Developer concur in writing with the required change, Developer shall incorporate the change and it shall be deemed approved by Agency. If Agency or Developer reasonably disagree with the required change, they shall reasonably cooperate with the agency requiring the change in efforts to develop a mutually acceptable alternative.

4.3. APPROVAL OF SUBSTANTIAL CHANGES TO PLANS. The Developer shall not make any substantial change in the Final Plans, as approved by the Agency, unless the Agency has approved the proposed change in the same manner as for the Final Plans. A substantial change in the Final Plans shall include, without limitation, the following changes: (a) material changes in the design, frontage, signage, accessibility, finishing materials, and public areas and amenities; (b) any changes requiring approval of or any change required by a governmental authority in proper exercise of its duty; and (c) any change which would preclude or materially degrade the intended use of the Project.

4.4. MISREPRESENTATION. If Agency's approval of the Final Plans or the changes to the Final Plans is reasonably based upon a material misrepresentation to Agency by Developer or anyone on Developer's behalf, the Agency may rescind such approval within a reasonable period after discovery of the misrepresentation. Nothing in this section shall be construed to preclude or limit the rights or claims of the Agency with regard to such misrepresentation.

5. **DEVELOPMENT FINANCING.** Except as specifically provided in this OPA, Developer shall be responsible for, and pay all costs of developing the Project. Except as expressly provided in this OPA, no party shall have the right of reimbursement for any funds expended by them for the Project before execution of this OPA. As a condition precedent to Agency's obligation to make Agency's Loan, Developer shall provide the Agency with evidence that sufficient funds are available to develop, operate and maintain the Project in accordance with this OPA. To the extent that any Developer or Agency funds specified in this OPA for the Project are insufficient to fully fund the Project, the Developer shall provide evidence of Developer equity and/or construction and permanent financing which is sufficient for the Agency, in the exercise of good and prudent fiscal judgment, to determine the capacity of the Developer to complete the Project. Developer shall provide to Agency evidence of developer equity and/or financing for this project in the following manner:

5.1. **PROJECT BUDGET.** Subject to Agency's review and approval, Developer shall provide a firm budget for the all of the costs of Project construction. Such budget shall be in a form and with specificity satisfactory to Agency. Such budget shall include all projected "hard" and "soft" costs, other costs and fees and contingency reserves and shall reflect, as possible, executed contracts. For Developer's available funding to be considered sufficient, it shall be in an amount not less than the total of such approved Project budget.

5.2. **EVIDENCE OF DEVELOPER FUNDS.** Unless approved by Agency in writing, Developer's evidence of available funds for the Project, other than the Agency Grant, shall only include Developer equity as described below and/or firm and binding loan commitments; and Agency's contribution to the Project.

5.2.1. Evidence of Developer equity must consist only of the following: (a) an unconditional, irrevocable letter of credit in the required amount of the equity, which provides that funds may be drawn only for development of the Project; and/or (b) financial statements which state that the amounts of all liquid assets available to the Project, net of all actual and potential liabilities, exceeding one hundred and fifty percent (150%) of the required Developer equity. Agency may require clarification, further evidence or audited financial reports if such financial statements include qualifications by the preparer or other information which call into question the availability of such funds.

5.2.2. Evidence of loan commitments for the Project, if any, must be from a financial institution, insurance company or pension fund. Such loan commitments must be sufficient to assure adequate Project funding and that the Lender's loan requirements do not in conflict with this OPA. Such commitments shall be subject only to Lender's reasonable conditions of title and Developer's execution of standard loan documents, copies of which have been previously provided to and approved by the Agency. Such commitments shall not be based upon sources and uses of Project funds which are different from those approved by Agency for the Project. Such commitments shall not be subject to conditions which require changes to the Project which are not in accordance with this OPA and the Final Plans or which require amendment of this OPA. Such commitments shall contain only usual and customary, and commercially reasonable, loan terms. Developer represents and warrants that all equity or other funds or funding commitments represented by Developer as available to the Project are unencumbered

and not to be used for, or as evidence of funds for, any other use, and that Developer will not use any such funds for any purpose other than the Project without prior written Agency approval.

- 5.3. **CONSISTENCY OF FINANCING DOCUMENTS.** As a material obligation under this OPA and as a condition precedent to Agency's obligation to make the Agency's Grant, Developer shall assure that all third-party financing and loan documents for the Project, if any, are consistent with the lender's commitment approved by the Agency and comply, in all respects, with this OPA.
6. **CONDITIONAL GRANT AGREEMENT.** Agency and Developer shall have entered into a Conditional Grant Agreement, Exhibit E: Conditional Grant Agreement, an attachment incorporated herein by this reference. The Agency shall make and Developer shall accept the Agency Grant in the amount necessary to construct the Project as specified in the Agency approved Final Plans. In any event, the Agency Grant shall not exceed TWO MILLION DOLLARS (\$2,000,000). Agency is not obligated by this OPA or otherwise to make any contribution to the Project exceeding the amount of the Grant.
7. **CONDITIONS PRECEDENT TO CONSTRUCTION.** Developer shall not commence construction on the Site until Developer has fulfilled the following obligations, fulfillment of which is a condition precedent to the making of Agency's Loans:
- 7.1. **MITIGATION UNDER CALIFORNIA ENVIRONMENTAL QUALITY ACT.** Developer, at Developer's cost, shall assure compliance with any and all measures under CEQA , including monitoring measures, required as a condition of approval of this Project to mitigate adverse environmental impacts of the Project.
- 7.2. **TITLE TO THE SITE.** Developer shall have marketable title to all of the Site and shall provide evidence to the Agency that the Title Company is willing to insure such title. Developer shall provide proof that any and all relocation costs required by law have been paid.
- 7.3. **APPROVED PLANS.** Developer shall obtain Agency approval of the Final Plans for the construction of the Project as set out in Section 4 et seq.
- 7.4. **DESIGN REVIEW BOARD.** Developer shall obtain Design Review Board approval of the Final Plans for construction of the Project to the extent required under Section 4 et seq.
- 7.5. **BUILDING PERMIT.** Developer shall obtain a building permit for construction of the Project on the Site based upon the Final Plans as approved by the Agency and Design Review Board or shall provide Agency with assurances acceptable to Agency that such a building permit can and will be drawn as and when required under all applicable laws and regulations.

- 7.6. **EVIDENCE OF EQUITY AND FINANCING.** Developer shall provide evidence of financing (including all equity contributions and loans) for the construction of the Project as described in, and as approved by Agency under, Section 5 et seq.
- 7.7. **CONSTRUCTION CONTRACTS.** Developer shall submit to Agency, and obtain Agency approval of, construction contracts sufficient to commence construction of the Project. Developer shall submit evidence to Agency that such contracts have been executed by the parties as so approved. Agency's review of the construction contracts shall be only for the purpose of determining their compliance with this OPA.
- 7.8. **ZONING OF THE SITE.** Developer is responsible to assure that zoning of the Site at the time of development shall be such as to permit the development and construction of the Project in accordance with the provisions of this OPA and the use, operation and maintenance of the Project.
- 7.9. **CONDITION OF THE SITE.** Developer, at Developer's expense, shall conduct any Site investigation which Developer may consider necessary to determine the condition of the Site for the development of the Project. As between the Agency and Developer, Developer shall be solely responsible for the adequacy of such investigations.

Except as provided in this OPA, if the condition of the Site is not in all respects entirely suitable for the use or uses to which the Site will be put, it is the sole responsibility and obligation of the Developer to take such reasonable action as may be necessary to place the condition of the Site in a condition which is entirely suitable for its development in accordance with the construction plans and drawings approved by the Agency. The Agency shall not be responsible for removing any surface or subsurface obstructions, or structures of any kind on or under the Site.

- 7.9.1. **SITE INVESTIGATION.** Developer shall obtain, from a qualified environmental specialist acceptable to the Agency, a "Phase I" Hazardous Materials investigation, specifically including a review of the previous owners of the Site and their known uses of the Site and a physical inspection of the Site, a copy of which Developer shall provide to Agency. Developer, at Developer's expense, shall conduct any further necessary Site investigation to determine the condition of the Site for the development of the Project. As between the Agency and Developer, Developer shall be solely responsible for the adequacy of such Hazardous Materials investigations.
- 7.9.2. **REMIEDIATION.** Developer shall remediate any and all Hazardous Materials discovered on the Site, as and to the extent required by any federal, state or local agency having jurisdiction regarding Hazardous Materials standards or remediation and as may be necessary to avoid incurring liability or further liability under any federal, State and local law or regulation. Developer shall bear all costs related to such decontamination.
- 7.9.3. **INDEMNIFICATION OF AGENCY FOR HAZARDOUS MATERIALS.** Developer shall indemnify, protect and defend Agency and hold Agency harmless from any and all claims, liability, costs, fees, penalties and expenses related to the existence of Hazardous Materials

on the Site and to the removal or discharge of Hazardous Materials by Developer, or its employees, agents or contractors.

8. **DEVELOPMENT PROVISIONS.** Developer shall construct and manage the Project according to the requirements established in this OPA, which includes, without limitation, the Scope of Development and the Final Plans. In the event that the cost of construction of the Project, or any part of the Project exceeds the costs projected by Developer, Developer shall, nevertheless, bear the responsibility to complete, at Developer's cost, the construction of the Project in accordance with this OPA.
- 8.1. **SUBSTANTIAL CHANGES.** Developer covenants and agrees that Developer shall not make or permit to be made any construction of the Project which incorporates a substantial change in the Final Plans, as described in Section 4.1, without Agency approval of such changes as provided in Section 4.3.
- 8.2. **NO CONSTRUCTION OVER UTILITY EASEMENTS.** Developer shall not construct any of the Project on, over, or within the boundary lines of any easement for public utilities on the Site, unless such construction is provided for in such easement or has been approved by the beneficiary of the easement.
- 8.3. **COMMENCEMENT AND COMPLETION OF CONSTRUCTION.** The Developer shall promptly begin and thereafter diligently prosecute to completion the construction of the Project and the development of the Site in accordance with the provisions of this OPA and at the times specified in the Schedule of Performances.
- 8.4. **EXTENSION FEES.** Developer shall pay the following fees to Agency for extensions of time as specified, which extensions are limited as specified. Such extension fees shall be deemed to compensate Agency in full for additional costs which may be incurred by Agency in relation to such extension.
- 8.4.1. **OPTION EXTENSION FEE.** If Developer does not begin the construction of the Project on or before the "Commencement Date" established in the Schedule of Performances, Developer shall pay to Agency, monthly in advance, on the first day of each month beginning the calendar month following the Commencement Date, the Option Extension Fee in the amount of TWENTY-FIVE DOLLARS (\$25) for each day by which the commencement of construction is delayed beyond the date for commencement of construction of the Project. For days of delay occurring prior to the first payment date, Option Extension Fees due shall be paid in arrears at the time of their first payment. The Option Extension Fee, if any, shall be in addition to any Construction Period Extension Fee and damages which may also be due.
- 8.4.2. **CONSTRUCTION PERIOD EXTENSION FEE.** If Developer does not complete the construction of the Project on or before the Completion Date, Developer shall pay to Agency, monthly, in advance, on the first day of each month beginning the calendar month following said completion date, the Construction Period Extension Fee in the amount of TWENTY-FIVE DOLLARS (\$25) for each day by which the completion of construction is delayed beyond the Completion Date. Construction Period Extension Fees due for days of delay

occurring prior to the first payment date shall be paid in arrears at the time of the first payment under this Section. The Construction Period Extension Fee, if any, shall be in addition to any Option Extension Fee and damages which may also be due.

- 8.4.3. **AGENCY DELAY; UNAVOIDABLE DELAY.** The number of days used in computation of the Option Extension Fee or Construction Period Extension Fee shall be reduced by the number of days of delay in performance of any Agency obligations required for Developer's commencement or completion of construction, as the case may be, and which are not the result of any action or inaction of Developer. The number of days used in computation of the Option Extension Fee or Construction Period Extension Fee shall be reduced by the number of days of Unavoidable Delay.
- 8.4.4. **DEVELOPER DEFAULT.** Failure of Developer to make an advance payment of any such extension fee when due shall, at the election of the Agency, be deemed a material default by the Developer in the performance of its obligations under this OPA. If Developer delays either the commencement or completion of the construction of the Project for period greater than six months beyond the Commencement Date or Completion Date, respectively, Developer shall be deemed in material default of this OPA. In any event, Agency shall have the right to terminate, upon ten (10) days prior written notice, Developer's rights to such extension period for payment of extension fees and to declare Developer in material default of this OPA.
- 8.4.5. **REFUND OF UNEARNED FEE.** The Agency shall refund any unearned portion of an advance payment of any such extension fee within thirty (30) days of commencement or completion of construction, OR of termination of the OPA.
- 8.5. **REPORTS.** During the period of construction, the Developer shall submit to the Agency a written report of the progress of the work when reasonably requested by the Agency, but not more often than once each month. The report shall be in such form and detail as may reasonably be required by the Agency and shall include a reasonable number of construction photographs taken since the last report if previously requested by the Agency.
- 8.6. **PAYMENT AND PERFORMANCE BONDS.** Prior to commencement of construction of the Project, the Developer or its contractor shall obtain a performance bond and a labor and materials payment bond in favor of the Agency as a named obligee, in American Institute of Architects Form A311, or in equivalent form or security approved by Agency, securing faithful performance of the terms of the Contract in a penal sum equivalent to the cost of construction as approved by Agency and securing payment of all labor and material suppliers and subcontractors for the work of this OPA. In lieu of said bonds and subject to any applicable statutes rules and regulations, Developer may provide letter of credit, cash equivalent or real property security in a form and amount acceptable to and verified and approved by the Agency legal staff, subject to such assurances (including title insurance) as they may require. The bonds shall be written with a surety listed as acceptable to the federal government on its most recent list of sureties.

Developer shall comply with all requirements of the surety. Developer shall make no changes in the work to be performed by Developer and Contractor and shall make no advance payments to the Contractor without prior written notice to each surety and the Agency, which change or payment could release the surety of its obligations under the bonds.

- 8.7. **PERMITS.** Before commencement of construction or development of any buildings, structures or other work of improvement upon the Site, the Developer shall at its own expense secure any and all certifications and permits which may be required by any governmental agency having jurisdiction over such construction, development or work. The Agency shall cooperate in securing certifications and permits which require consent of the owner of the property.
- 8.8. **LOCAL, STATE AND FEDERAL LAWS.** The Developer shall carry out the construction of the Project in conformity with all applicable laws, including all applicable federal and state labor standards.
- 8.9. **PREVAILING WAGE.** Developer shall comply with all provisions required for a public work project including prevailing wage requirements.
- 8.10. **PUBLIC SAFETY PROTECTIONS.** Developer shall promptly take all necessary steps (including the erection of fences, barricades and warning devices) to protect private contractors and their employees and the public from the risk of injury arising out of the condition of the Site or Developer's activities in connection with the Site, including without limitation, fire, or the failure, collapse or deterioration of any improvements or buildings.
- 8.11. **ANTIDISCRIMINATION DURING CONSTRUCTION.** The Developer for itself and its successors and assigns, agrees that the following provisions shall apply to, and be contained in all contracts and sub-contracts for the construction of the Project.
- 8.12. **EMPLOYMENT.** The Developer shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, creed or national origin. The Developer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, or national origin. Such action shall include, but not limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layout or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Agency setting forth the provisions of this nondiscrimination clause.
 - 8.12.1. **ADVERTISING.** The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, marital status, or national origin.

- 8.12.2. **OEOC.** For the purpose of monitoring, Developer and Developer's Contractor and subcontractors shall comply with the requirements of the Agency's Office of Economic Opportunity in Construction (OEOC).
- 8.13. **AGENCY ACCESS TO THE SITE.** Developer shall permit Agency representatives access, without charge, to the entire Site at any time and for any purpose which Agency reasonably considers necessary to carry out its obligations and protect its interests under the OPA. Purposes for Agency entry may include, without limitation, inspection of all work being performed in connection with the construction of the Project.
- 8.14. **AGENCY SIGN.** If Developer places a sign on the Site during construction stating the names of the Project participants, it shall also name "Sacramento Housing and Redevelopment Agency" as a participant in the Project. The Agency name on the sign shall be in letters not less than size of letters used to name the lenders for the Project.
- 8.15. **CERTIFICATE OF COMPLETION.** After the Agency has determined that Developer has completed the Project in accordance with Developer's obligations under this OPA, the Agency will furnish the Developer with a "Certificate of Completion" certifying such completion. Such certification shall be a conclusive determination of satisfaction and termination of the agreements and covenants in the OPA with respect to the obligations of the Developer to construct the Project and of the dates for the commencement and completion of construction, subject to any qualifications or limitations stated in such certification. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any governmental requirements other than Agency or any obligation of the Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance all or any part of the Project. Agency shall prepare and execute each Certificate of Completion in a form suitable for recording in the Official Records of Sacramento County.
- 8.15.1. **REFUSAL TO ISSUE.** If the Agency shall refuse or fail to provide a Certificate of Completion, the Agency shall, within thirty (30) days after written request by the Developer, provide the Developer with a written statement, indicating in adequate detail in what respects the Developer has failed to complete the Project in accordance with the provisions of the OPA, or is otherwise in default, and what measure or acts it will be necessary, in the opinion of the Agency, for the Developer to take or perform in order to obtain such certification.
- 8.16. **LOCAL HIRE.** Developer shall use its best efforts to comply with requirements as stated in Exhibit F: Local Hire Initiative an attachment incorporated herein by reference. If Agency determines that Developer has failed to meet the requirements stated in the Local Hire Initiatives, Developer shall give written justification for such failure including a detailed listing of all efforts made to effect such compliance.
- 8.17. **NOTIFICATION OF CONTRACTORS, ARCHITECTS AND ENGINEERS.** Developer shall have the responsibility of notifying his contractors, architects and engineers for the Project of the requirements of this OPA. Developer shall include, where applicable, the provisions of this OPA in construction contracts and subcontracts for the Project, and Developer shall undertake the enforcement of such provisions.

9. **CONTINUING OBLIGATIONS.** The following obligations are continuing obligations of the named party, which obligations shall survive the termination of this OPA.

9.1. PROJECT OPERATION AND MAINTENANCE. As a material condition subsequent to this Agreement, Project shall be operated and maintained by Developer including, without limitation, fence and landscaping maintenance and maintenance of offsite improvements. Developer's obligation to operate and maintain the Project shall survive the termination of this OPA. Failure to operate and/or maintain the Project shall be a material breach of this OPA, the Conditional Grant Agreement, and other supporting documentation. Breach of this Section 9.1 shall trigger Developer's obligation to repay the Grant (\$2,000,000) in full due and payable upon demand by Agency.

Developer acknowledges breach of this Section 9.1 shall trigger its obligation to repay the Grant under the terms of this Section 9.1 and the Conditional Grant Agreement.

Developer Initials:
Grant Joint Union High School

By: Larry L. Buchanan, ED.D.
Title: Grant Joint Union School District Superintendent

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- 9.2. **PAYMENT IN LIEU OF TAXES.** The parties acknowledge and represent that the Agency has relied on the tax increment generated by the Project in agreeing to provide, and in establishing the extent of, its financial and other assistance provided to Developer under this OPA. If, for any reason, the Site is reassessed and the tax increment available to the Agency from the Site is reduced, Developer shall pay to Agency an amount which is equal to the amount of such reduction to the Agency. Developer shall make such payments directly to the Agency at the time for payment of the property taxes upon which the payment is based.
- 9.3. **INDEMNIFICATION.** Developer shall indemnify, protect and defend the Agency, its officers, directors, employees and agents, and hold them harmless from any and all claims and liability for bodily injury, death and property damage caused by or resulting from the acts or omissions of Developer, its officers, employees, agents or independent contractors and for any and all costs, fees and expenses incurred by the Agency in defending against such claims, including, without limitation, investigator's, witness's and attorney's fees and court costs, which acts or omissions are related to or arise from this OPA and the development of the Project.
- 9.4. **HAZARDOUS MATERIALS PROVISIONS.** The provisions regarding Hazardous Materials contained in Section 7.9.2 shall survive the expiration or other termination of this OPA.
10. **LIABILITY INSURANCE.** The Developer shall obtain and maintain, and require the contractor and subcontractors for the Project to purchase and maintain such insurance as will protect him from the following claims which may result from the operations under the OPA of the Developer, any contractor, subcontractor or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable: (a) claims under workers' compensation benefit acts; (b) claims for damages because of bodily injury, occupational sickness or disease, or death of his employees; (c) claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees; (d) claims for damages insured by usual personal injury liability coverage which are sustained (1) by any person as a result of an offense directly or indirectly related to the employment of such person by the Developer, or (2) by any other person; claims for damages, other than to the construction itself, because of injury to or destruction of tangible property, including resulting loss of use; (e) claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle; and (f) claims for contractual liability arising from the Developer's obligations under this OPA.
- 10.1. **LIABILITY INSURANCE POLICY LIMITS.** Developer shall assure that the insurance required by this Section shall be written with a deductible of not more than TWENTY-FIVE THOUSAND DOLLARS (\$25,000) or an amount approved by Agency, and for limits of liability which shall not be less than the following:
- 10.1.1. **WORKER'S COMPENSATION.** Worker's compensation coverage shall be written for the statutory limits as required by Article 1 (commencing with Section 3700) of Chapter 4 of Part 1 of Division 4 of the California Labor Code (as it may, from time to time, be amended) and having an employer's liability of not less than \$2,000,000.

- 10.1.2. **COMPREHENSIVE GENERAL LIABILITY** 10.1.2. Commercial general liability coverage shall include premises-operations, independent contractor's protective, products and completed operation (for four years), broad form property damage, and contractual liability coverage with employment exclusion deleted (or such other substantially similar coverage as may be approved by Agency Counsel). Such insurance shall have limits of liability which are not less than \$5,000,000, each occurrence, for bodily injury coverage; \$5,000,000 aggregate, for products and completed operations coverage; \$1,000,000 each occurrence for property damage coverage, single limit and aggregate; and which is the same as the foregoing coverages.
- 10.1.3. **COMPREHENSIVE AUTOMOBILE LIABILITY** 10.1.3. Comprehensive automobile liability coverage for any vehicle used for, or in connection with, the Project (owned, nonowned, hired, leased) having limits of liability which are not less than \$1,000,000.
- 10.2. **BUILDER'S RISK INSURANCE.** Developer shall obtain and maintain, or require his contractor to obtain and maintain at all times during the course of construction of the Project, Builder's Risk Insurance for protection against all loss of, or damage to the Project or materials, on-site and off-site, to be used in the construction of the Project to its full insurable value. Said Builder's Risk Insurance shall name the Agency as a loss-payee as its interests may appear, and all subcontractors and sub-subcontractors as their interests may appear. Said insurance shall insure against the perils of fire and extended coverage and shall include "all risk" insurance for physical loss or damage including without duplication of coverage, theft, vandalism and malicious mischief. The Developer shall be responsible for materials stored on-site, off-site or in transit unless supplied by Agency and shall obtain and maintain similar insurance for any of the materials not otherwise covered by said "all risk" insurance.
- 10.3. **ERRORS AND OMISSIONS INSURANCE.** Developer shall assure that architects, engineers and other professionals providing services for the Project shall (if coverage is available at commercially reasonable rates) obtain and maintain, for a period of five years after completion of the Project, such errors and omissions insurance in a form and from an insurer acceptable to Agency and in the policy amount of not less than \$1,000,000 each occurrence and \$1,000,000 aggregate.
- 10.4. **FIRE, HAZARD AND EXTENDED COVERAGE.** At all times when the Agency Loans, or either of them, are secured by the Site, Developer shall obtain and maintain fire and hazard insurance to the full insurable value of the Site, with mortgagee's loss payable endorsement in favor of Agency with endorsements of extended coverage, vandalism, and malicious mischief, and with such other endorsements and in such amounts as the Agency may reasonably require to protect the security of the Agency Loans.
- 10.5. **INSURANCE PROVISIONS.** Each policy of insurance required under this OPA shall be obtained from a provider licensed to do business in California and having a current Best's Insurance Guide rating, or such other equivalent rating, as may reasonably be approved by Agency's legal counsel. Each policy shall contain the following provisions as applicable:

- 10.5.1. **ADDITIONAL INSURED.** Sacramento Housing and Redevelopment Agency, the Redevelopment Agency of the City of Sacramento, the Redevelopment Agency of the County of Sacramento, the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento, shall be additional insured on all insurance policies, except the worker's compensation policy, unless otherwise approved by Agency's legal counsel in writing, which approval shall be in the Agency's absolute discretion.
- 10.5.2. **SINGLE PROJECT INSURANCE.** It is the intent of the parties that the Project have available all the specified insurance coverages. Developer shall not provide insurance coverages which are considered in aggregate with other Projects which Developer or its contractor might have concurrently under construction. The Agency may at its discretion permit an aggregate policy if and only if Developer or the respective contractor has fully disclosed to Agency other projects which will or may be considered in aggregate with the Project, and thereafter, Developer shall immediately inform Agency of the change in or addition to any such projects. Nevertheless, Agency may, at any time require that the insurance coverage be provided solely for the Project.
- 10.5.3. **CANCELLATION.** Each policy shall bear an endorsement precluding cancellation or termination of the policy or reduction in coverage unless the Agency has been given written notice of such intended action at least thirty (30) days prior to its effective date.
- 10.5.4. **FAILURE TO MAINTAIN.** If Developer fails to obtain or maintain, or cause to be obtained and maintained, any insurance required by this OPA, the Agency shall have the right to purchase the insurance on Developer's behalf, and Developer shall promptly reimburse the full cost of such insurance to the Agency. If Developer fails to reimburse the Agency for insurance, the amount of unpaid reimbursement shall bear interest, at the maximum rate permissible under the law, until paid.

11. **PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER.** The development of the Site is important to the general welfare of the community. Substantial public aids have been made available to make development of the Site possible. Agency, in electing to make such public assistance available, has review the financial capacity and abilities of the Principals. Prior to issuance of a Certificate of Completion, any act or transaction resulting in a significant change in the interests of the Principals or the degree of their control, may affect the ability of Developer to carry out its obligations under this OPA. For the foregoing reasons, the qualifications and identity of the Developer and its Principal, are of particular concern to the community and Agency. Developer understands and acknowledges that it is because of qualifications and identity and in reliance on Developer's promise to perform its obligations under this OPA that Agency is entering into this OPA. For the foregoing reasons, Developer represents and agrees that its promise to develop the Site, and its other undertakings pursuant to the OPA, are not for speculation in land holding.

11.1. **DEVELOPER AND PRINCIPAL TRANSACTIONS.** Except as required to obtain the Agency-approved financing, Developer shall not, prior to issuance of the Certificate of Completion, make any total or partial sale, assignment or transfer of any interest in the OPA or the Site without the prior written approval of the Agency, which approval shall not be unreasonably withheld.

Developer represents that it has informed its Principals, and Developer shall inform any potential successor in interest of itself or its Principals of the provisions of this Section 10. Subject to applicable laws and regulations and prior to issuance of a Certificate of Completion, Developer shall not permit transfers of interest by any of the Principals which would result in a change in management authority or fiscal ability with respect to Developer or the Principals, by any method or means, including, but not limited to sale, transfer, increased capitalization, merger, amendments of its organization or legal form, issuance of additional or new member interests, or otherwise. With respect to this provision, the Developer and the parties signing the OPA on behalf of the Developer represent that they have the authority of all of Developer's existing Principals to agree to and bind them to this provision.

- 11.2. **CONDITIONS OF APPROVAL.** Agency shall be entitled to require the following as conditions precedent to any approval of any assignment or transfer of any interest in the Site, the OPA, or the Developer:
- 11.2.1. **QUALIFICATIONS AND FINANCIAL RESPONSIBILITY.** Any proposed transferee shall have the qualifications and financial responsibility, as determined by Agency, necessary and adequate to fulfill Developer's obligations under the OPA (or, in the event of transfer of a part of the Site, such obligations to the extent that they relate to such part).
- 11.2.2. **ASSUMPTION OF OBLIGATIONS.** Any proposed transferee shall, for itself and its successors and assigns, expressly assume all of Developer's obligations under the OPA and shall agree to be subject to all the conditions and restrictions to which Developer is subject (or, in the event the transfer is of or relates to part of the Site, such obligations, conditions and restrictions to the extent that they relate to such part). Said assumption of obligations shall be in writing, in recordable form and approved by Agency and shall expressly be for the benefit of Agency. The fact that any such transferee shall not have assumed such obligations or so agreed, shall not relieve such transferee from such obligations, conditions, or restrictions, or deprive the Agency of any rights or remedies or controls with respect to all or any part of the Site or this OPA that the Agency would have had, had there been no such transfer or change.
- 11.2.3. **REVIEW OF DOCUMENTS.** Developer shall submit to the Agency for review all legal documents involved in effecting such transfer. Such documents shall be subject to Agency's prior written approval.
- 11.2.4. **OTHER CONDITIONS.** Developer and such transferee shall comply with such other conditions as Agency may find necessary in order to achieve and safeguard the purposes of the OPA.
- 11.3. **DEVELOPER OBLIGATIONS NOT RELIEVED.** In the absence of specific written agreement by the Agency to the contrary, no such transfer or approval of transfer by the Agency shall relieve the Developer, or any other party bound in any way by the OPA, from any of its obligations under the OPA.

11.4. **INFORMATION AS TO PRINCIPALS.** Prior to the issuance of the Certificate of Completion, Developer shall promptly notify the Agency of any and all changes affecting ten percent (10%) or more in the relative distribution of the interests of the Principals, or with respect to the identity of the parties in control of the Developer or the degree of such control. Developer shall, at such times as Agency may request, furnish Agency with a complete statement, setting forth the names of all of the Principals as indicated by the records of the Developer. Developer shall furnish such other information as it may have regarding such holdings which information is different from Developer's records, including information regarding beneficial ownership or control.

12. GRANTOR PROTECTIONS.

12.1. **GRANTOR NOT OBLIGATED TO CONSTRUCT.** Notwithstanding any of the provisions of the OPA, the Agency as Grantor ("Grantor") shall not be obligated by the provisions of the OPA to construct or complete the Project. Nothing in this Section or any other provision of the OPA shall be construed to permit or authorize Grantor to devote the Site to any uses, or to construct any improvements on the Site, other than those uses or improvements provided or permitted in the OPA.

12.2. **GRANTOR'S OPTION TO CURE DEFAULTS.** After any default of Developer's obligations under the OPA, Grantor shall have the right, at its option, to cure or remedy such default (or to the extent that it relates to the part of the Site covered by its Grant), within the time for cure allowed to Developer, and to add the cost of such cure to the debt and repayment of the Grant. If the breach or default relates to construction of the Project, however, Grantor shall not undertake or continue the construction of the Project (beyond the extent necessary to conserve or protect Project or construction already made) unless Grantor assumes in writing Developer's obligations to complete the Project on the Site in the manner provided in the OPA. Any other lender, if any, who properly completes the Project as provided in the OPA shall be entitled, upon written request made to the Agency, to Certificate of Completion from the Agency in a manner provided in the OPA. Such certification shall mean that any remedies or rights with respect to the Site that the Agency may have because of Developer's failure to cure any default with respect to the construction of the Project on other parts of the Site, or because of any other default of the OPA by the Developer shall not apply to the part of the Site to which such Certification relates.

12.3. **FURTHER ASSURANCES TO GRANTOR.** Agency and Developer shall in good faith consider making such reasonable modifications to this OPA and executing such further instruments and agreements as a Grantor may reasonably request, provided such modifications, instruments and agreements do not materially, adversely affect any party's expectations or benefit, rights or obligations under this OPA and provided such modifications, instruments, and agreements serve a material economic purpose.

12.4. ESTOPPEL CERTIFICATE. Any party may, at any time, request in writing of any other party to certify in writing that, to the knowledge of the certifying party, (i) this OPA is in full force and effect and a binding obligation of the parties; (ii) this OPA has not been amended or modified either orally or in writing, or, if so amended, identifying the amendments; and (iii) the requesting party is not in default in the performance of its obligations under this OPA, or, if in default, describing the nature and amount of any such defaults. A party receiving such a request shall execute and return such certificate to the requesting party, or give a detailed written response explaining why it will not do so, within ten (10) days following its receipt. The Executive Director of the Agency shall be authorized to execute any such certificate requested by Developer from the Agency.

13. DEFAULTS AND REMEDIES. Subject to any extension of time permitted by this OPA, a failure or delay by a party to perform any term or provision of this OPA constitutes a default of this OPA. Except as otherwise provided in the OPA, if either party shall default in, or breach, the OPA, such party shall immediately commence and diligently proceed to cure such default or breach within thirty (30) days after receipt of written notice from the other party of such default or breach. If the defaulting party does not promptly begin and diligently pursue a cure of, or fails to cure, the default or breach within a reasonable time, the aggrieved party may institute proceedings to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations. With regard to Developer, failure of Agency to notify Developer shall not be deemed a waiver of Developer's default.

13.1. TERMINATION BY DEVELOPER PRIOR TO COMMENCEMENT OF CONSTRUCTION. If Agency does not perform its obligations under the OPA to be performed prior to commencement of construction of the Project, as and when provided in the OPA, then the OPA shall, at the option of the Developer, be terminated by written notice to Agency made at least thirty (30) days after Developer's written demand to Agency; provided, however that Developer has tendered to Agency delivery of all funds and property delivered to Developer by or on behalf of Agency under the OPA, and further provided, that Agency has no other claims against Developer related to this OPA. Prior to termination of the OPA under this Section, each party shall return any deposit of funds or other properties received from or on behalf of the other party. In addition, the Agency shall provide Developer with the originals of all documents and studies payment for which Agency has made draws under letters of credit provided by Developer.

After such return of deposits and termination of the OPA, neither the Agency nor the Developer shall have any further rights against or liability to the other under the OPA

13.2. TERMINATION BY AGENCY PRIOR TO COMMENCEMENT OF CONSTRUCTION. If, prior to commencement of construction of the improvement by Developer and without Agency approval, Developer assigns any interest in the OPA or the Site, permits a change in ownership or control in Developer, fails to pay the Deposit, if required, to Agency pursuant to Section 5, and fails to complete when due the conditions precedent to development set out in Section 6 when due, then Agency may terminate the OPA, at its option. In such event, the Agency shall be entitled to damages, without any deduction, offset, or recoupment whatsoever. After payment of such damages and return of any deposit of funds made by one party with the other party, neither the Developer nor the Agency shall have any further rights against or liability to the other under the OPA, and Agency can, if it so elects, acquire the Site by negotiation, eminent domain or otherwise. Agency shall also thereafter have the absolute right to issue a request for proposals for a disposition and development agreement, or other agreement, relating to the redevelopment of the Site by any other developer of Agency's choosing.

13.3. OTHER RIGHTS AND REMEDIES OF AGENCY. Agency shall have the right to institute such actions or proceedings as it may deem desirable to carry out the purposes of this Section, including the right to record in the public land records a written declaration of the termination of all the rights of the Developer in the Site provided by this OPA.

13.4. NO WAIVING BY DELAY. Any delay by the Agency in asserting any rights under this Section shall not operate as a waiver of such rights or to deprive Agency of or limit such rights in any way. Any waiver in fact made by the Agency with respect to any specific default by Developer under this Section shall not be considered as a waiver of the rights of the Agency with respect to any other defaults by Developer under this Section or with respect to the particular default except to the extent specifically waived in writing.

13.5. DAMAGES. If the Developer should default upon its obligations under this OPA, making it necessary for the Agency to terminate the Developer's interest under this OPA, then the resulting damages suffered by the Agency would be uncertain. The parties agree that such damages may include, without limitation, the losses which the Agency may incur because the Site is not redeveloped in accordance with this OPA.

If Developer so defaults, the Agency may, until resolution of any dispute, retain a portion of the Deposit equal to the amount of damages claimed by Agency as a result of such default. Upon resolution of the default by agreement of the parties or by action of a court of competent jurisdiction, the Agency shall retain from the Deposit the amount of any money damages awarded to the Agency and return the balance of the Deposit to Developer. During the period that the Agency holds such disputed portion of the Deposit, it may commingle such portion with other of its funds, and it is not obligated to pay interest on such portion. In any event, the amount of monetary damages to the Agency shall be limited to Deposit, except as it may be expressly stated elsewhere in this Agreement.

13.6. UNAVOIDABLE DELAY. For the purposes of any of the provisions of the OPA, neither Agency nor Developer shall be considered in breach of, or default in, its obligations with respect to the preparation of the Site for development, or the beginning, prosecution and completion of construction of the Project, if delay in the performance of such obligations is due to Unavoidable Delay.

13.7. RIGHTS AND REMEDIES CUMULATIVE. The rights and remedies of the parties to the OPA, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance of any obligation of the other party or any condition to its own obligation under the OPA shall be considered a waiver of any rights beyond those expressly waived in writing.

14. GENERAL PROVISIONS.

14.1. DEFINITIONS. The following definitions shall apply for the purposes of this OPA:

14.1.1. "Agency" is the Redevelopment Agency of the City of Sacramento. The Agency is a public body, corporate and politic, exercising governmental functions and powers, and organized and existing under the Community Redevelopment Law of the State of California. The principal office of the Agency is located at 630 I Street, Sacramento, California 95814. Agency as used in this OPA includes the Redevelopment Agency of the City of Sacramento and any assignee of or successor to its rights, powers and responsibilities. The Sacramento Housing and Redevelopment Agency is a joint powers agency which provides staffing for the operation of the Agency.

14.1.1. "Certificate of Completion" is the certificate issued by the Agency certifying Developer's completion of the Project.

14.1.2. "CEQA" is the California Environmental Quality Act (commencing at Public Resources Code Section 21000), together with all rules and regulations promulgated under the statutes.

14.1.3. "City" is the City of Sacramento in the State of California.

14.1.4. "Commencement Date" is the date stated in the Schedule of Performances for the commencement of construction of the Improvements.

14.1.5. "Community Redevelopment Law" is the law governing redevelopment in the State of California and is found commencing at Health and Safety Code Section 33000.

14.1.6. "Conditional Grant Agreement" attached to this OPA as Exhibit E: Conditional Grant Agreement and incorporated herein by this reference means the Conditional Grant Agreement made by the Agency to the Developer pursuant to this OPA for the purpose of furthering the purposes of the Project as stated in this OPA.

14.1.7. "Completion Date" is the date stated in the Schedule of Performances for the completion of construction of the Project.

14.1.8. "Contractor" is the contractor or contractors with whom Developer has contracted for the construction of the Project.

14.1.9. "Design Review Board" is the City's Design Review/Preservation Board as described in Section 32.201 of the Code of the City of Sacramento.

14.1.10. "Developer" is **The Grant Joint Union School District** organized and doing business in the State of California. The principal office of the Developer is located at 1444 Grand Avenue, Sacramento, California 95838.

14.1.11. "Grant" means the Agency's Conditional Grant for the Project in the amount of Two Million Dollars (\$2,000,000).

14.1.12. "Hazardous Materials" as used in this OPA shall include, but not be limited to, all hazardous, regulated, dangerous or toxic substances, wastes and materials designated or defined as hazardous or toxic pursuant to any applicable statute, rule or regulation including without limitation, the following statutes, as they may be amended or superseded, from time to time: the Clean Water Act (33 U.S.C. '1321 et. seq.); the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. '9601 et seq.); the Resource Conservation and Recovery Act (42 U.S.C. '6901 et seq.); the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101); the Environmental Protection Agency list of hazardous materials (40 CFR Part 302) and California Health and Safety Code Sections 25115, 25117, 25122.7, 25140 (Hazardous Waste Control Law), 25316 (Carpenter-Presley-Tanner Hazardous Substances Account Act), 25501 (Hazardous Materials Release Response Plans and Inventory) and 25281 (Underground Storage of Hazardous Substances); all applicable local regulations; and all regulations and promulgations pursuant to said laws.

14.1.13. "Project" is the whole of the improvements to be constructed on the Site in accordance with this OPA.

14.1.14. "Legal Descriptions" are the legal descriptions of the various parcels of real property affected by this OPA. The Legal Descriptions are attached as Exhibit A: Property Description.

14.1.15. "OPA" is this Owner Participation Agreement including all of the attachments to this OPA, consisting of Exhibits A through G, which are incorporated in this OPA as if set forth in full in the body of the OPA. A default of any of the documents attached as Exhibits and incorporated in the OPA shall be deemed a default of this OPA.

14.1.18. "Option Extension Fee" is an option fee payable by Developer for each day by which the commencement of construction is delayed beyond the Commencement Date, as provided in Section 7.4.1.

14.1.19. "Parcel Map" is the map (or maps) of the various parcels of real property affected by this OPA. The Parcel Map is attached as Exhibit G: Parcel Map.

14.1.20. "Final Plans" are the full and final plans, drawings and specifications for the Project as described in Section 4.1.

14.1.21. "Principals" are the members, shareholders, general partners or others having a direct or indirect interest in the Project of ten percent (10%) or more.

14.1.22. "Preliminary Plans" are the partially complete plans and specifications for the Project prepared by Developer, a portion of which (consisting of various elevations) is attached as Exhibit D: Preliminary Plans. Agency has approved the Preliminary Plans in their present form, concurrently with the approval of this OPA. Full preliminary plans shall be submitted to Agency staff for review and approval regarding their conformance with the approved portions of the plans and all design and use guidelines described in this OPA

14.1.23. "Project" is the development of a street-front project on the Site, at the highest and best use, as more particularly described in the Exhibit C: Scope of Development.

14.1.24. "Project Area" is the Del Paso Heights Project Area, as defined the Del Paso Heights Redevelopment Plan.

14.1.25. "Punch List" is defined as generally used in the construction trade to mean a list of unfinished items or defective work of insubstantial nature.

14.1.26. "Redevelopment Plan" is the Del Paso Heights Redevelopment Plan for the Project Area (as it may be amended from time to time) as adopted by the City Council of the City.

14.1.27. "Schedule of Performances" is the schedule which establishes the dates by which obligations of the parties under this OPA must be performed and on which conditions must be satisfied. The Schedule of Performances is attached as Exhibit B: Schedule of Performances.

14.1.28. "Scope of Development" is the detailed description of the construction of the Project which is attached as Exhibit C: Scope of Development.

14.1.29. "Site" is that real property to be developed under this OPA by Developer, as more particularly described in the Property Description and shown in the Parcel Map. The Site includes all improvements contained within the Site. The Site includes the Assembly Parcels and may include parcels owned or acquired by Developer.

14.1.30. "Unavoidable Delay" is a delay in the performance by a party of any obligation which delay is unforeseeable and beyond the control of such party and without its fault or negligence. Unavoidable Delay shall include acts of God, acts of the public enemy, acts of the Federal Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, a general moratorium on financing for projects of the same type, and unusually severe weather (as for example, floods, tornadoes, or hurricanes) or delays of subcontractors due to such causes. In the event of the occurrence of any such enforced delay, the time or times for performance of such obligations of the Agency and Developer shall be extended for the period of the enforced delay, as determined by the Agency, provided that the party seeking the benefit of the provisions of this Section shall, within thirty (30) days after Developer has or should have knowledge of any such enforced delay, have first notified the other party, in writing, of the delay and its cause, and requested an extension for the period of the enforced delay.

14.2. TIME FOR ACTIONS. Agency and Developer shall each do the actions required of them, on or before the times specified in this OPA or in the Schedule of Performances.

14.2.1. TIME FOR APPROVALS. Unless otherwise provided, Agency shall give required approvals or disapprovals within forty-five (45) days after submission.

14.2.2. CORRECTION OF DISAPPROVED FINAL PLANS OR CONTRACTS. If the Agency disapproves the Final Plans or contracts for construction of the Project, the Developer shall submit corrected Final Plans or contracts, as the case may be, within thirty (30) days from the date on which the Developer receives written notice from the Agency of such disapproval. Agency shall review all such corrections within thirty (30) days after their submission by Developer.

14.3. CITY REQUIREMENTS. The Agency is a legal entity separate and distinct from the City. Developer is not by this OPA relieved of any ordinances or fees of the City of Sacramento, except to the extent superseded by the Agency in exercise of its authority.

14.4. COUNTERPARTS. This OPA with Conditional Grant Agreement may be executed in five (5) counterpart originals, each of which shall constitute one and the same instrument.

14.5. PRIORITY OF CONTENTS OF OPA. In the event of a conflict between the terms of this OPA and the Exhibits, this OPA shall be given precedence.

14.6. INSPECTION OF BOOKS AND RECORDS. Agency has the right, at all reasonable times, to inspect the books and records of the Developer pertaining to the Site as pertinent to the purposes of this OPA.

14.7. APPROVALS. Approvals required under this OPA of either party shall be considered in a timely manner and shall not be unreasonably withheld.

14.8. COMMISSIONS. Agency shall not be liable for any real estate commissions, brokerage fees⁶ or finders fees which may arise from this OPA. Agency and Developer each represent the neither has engaged any broker, agent or finder, and that neither claims such a commission or fee, in connection with this OPA.

14.9. ENTIRE AGREEMENT. This OPA integrates all of the terms and conditions related or incidental to its subject matter, and supersedes all negotiations or previous agreements between the parties with respect to its subject matter.

14.10. WAIVERS AND AMENDMENTS. All waivers of the provisions of this OPA must be in writing and signed by the appropriate authorities of the Agency or the Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of the Agency and the Developer.

14.11. NONLIABILITY OF AGENCY OFFICIALS AND EMPLOYEES. No member, official or employee of the Agency shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the Agency or for any amount which may become due to the Developer or its successors, or on any obligations under the terms of this OPA.

14.12. NOTICES AND DEMANDS. A notice, demand or other communication under the OPA by either party to the other shall be in writing and shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the address set out above, or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided for a Notice in this Section. A facsimile or telecopier transmission of such communication is not sufficient.

THIS OPA IS EXECUTED as of _____ in Sacramento, California.

DEVELOPER:
GRANT JOINT UNION SCHOOL DISTRICT

By: _____
Larry L. Buchanan, ED.D.
Superintendent
Grant Joint Union High School District

APPROVED AS TO FORM

Developer Counsel

AGENCY:
**REDEVELOPMENT AGENCY
OF THE CITY OF SACRAMENTO**

By: _____
Anne M. Moore
Executive Director

APPROVED AS TO FORM:

Agency Counsel

LIST OF EXHIBITS

Exhibit A: Property Description

Exhibit B: Schedule of Performances

Exhibit C: Scope of Development

Exhibit D: Preliminary Plans

Exhibit E: Conditional Grant Agreement

Exhibit F: Local Hire Initiative

Exhibit G: Parcel Map

EXHIBIT A: PROPERTY DESCRIPTION

LEGAL PROPERTY DESCRIPTION – GRANT UNION HIGH SCHOOL

POR SEC 17 T 9 N R 5 E ALL OF BLK 2,4,6,8,10,12 BET N PPTY L GRAND AVE & S PTY L HARRIS ST WITH ALL N S ALLEYS IN SD BLKS & POR OF ALDERST, FELL ST HURON ST ELM ST FIG ST I NCLUDING W 1.2 BLK 14 EXC ANY POR OF ALLEY E OFF IG ST ALL THAT POR ROANOKE AVE FROM E L DRY

CREE K RD TO W L FIG ST ALL OF BLKS I F K L M N WITH ALL THE POR ALDERST, FELL ST HIGH ST HURON ST ELM ST & ALL N S ALLEYS BET E L DRY

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EXHIBIT B: SCHEDULE OF PERFORMANCES

GRANT UNION HIGH SCHOOL IMPROVEMENTS

SCHEDULE OF PERFORMANCES

ACTION	PERFORMANCE TIME
Plans and Specifications Completed	February 1, 2001
Execution of Final Construction Contract	April 2, 2001
Begin Construction	May 1, 2001
Complete Construction	November 1, 2002
Post Construction (Project Close-Out)	November 15, 2002

EXHIBIT C: SCOPE OF DEVELOPMENT

**GRANT UNION HIGH SCHOOL IMPROVEMENTS
SCOPE OF DEVELOPMENT**

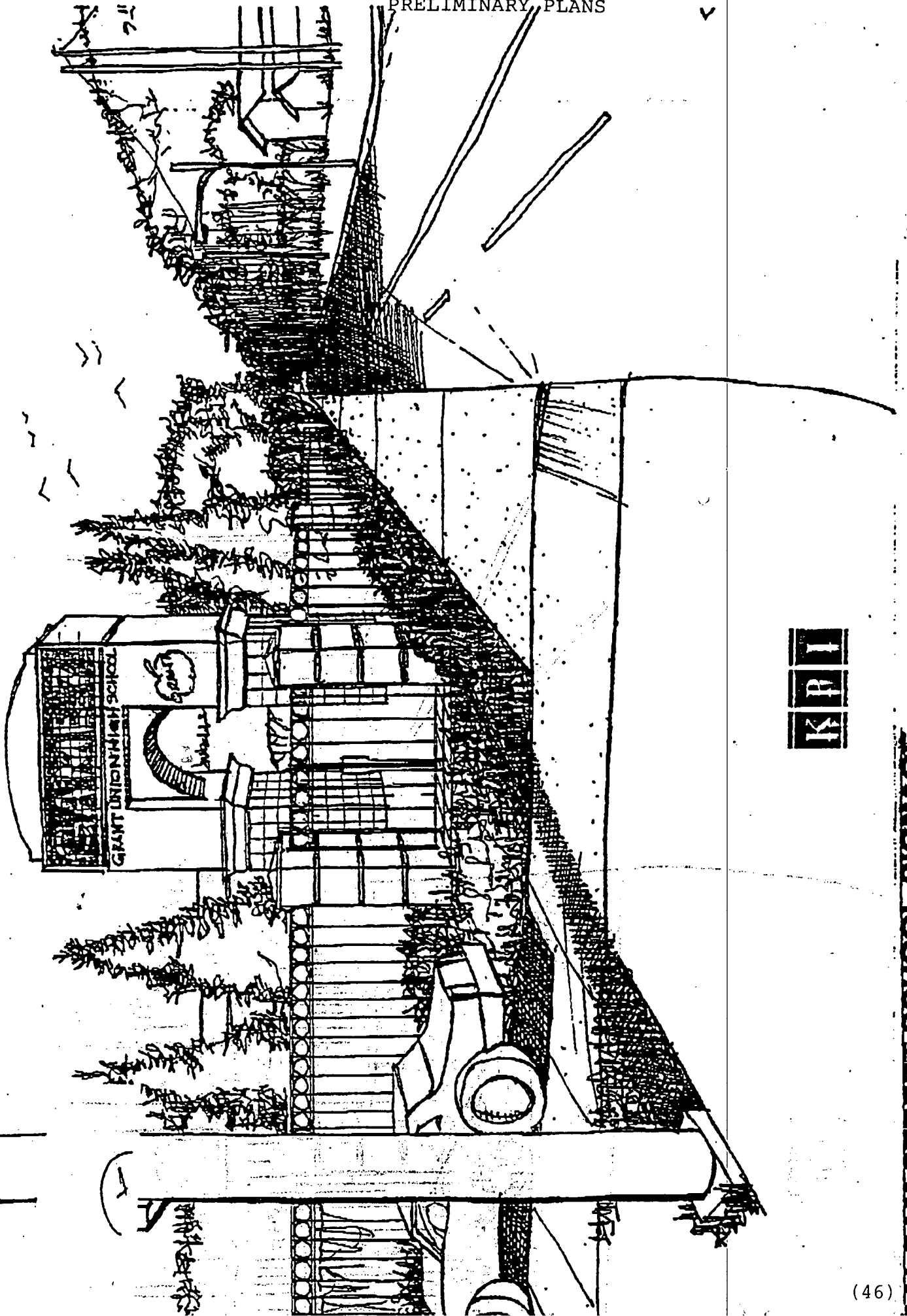
The scope of this project is to design and construct capital improvements at Grant Union High School. The improvements are:

- Demolition of existing fencing;
- New ornamental perimeter fencing with pilasters;
- Replacement of interior and stadium fencing with dipped, colored chain link;
- New campus/community message board at Grand Avenue and Dry Creek Road;
- New signage at football stadium and at northeast corner of campus on Grand;
- Repair, re-coat retaining walls at stadium and on Dry Creek Road;
- New perimeter landscaping and irrigation.

In addition to constructing the above improvements, GUHS students from the GEO Program (Grant's Environmental Organization), will participate in hands-on education and training in the design and development of the project.

EXHIBIT D: PRELIMINARY PLANS

PRELIMINARY PLANS



BALSAM STREET SCHOOL SIGNAGE

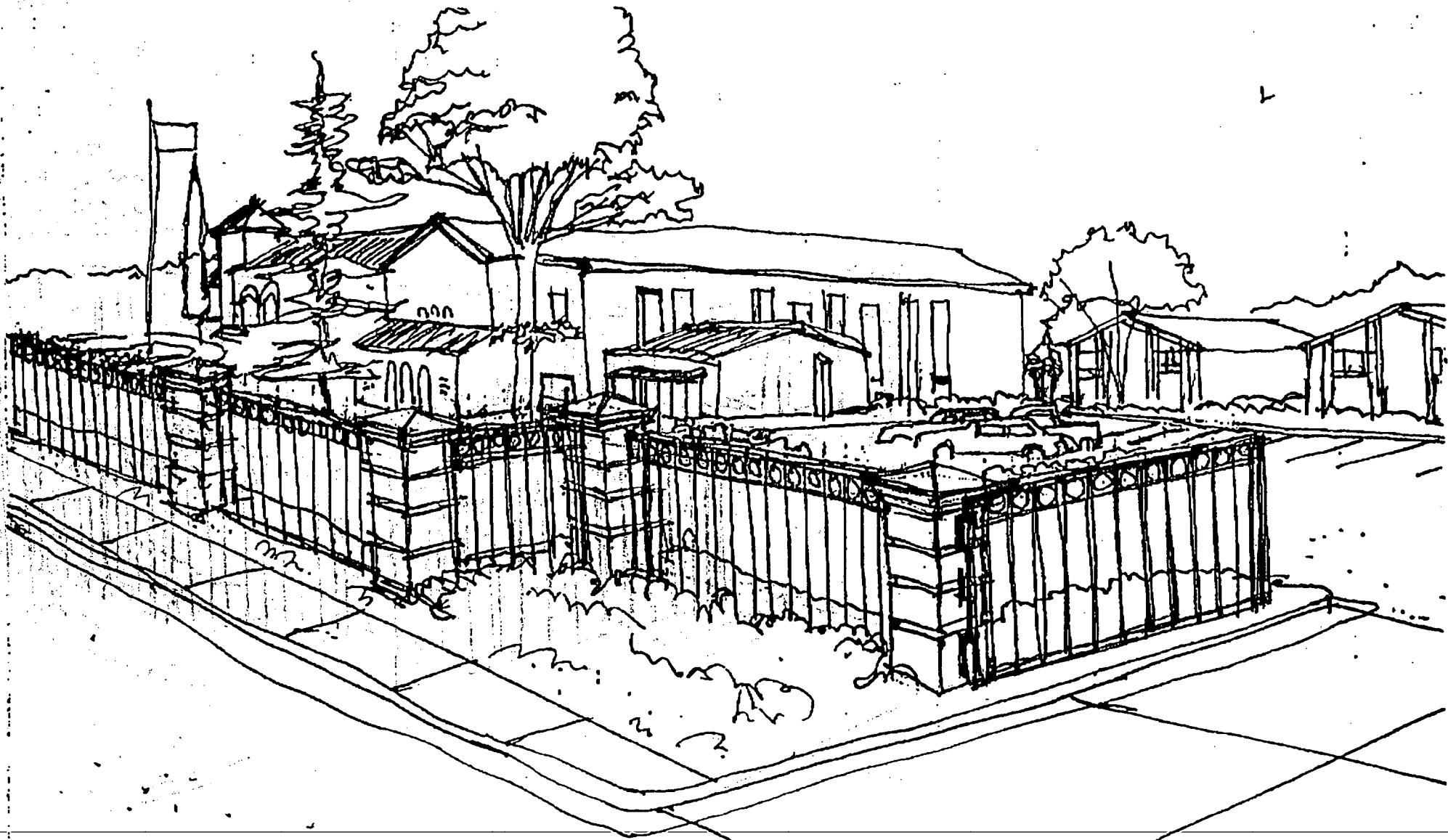


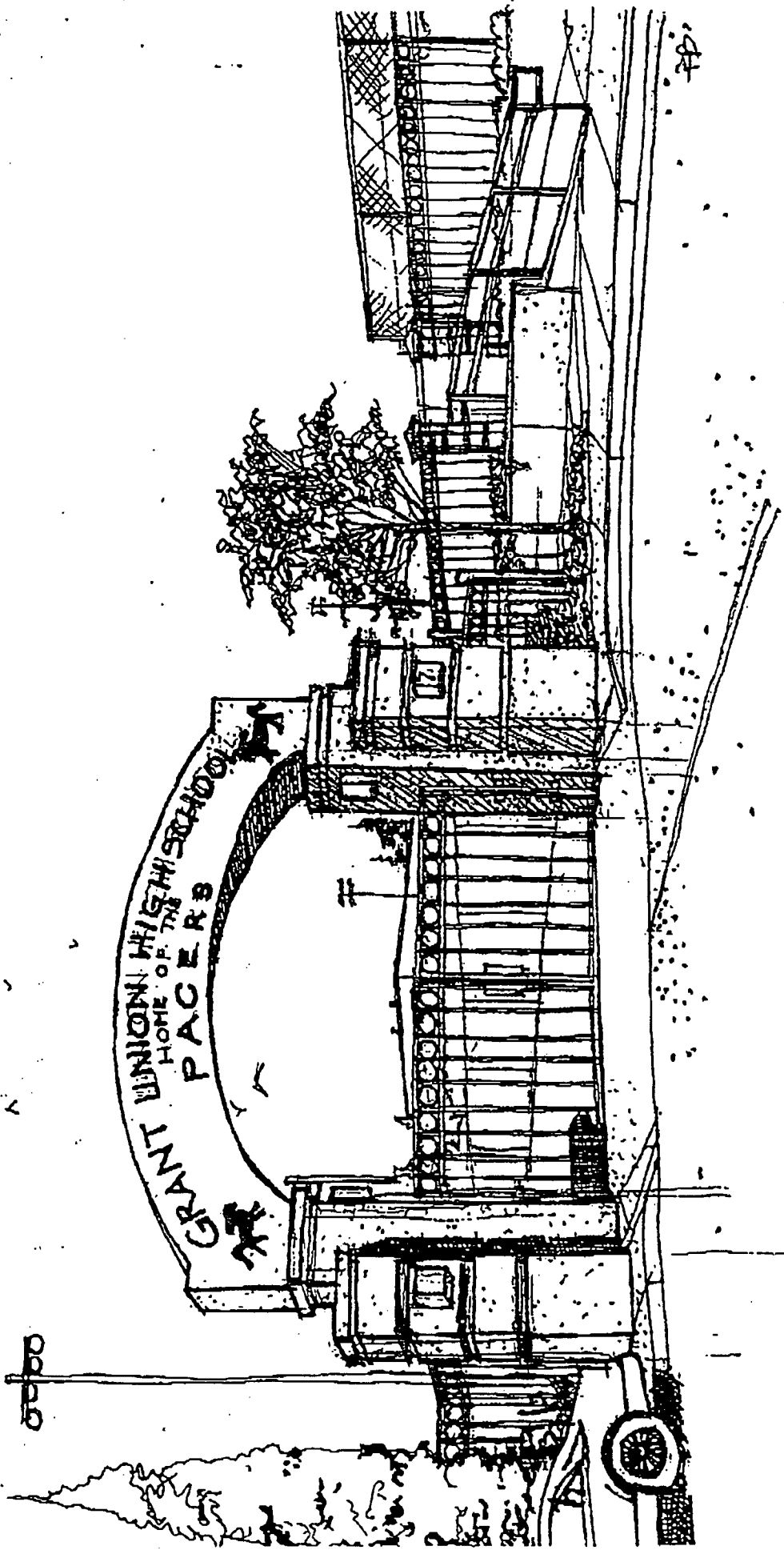
KPI

EVENTS SIGNAGE

(47)

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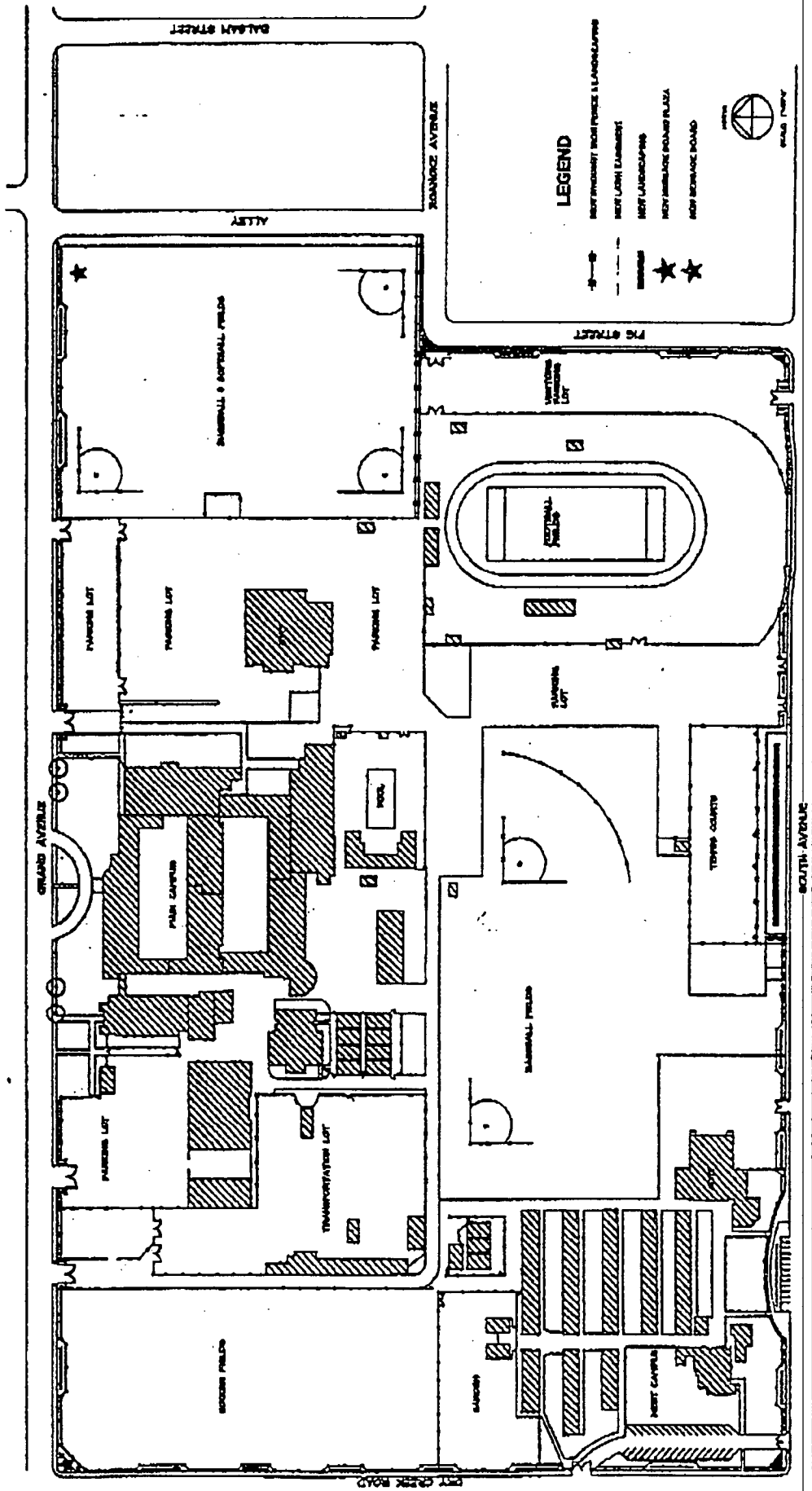


VISITOR PARKING ENTRANCE



KPI

POOL FENCE LANDSCAPE



LEGEND

- NEW PROPERTY TRAIL FENCE & LANDSCAPING
- NEW JOHN LAMBERT
- NEW LANDSCAPING
- NEW WALKWAY BOUNDARY PLAZA
- NEW WALKWAY BOARD



EXHIBIT E: CONDITIONAL GRANT AGREEMENT

CONDITIONAL GRANT AGREEMENT

WITH CONSTRUCTION WORK
DEL PASO HEIGHTS TAX INCREMENT

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
DEL PASO HEIGHTS REDEVELOPMENT PROJECT AREA

GRANT JOINT UNION SCHOOL DISTRICT

ARTICLE I TERMS AND DEFINITIONS:

GRANTOR AND GRANTEE HAVE ENTERED THIS GRANT AGREEMENT AS OF THE EFFECTIVE DATE. This Grant Agreement, in addition to attachments and Exhibits listed below includes Article II Grant Provisions, which is attached to and incorporated in this Grant Agreement by this reference. The capitalized terms in this Grant Agreement shall have the meanings assigned in Article I Terms and Definitions and as defined in Article II Grant Provisions. (Terms being defined are indicated by quotation marks. If an item in this Article 1 table is marked "None, Not Applicable, N/A or equivalent or is left blank, that defined term is not applicable to this Grant or the referenced item is not required or is not included in this Grant as the context may indicate.) The Grantor is making the Grant pursuant to the terms and conditions of this Grant Agreement.

NOW, THEREFORE, in consideration of their mutual promises, the parties agree as follows:

A. "Grant Information" The general loan provisions of the Grant	
"GRANTOR"	The following public agency, which agency is making the Grant
Name	REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
Principal Address	630 "I" Street, City of Sacramento, Sacramento County, California 95814
Legal Status	A public body, corporate and politic
"GRANTEE"	
Name	GRANT JOINT UNION HIGH SCHOOL DISTRICT
Principal Address	1333 Grand Avenue Sacramento, California 96838
Legal Status (e.g., tenants in common)	School District, City of Sacramento, County of Sacramento, State of California
"EFFECTIVE DATE"	This Grant Agreement shall be effective as of the date signed by the parties hereto.
"GRANT"	The Grant made by this Grant Agreement.
"GRANT PROGRAM"	Grantor's Grant Program, commonly known as N/A
"GRANT AMOUNT"	Two Million Dollars (\$2,000,000)

B. "LIST OF ATTACHMENTS" (The following is attached and incorporated in this Grant Agreement):	
EXHIBIT	DEFINED TERM
<u>Attachment 1: Budget</u>	"Budget"

C. "APPROVAL DOCUMENTS" Grantee shall submit the following documents for Grantor approval, and Grantor must review and, if reasonably satisfied with each of them, respectively, approve them.	
Construction Agreements for the Project	
Grantee's organizational documents, such as partnership agreements or corporate articles and by-laws	
Evidence of financing as described in Article II of this Grant Agreement	
Plans and Specifications as defined in Article II of this Grant Agreement	
Disbursement Requests as described in Article II	
Grantee's Budget as described in Article II.	

F. "Construction Information":	
"Completion Date"	"Completion Date" is the date on or before which the Completion of the Project must occur, which date is: November 15, 2002
"General Contractor"	General Contractor is the general contractor for construction of the Project to be approved in writing by Grantor as a condition to disbursement of Grant Funds. As a condition to disbursement of Grant Funds, Grantee must receive Grantor's approval of the contract with the General Contractor for construction of the Project.
"Project Architect"	KPI Architects, Inc.
"Retention"	10% of each disbursement made for construction work, in aggregate not to exceed 10% of the Grant Amount, which shall be retained by Grantor for disbursement with the final disbursement of the Grant

I. "SPECIAL PROVISIONS" The following special provisions shall be in addition to the provisions of this Grant Agreement	
1. Agency has adopted the Del Paso Heights Redevelopment Plan pursuant to the Community Redevelopment Law for rehabilitation of blighted areas in the Project Area, which encompasses the Site. (Cal. Health and Safety Code §33000 et seq.).	
2. Agency's primary purpose in entering this OPA is the redevelopment of the Site. The Project will benefit and improve the Project Area and serve the best interests of and the health, safety and welfare of City residents. The Project is consistent with and furthers the Redevelopment Plan, will assist in the elimination of blighting influences in the Project Area, and will further the following goals of the Implementation Plan for the Project Area: elimination of blighting conditions; increased property values; and enhanced public safety.	
3. Grantee is the owner of Grant Union High School, real property located in the Project Area, more particularly described in <u>Exhibit A: Property Description</u> , of the OPA to which this Grant agreement is an attachment and is incorporated therein ("Property").	
4. Grantee has determined and Grantor finds that no other reasonable means of financing improvements to be made to the Property pursuant to this OPA are available to the community.	
5. Grantee shall demolish a razor-wire, chain-link fence, and construct a decorative iron fence with gates, and street-front landscaping, decorative paving and monumental signage, as well as complete the Project in accordance with other duties, obligations, and requirements as stated in other Grant Documents.	
6. Grant funds shall be used solely for actual costs of the Project construction as detailed in the Budget. No Grant funds shall be used for predevelopment costs, except as provided in an approved Budget.	
7. Grantee shall submit the approved Plans and Specifications to the Building Department of the City of Sacramento for review.	
8. Grantee shall provide Grantor with all items described in Article I, Section C, of this Grant Agreement and Grantor has approved them.	
9. Grantee shall obtain all Project building permits necessary to begin the work to be done under this Grant Agreement, or shall obtain such permits upon disbursement from Grantor of Grant Proceeds for that purpose.	

THE PARTIES HAVE EXECUTED THIS OPA in Sacramento, California as of:

_____, 2000

GRANTEE : GRANT JOINT UNION HIGH SCHOOL DISTRICT

By: _____
Larry L. Buchanan, ED.D
Grant Joint Union High School District
Superintendent

ATTEST: _____
Secretary

Approved as to form:

Grantee Counsel

GRANTOR: THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

By: _____
Anne M. Moore, Executive Director

Approved as to form:

Agency Counsel

ARTICLE II GRANT PROVISIONS

GRANTOR AND GRANTEE HAVE ENTERED THIS GRANT AGREEMENT AS OF THE EFFECTIVE DATE. The capitalized terms in this Grant Agreement shall have the meanings assigned in Article I General Terms and as defined in Section 1 of this Article II Grant Provisions. (Terms being defined are indicated by quotation marks.) The Grantor is making the Grant pursuant to the Grant Commitment and the terms and conditions of this Grant Agreement.

NOW, THEREFORE, in consideration of their mutual promises, the parties agree as follows:

1. **DEFINITIONS.** Terms not defined in Article I shall have the definitions assigned in Article II of this Grant Agreement. If a definition in Article I refers to an Exhibit which is a document form, the attached document is a true and correct copy of the document referenced. As used in this Grant Agreement, the following terms shall have the following meanings:

1.1. "Budget" is the budget approved by Grantor for the development of the Project.

1.2. "Business Day" means regularly scheduled business day of the Redevelopment Agency of the County of Sacramento, Grantor. If and when any payment to be made under this Grant Agreement is due on a day other than a Business Day, it may be made on the next succeeding Business Day, and the resulting extension of time will be included in the computation of payment of interest.

1.3. "Change" means any extra work or installation of materials not included in the Plans and Specifications or any change in or deviation from the Plans and Specifications.

1.4. "Completion of the Project" means that, in Grantor's sole judgment the Project has been constructed, rehabilitated, completed, equipped, and/or furnished in a good and proper manner in accordance with the Plans and Specifications, the Scope of Development and the Budget as approved by Grantor; all notices of completion with respect to the Project have been filed and all statutory lien periods have expired; all costs of constructing the Project have been paid, including, without limitation, interest on the Note which may be due prior to the Completion Date; all necessary certificates of occupancy have been issued; and all of the conditions to final disbursement of the Grant have been satisfied.

1.5. "Construction Account" is an account created by and held by Grantor in which grant Proceeds are held for disbursement pursuant to this agreement.

1.6. "Construction Lender" is the lender for the Construction Loan, if any.

1.7. "Construction Loan" means the permanent financing, if any, obtained by Grantee which pays construction and other costs of the Project not otherwise paid by the proceeds of this Grant or Grantee contributions. The Construction Loan may be secured by a senior lien against the Property and repaid from proceeds of the Permanent Loan.

1.8. "Event of Default" is breach of or default in a party's obligations under this Grant Agreement, the Owner Participation Agreement to which this Agreement is attached, or any other instrument which is incorporated in this Grant Agreement or which otherwise secures the repayment of the Grant.

1.9. "Financial Statements" means the financial statements of Grantee (and any other persons on whose financial capacity the Grantor has relied in making this Grant) as may be required by Grantor from time to time, including operating statements, balance sheets, and any other financial reports and information that Grantor may require.

1.10. "Fixtures" means all fixtures located on or within the Project or now or later installed in or used in connection with any of the Project, including, as applicable and without limitation, all partitions, screens, awnings, motors, engines, boilers, furnaces, pipes, plumbing, elevators, cleaning and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, heating, ventilating, air conditioning and air cooling equipment, built-in refrigerators, and gas and electric machinery, appurtenances, and equipment, whether or not permanently affixed to the Project.

1.11. "General Contractor" means the general contractor selected by Grantee in accordance with applicable law as the general contractor to do the Project, or any other general contractor so designated by Grantee and approved in writing in advance by Grantor.

1.12. "Governmental Authority" means the United States of America, the State of California, the County of Sacramento, the City of Sacramento or any other political subdivision, agency, department, commission, board, bureau, or instrumentality of any of them.

1.13. "Governmental Requirement" means any law, ordinance, order, rule, regulation, plan, ruling, determination or requirement of a Governmental Authority.

1.14. "Impositions" means all real estate and personal property taxes and other taxes and assessments, water and sewer rates and charges, and all other charges of a Governmental Authority and any interest or costs or penalties with respect to them, ground rent and charges for any easement or agreement maintained for the benefit of the Property, of every nature and any kind that at any time may be assessed, levied, imposed, or become a lien on the Property, Fixtures or income received from the Property or Fixtures, or any use or occupancy of the Property; and any charges, expenses, payments, or assessments of any nature that are or may become a lien on the Property or the income received from it.

1.15. "Inspector" is the person or persons designated by Grantor for the inspection of Grantee's books and records and the physical progress of the Project as provided in this Grant Agreement.

1.16. "Grant" is the Grant from Grantor to Grantee made pursuant to this Grant Agreement.

1.17. "Grant Agreement" means this Construction Grant Agreement including Article I and II, all Exhibits attached this Grant Agreement (which are incorporated in this Grant Agreement by this reference).

1.18. "Grant Documents" means this Grant Agreement, the Owner Participation Agreement to which this Agreement is attached and incorporated therein, and all other documents evidencing, securing, or relating to the Grant.

1.19. "Grant Proceeds" means funds disbursed by Grantor on account of the Grant and pursuant to this Grant Agreement.

1.20. "Permanent Lender" is the lender, if any, for the Permanent Loan.

1.21. "Permanent Loan" means the permanent financing, if any, obtained by Grantee which repays after completion of the Project construction and other loans secured by the Project and which is secured by a senior lien against the Property.

1.22. "Personalty" means, whether or not listed as Additional Collateral, all of Grantee's interest in all accounts, contract rights, and general intangibles (specifically including any insurance proceeds and condemnation awards) arising out of the ownership, development, or operation of the Property, and all furniture, furnishings, equipment, machinery, construction materials and supplies, leasehold interests in personal property, and all other personal property (other than Fixtures) of Grantee now or later located about the Property, together with all present and future attachments, accessions, replacements, substitutions, and additions, and the cash and noncash proceeds.

1.23. "Plans and Specifications" means the final set of architectural, structural, mechanical, electrical, grading, sewer, water, street, and utility plans and/or specifications for the Project, including all supplements, amendments, and modifications.

1.24. "Potential Default" means an event that would constitute a default under this Grant Agreement but for any requirement of notice to be given or period of grace or time to elapse.

1.25. "Project" means the development of the Property in accordance with the Plans and Specifications including, without limitation, all improvements and appurtenances on the Property, all work of demolition and construction to be conducted on the Property, and all improvements, additions, and replacements constructed or placed at any time on the Property.

2. GRANTEE'S REPRESENTATIONS AND WARRANTIES. As a material inducement to Grantor to enter into this Grant Agreement and to make the Grant to Grantee, Grantee (and each signatory who signs on its behalf) unconditionally, and jointly and severally, represents and warrants to Grantor as follows:

2.1. LEGAL ORGANIZATION. Grantee is duly formed and validly in the form stated in Article I, is qualified to do business in California, and has full power to consummate the transactions contemplated.

2.2. **GRANTEE'S POWERS.** Grantee has full authority to execute all of the Grant Documents, to undertake and consummate the contemplated transactions, and to pay, perform, and observe all of the conditions, covenants, agreements, and obligations.

2.3. **BINDING OBLIGATION.** The Grant Documents constitute legal and binding obligations of, and are valid and enforceable against, each party other than Grantor, in accordance with their respective terms.

2.4. **LITIGATION.** There are no actions, suits, or proceedings pending or, to the best knowledge of Grantee, threatened against or affecting Grantee, the Property, or any part of it, or involving the validity or enforceability of the Trust Deed, the priority of the lien, or the validity or enforceability of any of the other Grant Documents, at law or in equity, or before or by any Governmental Authority. Grantee is not in default with respect to any order, writ, injunction, decree, or demand of any court or other Governmental Authority.

2.5. **NO VIOLATION.** The consummation of the transactions covered by this Grant Agreement and the payment and performance of all of the obligations in the Grant Documents, will not result in any breach of, or constitute a default under, any mortgage, deed of trust, lease, contract, Grant or credit agreement, corporate charter, bylaws, partnership agreement, trust agreement, or other instrument to which the Grantee or any of its principals is a party or by which it or they or the Property may be bound or affected.

2.6. **NO DEFAULT.** There is no default on the part of Grantee under the Grant Documents, and no event has occurred and is continuing which (with notice or the passage of time or both) would constitute an Event of Default under any of Grant Documents or the Permanent Lender's commitment, if any, to make the Permanent Loan.

2.7. **TITLE TO PROPERTY.** Grantee is the sole legal and beneficial owner of the Property, which is free of all claims, liens, and encumbrances other than those shown in the Title Policy.

2.8. **NO UNAPPROVED LOANS.** Grantee has not received financing for either the acquisition of the Property, the construction of the Project or the permanent financing of the Project except as has been specifically disclosed to and approved by Grantor in writing.

2.9. **TITLE OF PERSONALTY.** All Personalty is vested solely in Grantee, free of all claims, liens, and encumbrances, and the security interest of Grantor in the Personalty is a first lien.

2.10. **USE OF PROCEEDS.** All Grant Proceeds will be disbursed as provided in this Grant Agreement and used only for payment of costs of proper construction of the Project and for other purposes specified in this Grant Agreement and the Budget.

2.11. **TAXES PAID.** Grantee has filed all required Federal, State, County, and City tax returns and has paid all taxes due. Grantee knows of no basis for additional assessments with respect to any taxes.

2.12. **PLANS AND SPECIFICATIONS.** The Plans and Specifications are satisfactory to Grantee and the General Contractor and have been approved by the Grantor. There are no structural defects in the Project as shown in the Plans and Specifications, and to the best of Grantee's knowledge, no violation of any Governmental Requirement exists.

2.13. **ACCURACY.** All applications, financial statements, reports, documents, instruments, information, and forms of evidence delivered to Grantor concerning the Grant or required by this Grant Agreement or any of the other Grant Documents are accurate, correct, and sufficiently complete to give Grantor true and accurate knowledge of their subject matter, and do not contain any untrue statement of a material fact or omit any material fact necessary to make them not misleading.

3. **GRANT.** Grantor agrees to grant to Grantee, and Grantee agrees to receive from Grantor, an amount not to exceed the Grant Amount, to finance the development of the Project and for other purposes as specified in this Grant Agreement and the Budget, subject to the terms, conditions, representations, warranties, and covenants in this Grant Agreement.

3.1. **PRINCIPAL AMOUNT.** The principal amount of the Grant shall be total of all actual disbursements of the Grantor on account of the Project, not to exceed the amounts stated in the Budget (as the Budget may be adjusted by written approval of

Grantor). In any event, the principal amount of the Grant shall not exceed the Grant Amount.

3.2. **GRANT TERMS.** The Grant is made pursuant to this Grant Agreement and is subject to the laws, rules and regulations hereto. Grantor agrees to disburse the Grant Proceeds in the manner and subject to the limitations stated in this Grant Agreement.

4. **PERFORMANCE CONDITIONS.** The following are conditions precedent to performance under this Grant Agreement:

4.1. **CONDITIONS TO GRANTOR'S PERFORMANCE.** Grantor's obligation to perform under this Grant Agreement is subject to all of the following conditions: (a) Grantee has performed all of its obligations then to be performed pursuant to this Grant Agreement; (b) Grantee has met the applicable Special Provisions, if any (c) Grantee's representations and warranties in this Grant Agreement are true and correct, (d) the Agreement continues to be in full force and effect, no default or Potential Default on the part of Grantee has occurred under the Grant Agreement, and (e) Grantor has approved the Approval Documents.

4.2. **CONDITIONS TO GRANTEE'S PERFORMANCE.** Grantee's obligation to perform under this Grant Agreement is subject to satisfaction of all of the following conditions: (a) Grantor has performed all of its obligations then to be performed pursuant to this Grant Agreement; (b) Grantee has met the applicable Special Provisions, if any. (c) Grantor's representations and warranties in this Grant Agreement are correct as of the date of this Grant Agreement; (d) Grantee has obtained all bonds and insurance required under this Grant Agreement, which bonds and insurance are in full force and effect; and (e) the Grant Agreement continues to be in full force and effect, no default on the part of Grantor has occurred under the Grant Agreement, and no event has occurred that, with the giving of notice or the passage of time, will constitute a default by Grantor under the Grant Agreement.

5. **CONSTRUCTION.** As a condition of the Grant, Grantee will diligently proceed with construction in accordance with the Scope of Development as approved by Grantor. Grantee shall complete such work on or before the Completion Date.

5.1. **CHANGES.** In order to assure sufficient funding for the Project, Grantee shall not authorize any Change without the prior written consent of Grantor. If in the judgment of Grantor, a Change, together with all other Changes contemplated or previously approved by Grantor, will cause an increase in the cost of the Project in excess of the contingency reserve identified in the Budget, then Grantee will, as a condition precedent to Grantor's consent, provide Grantor with proof that the contingency reserve has been increased as necessary to pay for all such Changes. Grantee will submit any such Change to Grantor for approval on a form acceptable to Grantor, together with approvals by the Project Architect, if any, and the General Contractor. Grantee shall maintain funds available in the contingency reserve that are in substantially the same percentage of the original contingency reserve as the percentage of the Project then remaining to be completed.

5.2. **CONTRACTORS AND CONTRACTS.** Upon Grantor's request, Grantee will furnish to Grantor correct lists of all contractors, subcontractors and material suppliers employed in connection with the Project, specifying their addresses, their respective portion of the Project and their respective Project cost. Grantor may contact directly each contractor, subcontractor, and material supplier to verify the facts disclosed by the list or for any other purpose related to the Grant. All contracts let by Grantee or its contractors relating to the Project will require them to disclose to Grantor information sufficient to make such verification.

5.3. **INSPECTION.** Grantor may, at any time and without notice to Grantee, enter on the Property and inspect the Project; and, during regular business hours, examine the books, records, accounting data, plans, shop drawings, specifications, and other documents of Grantee pertaining to the Project and to make extracts or copies. Grantee shall make all such documents available to Grantor promptly on demand. Grantee agrees to cooperate fully (and to cause the General Contractor to cooperate fully) with the Grantor and its Inspector and to permit all appropriate access to the Property and to all relevant books and records. Grantee shall bear the cost of reasonable inspections.

5.4. **PROTECTION AGAINST LIEN CLAIMS.** Grantee shall promptly and fully discharge all claims for labor done and materials and services furnished in connection with the Project, promptly file a valid Notice of Completion on completion of the Project, promptly file a Notice of Cessation in the event of a cessation of labor on the Project for a continuous Period of (30) days or more, and take all other reasonable steps to protect against the assertion of lien claims against the Property or any part of it.

5.4.1. Grantor, at any time, may require Grantee to obtain a lien waiver with respect to each payment to the General

Contractor and each payment by the General Contractor or Grantee to each of the various subcontractors and material suppliers, Grantor, at any time, may require Grantee to make any payments for the Project by joint check made payable to the General Contractor and subcontractor for whose account the payment is to be made, as joint payees.

5.4.2. In any event, Grantee is not required to pay any claims for labor, materials, or services that Grantee disputes, reasonably and in good faith, and that Grantee, at its own expense, is currently and diligently contesting, provided that Grantee will, in that case and in each other case where a claim of lien has been filed, within ten (10) days after the filing of any claim of lien record in the office of the Recorder of the County where the Property is located a surety bond sufficient to release the claim of lien or deliver to Grantor any other assurance as may be acceptable to Grantor.

5.5. PAYMENT AND PERFORMANCE BONDS. As a condition precedent to beginning construction of the Project, the Grantee shall provide the Grantor performance bond and a labor and material payment bonds obtained by Grantee or its general contractor in favor of the Grantee and Grantor as a named dual obligees, in form and amount as approved by the Grantor and securing, respectively, completion of the work and payment of all labor and material suppliers and subcontractors for the work as stated in the construction contract for the Project. The bonds shall be written with a surety listed as acceptable to the federal government on its most recent list of sureties. Grantee shall assure compliance with all requirements of the surety. Grantee shall permit no changes in the work to be performed by the general contractor and shall make no advance payments to the general contractor without prior written notice to the surety and the Grantor, if such change or payment could release the surety of its obligations under the bonds.

5.6. SECURITY INSTRUMENTS. Upon request by Grantor, Grantee shall execute and deliver to Grantor a security instrument in favor of Grantor naming as secured property all contracts related to the Project and all other property of any kind owned by Grantee and used primarily in connection with the Property. Grantor may require such instrument at any time, and from time to time may require additions of new contracts and other property. Grantee irrevocably assigns to Grantor, effective upon Grantor's written demand, as security for the due performance of this Grant Agreement all of its right, title, and interest in the Assigned Documents.

6. GRANT DISBURSEMENT PROCEDURES. Grantor shall create and maintain a Construction Account into which Grant Proceeds shall be placed and from which Grant Proceeds shall be disbursed pursuant to the terms of this grant Agreement, the Owner Participation Agreement to which it is attached, and all other supporting documentation.

6.1. DISBURSEMENT REQUESTS. Grantee may not request disbursement of Grant proceeds more often than once each month; provided, however, that Grantor may make, but is not obligated to make, payments on such requests more often than monthly. Grantee shall submit such request in a form and substance satisfactory to Grantor. Grantor may make on-site inspections of construction to verify percentage of completion, to verify that work for which payment is requested has been completed in accordance with this Grant Agreement, and to make other determination necessary to certify disbursement requests.

6.1.1. Grantee shall include in the request all of the following:

- a) A current construction progress schedule;
- b) A statement of the percentage of the Project completed to date (including the work for which payment is requested);
- c) An itemized description of the work for which payment is requested (including the corresponding names of the contractor, subcontractor or supplier, and the corresponding cost)
- d) Evidence satisfactory to Grantor that the work for which disbursement has been requested has been satisfactorily completed;
- e) Evidence satisfactory to Grantor that bills have been paid by Grantee and the General Contractor for such work done and materials supplied for which disbursement was made under the previous disbursement request;
- f) Unconditional lien release have been obtained from all subcontractors performing all work for which payment has been disbursed as of the preceding disbursement request and from all persons and entities that provided Project material and supplies as of the preceding disbursement request;
- g) Evidence satisfactory to Grantor that all required insurance has been in full force.
- h) As applicable, certifications from the Project Architect and the Inspector that the Project is being constructed in accordance with the Plans and Specifications and in a timely manner; and
- i) If requested by Grantor, evidence satisfactory to Grantor that Grantee has received lien releases covering work

done or materials furnished in connection with the Project for which disbursement has been or is currently requested.

6.1.2. Additionally, if the disbursement request includes advances for building materials or furnishings located off the Property or stored on the Property but not incorporated in the Project, Grantee shall submit evidence satisfactory to Grantor:

- a) That Grantee has fully paid for and obtained title to the materials and furnishings;
- b) That full replacement-value insurance coverage on the materials or furnishings is in full force;
- c) That Grantor has (or on payment of the amounts to be disbursed in the Advance will have) a perfected senior security interest in the materials or furnishings; and
- d) That no other security or other interest in the materials or furnishings is claimed by any other party.

6.1.3. If requested by Grantor, Grantee shall also include in the disbursement request all supporting documentation that Grantor may require, including, without limitation, waivers of mechanics' or materialmen's liens from the General Contractor and each subcontractor and supplier with respect to the Project for which payment is being requested; a written statement from the General Contractor that the portion of Project covered by the request for disbursement has been completed in accordance with the applicable contracts and should now be paid, and that all costs incurred in connection with the Project either have been paid or will be paid out of the proceeds of the disbursement; supporting billings to the General Contractor covering the application for payment; and supporting billings of the General Contractor with respect to the work requested.

6.2. CONDITIONS PRECEDENT TO EACH GRANT DISBURSEMENT. The obligation of Grantor to make any disbursements under this Grant Agreement shall be subject to the following conditions precedent:

6.2.1. No Event of Default or Potential Default of Grantee has occurred and is continuing.

6.2.2. Grantor has determined that the amount remaining in the Construction Account is sufficient to pay all costs and expenses in connection with the Completion of the Project, including, without limitation, the requested disbursement and any Changes approved or contemplated for the Project.

6.2.3. If requested by Grantor, Grantee has furnished to Grantor, as a Project cost, a written statement assuring Grantor that each foundation is constructed wholly within the boundaries of the Property and any applicable setback lines and does not encroach on any easement, rights-of-way, or setback lines or violate any covenants, conditions, or restrictions of record.

6.2.4. Grantor is satisfied that all work has been completed using sound, new materials and fixtures, in a good and proper manner, and all materials, fixtures, and furnishings installed on or acquired for the Property will be owned by Grantee free of any liens, encumbrance, or other interests of any kind.

6.2.5. Grantee has obtained, and maintained in full force, all approvals, permits, certifications, consents, and licenses of Governmental Authorities and any other parties having enforceable rights to review construction of the Project, that are necessary at the stage of construction when the disbursement is to be made.

6.2.6. The representations and warranties in the Grant Documents are correct as of the date of the requested disbursement.

6.2.7. Grantee has paid Grantor all commitment, Grant, and other fees then due, if any, and Grantee has submitted to, and Grantor has approved in writing, all documents, records, statements, certificates, reports, and other materials and information then required to be submitted to Grantor for approval under this Grant Agreement.

6.2.8. As to each portion of the Project affected by any work for which a disbursement is requested, a valid building permit is in full force and has been in effect since such work was commenced.

6.2.9. Grantee has delivered to Grantor all funds, if any, documents, instruments, policies, evidence of satisfaction of conditions, and other materials then due or otherwise requested by Grantor under the Grant Documents.

6.3. CONDITIONS PRECEDENT TO FIRST DISBURSEMENT. Grantee's request for the first Grant disbursement is a

representation and warranty by Grantee that there has been no material adverse change in Grantee's financial capacity or in any representation made to Grantor inducing Grantor to make the Grant or Grantee's supporting documentation. Grantor shall make the first Grant disbursement under this Grant Agreement when the following conditions precedent and the conditions precedent stated in Section 6.2 have been met:

6.3.1. There is no legal action threatened or pending against Grantee or affecting the Property or any Additional Collateral.

6.3.2. Grantee has obtained and Grantor has approved a loan from a financial institution (or other Grantor approved by Grantor in its sole discretion) to make the Construction Loan, if any, which provides (a) that it is subject only to those conditions which are usual and customary in the industry and which can be satisfied by the proposed closing date of the Permanent Loan; (b) that it is in full force with no default by any party; and (c) that Grantor will have notice of, and a reasonable opportunity to cure, any Grantee defaults.

6.3.3. Grantee has complied with all legal requirements for start of construction and Grantor has issued a notice to proceed with construction.

6.3.4. Grantee has provided proof of all insurance required by the Grant Documents.

6.3.5. All utility services, including without limitation gas, electric, water, storm and sanitary sewer, and telephone facilities, and all roads, public rights of way and easements necessary for the construction of the Project and the operation for their intended purposes are available at or within the boundaries of the Property, or all necessary steps have been taken by Grantee and all applicable Governmental Authorities and utility companies to assure the complete construction, installation, and availability of them on completion of the Project.

6.3.6. The Construction Lender's commitment, if any, to make the Construction Loan is in full force, has not been modified and no event has occurred that with notice or the passage of time or both could result in the termination of it. Nothing in the Permanent Loan commitment, or submissions and approvals made under it, conflicts with this Grant agreement. Grantee has done all things necessary to keep unimpaired its rights under the Permanent Commitment.

6.4. CONDITIONS PRECEDENT TO FINAL DISBURSEMENT. Grantor shall make the final Grant disbursement under this Grant Agreement when the following conditions precedent and the conditions precedent stated in Section 6.2 have been met:

6.4.1. As applicable, the Project Architect and the Inspector will have certified to Grantor, on AIA Form G704 and in a manner satisfactory to Grantor:

- a) That the Project has been duly completed in a good and proper manner using sound, new materials;
- b) That the Project complies with the Plans and Specifications, the requirements of all Governmental Authorities and any other party having enforceable rights regarding the construction of the Project; and
- c) That the Project is structurally sound.

6.4.2. Grantee has furnished evidence, in form and substance satisfactory to Grantor, that:

- a) The General Contractor and subcontractors and material suppliers and their subcontractors and material suppliers have been paid in full.
- b) All other permits and approvals necessary for the construction, equipping, management, operation, use, or ownership of the Project have been obtained, subject only to those conditions approved by Grantor, and
- c) The completed Project complies with all applicable zoning regulations, subdivision map acts, building code provisions, and similar governmental laws and regulations, and has all utilities and adequate ingress and egress from public streets, that evidence to be in the form of a certificate executed by Grantee in favor of Grantor.

6.4.3. That Grantee has provided to Grantor an inventory showing make, model, value, cost, and location of all, fixtures and equipment and other personal property used in the management, maintenance, and operation of the Project.

6.4.4. Grantee has furnished evidence in form and substance satisfactory to Grantor that all utilities necessary for the full use and operation of the Project are available and have been connected to the Project.

6.4.5. Grantee has filed a notice of completion of the Project necessary to establish the commencement of the shortest statutory period for filing of mechanics' and materialmen's liens.

6.4.6. Grantor has received written approval from the surety on any bond required by Grantor.

6.4.7. Grantee has requested and Grantor has issued a Certificate of Completion.

6.5. MAKING DISBURSEMENT. Grantor shall pay each disbursement request within twenty (20) Business Days after the disbursement request is submitted to Grantor, subject to fulfillment of the conditions precedent as stated in Section 6.2. Grantor shall disburse the actual cost of the work represented in the disbursement request by Grantee, reduced by the cost of work included in the request and not satisfactorily completed and by the amount of the Retention to be withheld.

6.6. DISBURSEMENT OF LESS THAN FULL REQUEST. If Grantor makes a disbursement which is less than the full amount of the disbursement requested, Grantor shall inform Grantee of the items disallowed for disbursement and the reason for disallowing them. Grantor shall disburse the Grant in the following order of priority, except as expressly provided and unless paid by Grantee from other funds: (a) first, to pay Grantor's Grant fees and expenses due, if any; (b) second, to pay Grantor the interest due on the Grant, if any; (c) third, at Grantor's option to pay all Impositions due, if any; (d) fourth, at Grantor's option, to make any other payments that Grantor may in its sole discretion deem necessary or advisable under the Grant Documents; and (e) fifth, to make the disbursement of funds then due in response to Grantee's current request for disbursement.

6.7. NO WAIVER BY DISBURSEMENT. Regardless of the failure of any condition precedent to Grantor's obligation to make disbursements from the Construction Account, Grantor may make a disbursement if Grantor, in its sole discretion, determines it to be advisable. The making of any disbursement shall not be deemed to constitute an approval or acceptance by Grantor of the work completed or a waiver of the condition with respect to a subsequent disbursement.

6.8. COMPLIANCE. To the best of Grantee's knowledge, the construction and use of the Property and Project comply in full with, or if built according to the Plans and Specifications, will comply in full with, all Governmental Requirements. No right to construct or use the Project is to any extent dependent on any real property other than the Property. All approvals, licenses, permits, certifications, filings, and other actions normally accepted as proof of compliance with all Governmental Requirements by prudent granting institutions that make investments secured by real property in the general area of the Property, to the extent available as of the date of this Grant Agreement, have been given or taken, or Grantee is entitled to have them given or taken as the ministerial act of the applicable Governmental Authority

7. DEFAULT

7.1. EVENTS OF DEFAULT. This Grant is made with Grant Proceeds. The compliance by Grantee, its successors and assigns, with this Grant Agreement and the Owner Participation Agreement is a material condition to making the Grant and condition subsequent to retaining the Grant. If Grantee fails to comply with the Owner Participation Agreement and this Grant Agreement and fails to come into compliance with them within thirty (30) days after written demand by Grantor, Grantee shall repay the Grant in full, within an additional fifteen (15) days. If Grantee fails to make such repayment, Grantor may commence foreclosure on the Property, either judicially, non-judicially or both, and take any other action allowed by law to recover the Grant funds. Furthermore, at the option of Grantor, each of the following events will constitute a default:

7.1.1. The occurrence of a Default under the Owner Participation Agreement.

7.1.2. Grantee's failure to comply with any Governmental Requirements.

7.1.3. Grantee's failure to keep in full force any permit, license, consent, or approval with respect to the construction, occupancy, or use of the Project.

7.1.4. Any material deviation from the Plans and Specifications in the construction of the Project, or the appearance or use of defective workmanship or materials in the construction of the Project, if Grantee fails to remedy them or to diligently proceed to remedy them to Grantor's satisfaction within ten (10) days after Grantor's written demand to do so.

7.1.5. Grantee's failure to complete the construction of the Project by the Completion Date.

7.1.6. The filing of any lien against the Property or Project or the service on Grantor of any bonded stop notice related to the Grant, if the claim of lien or bonded stop notice continues for thirty (30) days without discharge, satisfaction, or the making of provision for payment (including bonding) to the satisfaction of Grantor as provided for in Section 3.6.

7.1.7. The attachment, levy, execution, or other judicial seizure of any portion of the Property or Project, or any substantial portion of the other assets of Grantee, that is not released, expunged, bonded, discharged, or dismissed within thirty (30) days after the attachment, levy, execution, or seizure.

8. REMEDIES

8.1. **OPTION TO ACT.** On the occurrence of any Event of Default, in addition to its other rights in this Grant Agreement or in any of the other Grant Documents, at law, or in equity, Grantor may, without prior demand, exercise any one or more of the following rights and remedies:

8.1.1. Terminate its obligation to make disbursements.

8.1.2. Declare the Grant and all other sums owing to Grantor with respect to the other Grant Documents immediately due.

8.1.3. Make any disbursements after the happening of any one or more of the Events of Default, without waiving its right to demand repayment of the Grant and all other sums owing to Grantor with respect to the other Grant Documents or any other rights or remedies and without liability to make any other or further disbursements, regardless of Grantor's previous exercise of any rights and remedies.

8.1.4. Proceed as authorized at law or in equity with respect to the Event of Default, and in connection with that, remain entitled to exercise all other rights and remedies described in this Grant Agreement.

8.1.5. Make any unauthorized payment from Grant Proceeds or other funds of Grantor.

8.1.6. Recover its funds expended in exercising or enforcing any of its rights or remedies under any of the Grant Documents, together with interest from the date the funds were spent until repaid.

8.2. **RIGHTS CUMULATIVE, NO WAIVER.** All of Grantor's rights and remedies provided in this Grant Agreement or in any of the other Grant Documents are cumulative and may be exercised by Grantor at any time. Grantor's exercise of any right or remedy will not constitute a cure of any Event of Default unless all sums then due to Grantor under the Grant Documents are repaid and Grantee has cured all other Events of Default. No waiver will be implied from Grantor's failure to take, or delay in taking, any action concerning any Event of Default or from any previous waiver of any similar or unrelated Event of Default. Any waiver under any of the Grant Documents must be in writing and will be limited to its specific terms.

8.3. **DISCLAIMER.** Whether Grantor elects to employ any of the remedies available to it in connection with an Event of Default, Grantor will not be liable for the construction of or failure to construct, complete, or protect the Project; the payment of any expense incurred in connection with the exercise of any remedy available to Grantor or the construction or completion of the Project; or the performance or nonperformance of any other obligation of Grantee.

8.4. **GRANT OF POWER.** Grantee irrevocably appoints Grantor as its attorney-in-fact, with full power and authority, including the power of substitution, exercisable on the occurrence of an Event of Default, to act for Grantee in its name, place, and stead as provided in this Grant Agreement to take possession of the Property and Project, remove all employees, contractors, and agents of Grantee, to complete or attempt to complete the work of construction, and to market, sell, or lease the Property and Project; to make any additions, changes, and corrections in the Plans as may be necessary or desirable, in Grantor's sole discretion, or as it deems proper to complete the Project; to employ any contractors, subcontractors, suppliers, architects, inspectors, consultants, property managers, and other agents that Grantor, in its sole discretion, deems proper for the completion of the Project, for the protection or clearance of title to the Property or Personalty, or for the protection of Grantor's interests, to employ security guards to protect the Property and Project from injury or damage; to pay, settle, or compromise all bills and claims then existing or later arising against Grantee that Grantor, in its sole discretion, deems proper for the completion of the Project, for the protection or clearance of title to the Property, or for the protection of Grantor's interests; to

prosecute and defend all actions and proceedings in connection with the Property or Project; and to execute, acknowledge, and deliver all other instruments and documents in the name of Grantee that are necessary or desirable, to exercise Grantee's rights under all contracts concerning the Property or Project, and to do all other acts with respect to the Property or Project that Grantee might do on its own behalf, in each case as Grantor in its reasonable discretion deems proper.

9. MISCELLANEOUS

9.1. Nature of Representations and Warranties. Grantee certifies to Grantor that all representations and warranties made in this Grant Agreement and all other Grant Documents are true and correct in all material respects and do not contain any untrue statement of a material fact or omit any material fact necessary to make the representations and warranties not misleading. All representations and warranties will remain true and correct in all material respects and will survive so long as any of Grantee's obligations have not been satisfied or the Grant or any part of it remains outstanding, and for any applicable statute of limitations period. Each request by Grantee for a disbursement will constitute an affirmation that all representations and warranties remain true and correct as of the date of that request. Each representation and warranty made in this Grant Agreement, in any other Grant Documents, and in any other document delivered to Grantor by Grantee, will be deemed to have been relied on by Grantor, regardless of any investigation, inspection, or inquiry made by Grantor or any related disbursement made by Grantor. The representations and warranties that are made to the best knowledge of Grantee have been made after diligent inquiry calculated to ascertain the truth and accuracy of the subject matter of each representation and warranty.

9.2. FINANCIAL STATEMENTS. Grantee shall provide Financial Statements when requested by Grantor, but in any event not more often than quarterly during construction of the Project or annually, thereafter. Grantee shall assure that Financial Statements are prepared in accordance with generally accepted accounting principles. If requested by Grantor as reasonably necessary to assure the security of its Grant, Grantee shall provide Financial Statements prepared or reviewed by a licensed Certified Public Accountant or Public Accountant and fully reflecting the assets and liabilities of the party concerning whom they were prepared.

9.3. NO WAIVER. No failure or delay on the part of Grantor in exercising any right or remedy under the Grant Documents will operate as a waiver nor will Grantor be estopped to exercise any right or remedy at any future time because of any failure or delay. No express waiver will affect any matter other than the matter expressly waived and that waiver will be operative only for the time and to the extent stated. Waivers of any covenant, term, or condition in this Grant Agreement will not be construed to waive any subsequent breach of the same covenant, term, or condition.

9.4. NO THIRD PARTIES BENEFITED. This Grant Agreement is made and entered into for the sole protection and benefit of the parties and their permitted successors and assigns, and no other Person will have any right of action or any rights to funds at any time on deposit in the Construction Account or the Impound Account, if established.

9.5. NOTICES. All notices required to be given will be served in the manner provided in this Grant Agreement, and/or as usual, customary and required by law. Grantee irrevocably appoints Grantor as its agent (the agency being coupled with an interest) to file for record any notices of completion, cessation of labor, or any other notice that Grantor deems necessary or desirable to protect its interests under this Grant Agreement or under the Grant Documents.

9.6. ACTIONS. Grantor will have the right to commence, appear in, or defend any action or proceeding purporting to affect the rights, duties, or liabilities of the parties, or the disbursement of any funds under this Grant Agreement. In connection with that, Grantor may incur and pay costs and expenses, including, without limitation, reasonable attorney fees. Grantee agrees to pay to Grantor on demand all these expenses, and Grantor is authorized to disburse funds from the Construction Account for that purpose. This Section does not apply to actions or proceedings between the parties.

9.7. SIGNS. Grantee agrees that on the request of Grantor, Grantee will erect and place on or in the immediate vicinity of the Property a sign, acceptable to the Grantor, indicating that Grantor has provided construction financing for the Project. The sign will remain the property of Grantor and will be required to be removed only after construction has been completed. Grantor may also arrange for publicity of the Grant in its sole discretion.

9.8. ASSIGNMENT. The terms of this Grant Agreement will be binding on and inure to the benefit of successors and assigns of the parties. However, Grantee shall not assign this Grant Agreement or any interest it may have in the monies due or, except as otherwise provided, convey or encumber the Property or any Personalty or Fixtures now or later on the Property

without the prior written consent of Grantor. However, if there is an assignment, conveyance, or encumbrance, Grantor may nevertheless at its option continue to make disbursements under this Grant Agreement to Grantee or to those who succeed to Grantee's title, and all sums so disbursed will be deemed to be disbursements under this Grant Agreement and not modifications. Grantor may at any time assign the Grant Documents and its interest in the Construction Account and the Impound Account to any affiliate of Grantor or to a national bank or other Grantor having experience with construction granting, and on transfer of the Construction Account and the Impound Account to assignee for disbursement as provided in this Grant Agreement, the assignee will assume the obligations of Grantor, and Grantor will have no further obligation of any nature. In that case, the provisions of this Grant Agreement will continue to apply to the Grant, and the assignee will be substituted in the place and stead of Grantor, with all rights, obligations, and remedies of Grantor, including, without limitation, the right to further assign the Grant Documents and its interest in the Construction Account and the Impound Account. In addition, Grantor may at any time assign a participation in the Grant to any other party, provided that Grantor continues to be primarily obligated under this Grant Agreement.

9.9. GRANTEE'S RESPONSIBILITIES. To prevent and avoid construction defects, Grantee shall inspect, review, supervise, and assure the high quality, adequacy, and suitability of: (i) the Plans and Specifications and all changes and amendments; and (ii) architects, contractors, subcontractors, and material suppliers employed or used in the Project, and the workmanship of and the materials used by all of them; and (iii) the progress and course of construction and its conformance with the Plans and Specifications and any amendments, alterations, and changes that may be approved by Grantor. Grantee will, at Grantee's expense, defend, indemnify, save, and hold Grantor harmless against all claims, demands, losses, expenses, damages (general, punitive, or otherwise), and causes of action (whether legal or equitable) asserted by any Person arising out of the use of the proceeds of the Grant. Grantee will pay Grantor on demand all claims, judgments, damages, losses, or expenses (including attorney fees and expenses) incurred by Grantor as a result of any legal action arising out of the use of the proceeds of the Grant. The provisions of this Section will survive the termination of this Grant Agreement and the repayment of the Grant.

9.10. NONLIABILITY FOR NEGLIGENCE, LOSS, OR DAMAGE. Grantee acknowledges, understands, and agrees as follows:

9.10.1. The relationship between Grantee and Grantor is, and will at all times remain, solely that of Grantee and Grantor, and Grantor neither undertakes nor assumes any responsibility for or duty to Grantee to select, review, inspect, supervise, pass judgment on, or inform Grantee of the quality, adequacy, or suitability of the Project work, except as to matters which are within the intent and purpose for which Grantor has made the Grant.

9.10.2. Grantor owes no duty of care to protect Grantee against negligent, faulty, inadequate, or defective building or construction.

9.10.3. Grantor will not be responsible or liable to Grantee for any loss or damage of any kind to person or property whether suffered by Grantee or any other Person or group of Persons or for negligent, faulty, inadequate, or defective building or construction, and Grantee will hold Grantor harmless from any liability, loss, or damage for these things.

9.11. CONTROLLING LAW; VENUE. The Grant Documents will be governed by and construed in accordance with California law. The venue for any legal action or proceeding will be in the County of Sacramento, California

9.12. CONSENTS AND APPROVALS. All consents and approvals by Grantor required or permitted by any provision of this Grant Agreement will be in writing. Grantor's consent to or approval of any act by Grantee requiring further consent or approval will not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.

9.13. SURVIVAL OF WARRANTIES AND COVENANTS. The warranties, representations, conditions, covenants, and agreements in this Grant Agreement and in the other Grant Documents will survive the making of the Grant and will continue in full force until the Grantor has issued a Certificate of Completion to Grantee and/or the Grant has been repaid in full. Nothing in this Section is intended to limit any other provision of the Grant Documents that by their stated terms survive the repayment of the Indebtedness or the termination of any Grant Document.

9.14. GRANT EXPENSES. In making the first disbursement, Grantor may, at its option, deduct from the proceeds of that disbursement a sum equal to the aggregate of the following, to the extent Grantor has knowledge of it and demand has been made on Grantor at the time of the deposit: all expenses specifically incurred in connection with the Grant or the preparation, execution, and delivery of the Grant Documents, including, but not limited to, recording costs and expenses, transfer and other taxes, surveys, and appraisal fees, if any, as well as hazard insurance premiums, recording, notary, or escrow charges, if any,

and all other similar, usual, or customary Grant closing charges and expenses; and any other budgeted expenses that have been approved by Grantor in writing; and Grantor will, for the benefit of Grantee, pay those amounts over to the respective parties on whose behalf the demands will have been received by Grantor. Grantee will pay directly any expenses in connection with the Grant not so paid by Grantor, including, without limitation, any of the expenses specified above, and will hold Grantor free from any cost, liability, or obligation of any nature in connection with it, including reasonable attorney fees incurred by Grantor. Grantee further agrees to pay on demand all out-of-pocket costs and expenses incurred by Grantor including, without limitation, the fees and disbursements of Grantor's outside counsel, in connection with: (i) the administration of the Grant, including, without limitation, all approvals or consents given or contemplated to be given under the Grant Documents, all amendments to the Grant Documents entered into by Grantor or requested by any Grant Party, and all title insurance policies and endorsements required by Grantor, if any, and (ii) the enforcement of any rights or remedies under the Grant Documents, whether any action or proceeding is commenced, or the protection of the security, or interests of Grantor under the Grant Documents.

9.15. NO REPRESENTATIONS BY GRANTOR. By accepting or approving anything required to be observed, performed, or fulfilled, or to be given to Grantor pursuant to this Grant Agreement or pursuant to the Grant Documents, including, but not limited to, any officer's certificate, balance sheet, statement of income and expense, or other Financial Statement, survey, appraisal, or insurance policy, Grantor will not be deemed to have warranted or represented the sufficiency, legality, effectiveness, or legal effect of it or of any particular term, provision, or condition of it, and any acceptance or approval will not be or constitute any warranty or representation by Grantor.

9.16. AMENDMENT. The Grant Documents and the terms of each of them may not be modified, waived, discharged, or terminated except by a written instrument signed by the party against whom enforcement of the modification, waiver, discharge, or termination is asserted.

9.17. TERMINATION. Except as otherwise provided in the Grant Documents, all rights and obligations under this Grant Agreement will terminate upon Grantor issuing a Certificate of Completion to Grantee.

9.18. COUNTERPARTS. The Grant Documents may be executed in any number of counterparts and by different parties in separate counterparts, each of which when executed and delivered will be deemed an original and all of which counterparts taken together will constitute one and the same instrument.

9.19. SEVERABILITY. If any terms, provision, covenant, or condition or any application is held by a court of competent jurisdiction to be invalid, void, or unenforceable, all terms, provisions, covenants, and conditions and all applications not held invalid, void, or unenforceable will continue in full force and will in no way be affected, impaired, or invalidated.

9.20. CAPTIONS. All Article and Section headings in the Grant Documents are inserted for convenience of reference only and do not constitute a part of the Grant Documents for any other purpose.

9.21. INDEMNITY. Grantee agrees to defend, indemnify, and hold Grantor harmless from all losses, damages, liabilities, claims, actions, judgments, costs, and reasonable attorney fees that Grantor may reasonably incur as a direct or indirect consequence of the making of the Grant, Grantee's failure to perform any obligations as and when required by this Grant Agreement or any of the other Grant Documents, the failure at any time of any of Grantee's representations or warranties to be true and correct, or any act or omission by Grantee, any contractor, subcontractor, engineer, architect, or other Person with respect to the Property, the Project, or any portion of them. Grantee will pay immediately on Grantor's demand any amounts owing under this indemnity, together with interest at the maximum rate permitted by law from the date Grantor makes a payment or incurs a loss. Grantee's duty to indemnify Grantor will survive termination of this Grant Agreement.

9.22. FURTHER ASSURANCES. At Grantor's request and at Grantee's expense, Grantee will execute, acknowledge, and deliver all other instruments and perform all other acts necessary, desirable, or proper to carry out the purposes of the Grant Documents or to perfect and preserve any liens created by the Grant Documents.

9.23. DISCLOSURE OF INFORMATION. If Grantor elects to sell the Grant, Grantor may forward to the buyer of the Grant all documents and information related to the Grant in Grantor's possession, including without limitation all Financial Statements, whether furnished by Grantee or otherwise.

9.24. GRANTOR'S AGENTS. Grantor may designate agents or independent contractors to exercise any of Grantor's rights

GRANT UNION HIGH SCHOOL
IMPROVEMENTS

PARTNERSHIP PROJECT BUDGET

SOURCE	USE	AMOUNT
DPH TI (Bond Proceeds)	Perimeter fencing, landscaping, gateways, signage	\$ 2,000,000
GJUHSD	Relocation of bus maintenance facility, buses, and demolition of Quonset hut	500,000
GJUHSD	Paving of visitor parking lot (stadium)	308,000
GJUHSD	Demolition of interior fencing	5,000
GJUHSD/State (Hardship and Match funds)	Classroom modernization	7,952,090
City of Sacramento - CIP ('00 General Fund)	Lighting Heating system for pool	200,000
	TOTAL NEW INVESTMENT	\$10,965,090

EXHIBIT F: LOCAL HIRE INITIATIVE

LOCAL HIRE INITIATIVE

GRANT UNION HIGH SCHOOL IMPROVEMENTS

Grant Joint Unified High School District (GJUHSD) (developer or designee) agrees to work with the Agency's Division of Business and Employment Development (DBED) to accomplish, to the greatest extent feasible, the goals and activities set forth in the Owner Participation Agreement and this attachment.

Developer Responsibilities

The developer or designee will be responsible for the following:

- Provide outreach and bidding information to area firms and local business list provided by the Agency. Firms means suppliers, contractors, and professional services including architectural, engineering, project management, consulting or any construction or planning related activity.
- Provide Local Business Opportunity information in bid packages or similar solicitation material.
- Prior to subcontractor contracting, provide to the Agency a list of the firms contract for contraction opportunities for this project; the method of solicitation; reasons for acceptance or denial; list of selected firms with an indication of whether their principal place of business is in the Del Paso Heights/Strawberry Manor areas and zip code 95838; and, the contract amount. The developer may use an Agency-provided form for this purpose.
- Host the pre-bid meeting to inform bidders/subcontractors of the DBED and local hire information.
- Coordinate a local hire recruitment effort, if necessary, which will include:
 - Outreach to all Del Paso Heights/Construction Training Programs graduates/Sacramento YouthBuild graduates;
 - Sponsoring a community information workshop or similar to advertise job opportunities;
 - Advertise workshop information and job opportunities with community-based organization, religious, education, and vocational and similar organizations and in local newspapers;
 - Invite the Del Paso Heights RAC and Terrace Manor Neighborhood Association to send one or two representatives to help with the interview process;
- Prior to construction, provide the Agency with a construction schedule so the DBED can anticipate and help meet contractor's projected labor needs;
- Prior to construction, provide the Agency with a profile of the workforce of each contractor, subcontractor or subtier contractor with similar profile of projected

needs. A profile consist of the number from each trade. For example, a framing contractor may have a workforce profile of four carpenters and one laborer and anticipates adding one carpenter and one laborer. This information indicates the employment opportunity. The developer may use an Agency provided form for this purpose.

- **Agrees to develop a plan designed to assist local residents and economically disadvantaged groups with membership requirements of relevant trade unions.**
- **Establish a goal of hiring ten percent of construction jobs, including without limitation, construction like jobs such as architects and engineers, from the Del Paso Heights/Strawberry Manor pool of resident(s) in addition to the jobs described above.**
- Provide to the Agency reports covering employment. The periodic reports should be made available monthly after the start of construction and consist of the new hire's name, address, phone number, social number, ethnicity, gender, position, rate of pay, date of hire, number in household, date of termination and reason (if applicable), and whether working full-time or part-time. The developer may use an Agency provided form for this purpose.
- Provide to the Del Paso Heights RAC/Terrance Manor Neighborhood Association a similar report but without private information (name, address etc.). The developer may use an Agency provided form for this purpose.

AGENCY RESPONSIBILITIES

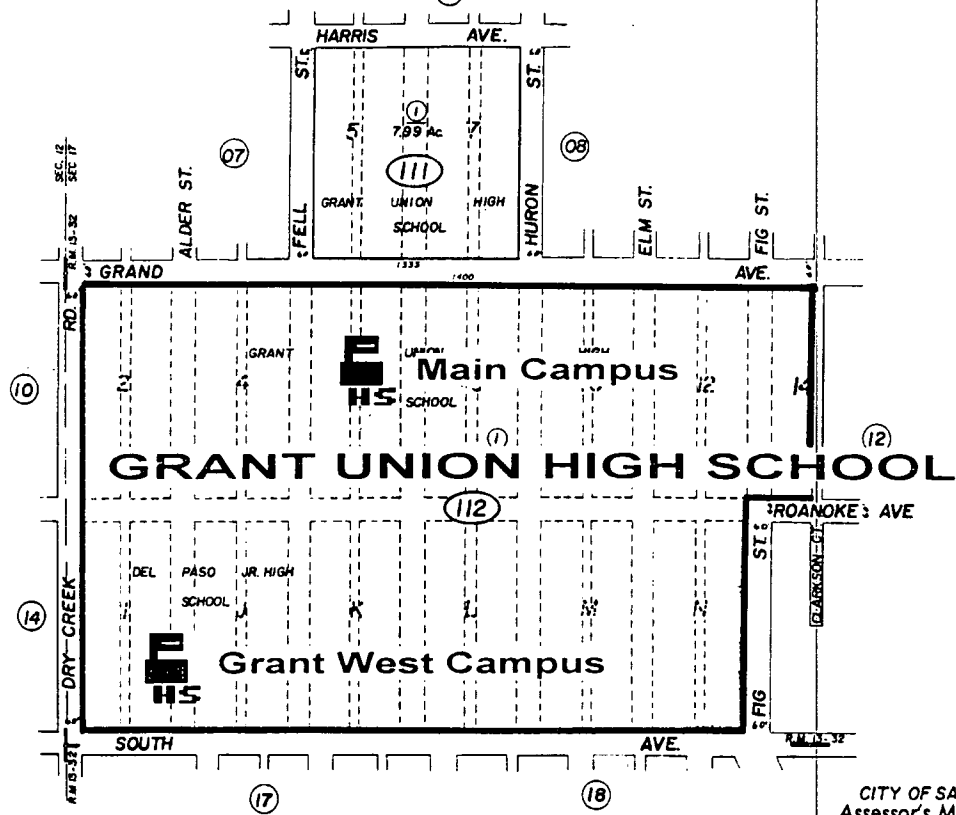
- The Agency will provide the following services:
- Provide a list of local contractors and suppliers to the developer or designee for soliciting construction bids and supplies; the list will include trades and suppliers that the developer identifies as relevant to the project.
- Assist the developer with the documentation to track the solicitation efforts.
- After solicitations are completed and the developer submits the activity information, the Agency will evaluate the efforts and make any recommended changes to increase the effectiveness of this approach.
- The results of the evaluation will be available to the developer upon request.
- Assist, to the greatest extent feasible, the developer meet their hire needs. This includes:
 - referring DBED pool members for hiring consideration;
 - providing regular counseling and follow-up services to the employed; and,
 - helping employers obtain available financial assistance from government sources, like OJT, for the hiring and training of eligible workers.

- Obtain, evaluate, and monitor a monthly employment and status report from the developer.
- Provide constructive feedback to help developer achieve their employment goals.
- At the conclusion of the project, the Agency will prepare a summary report concerning the local hire/subcontracting and DBED activities and make the report available to the public.
- The Agency will assist the developer in keeping the local RAC informed as to the status of this agreement and attachment.

The Agency shall designate the DBED Coordinator as the administrator of this amendment.

EXHIBIT G: PARCEL MAP

Exhibit G - Parcel Map



East Del Paso Heights, R.M. Bk. 13, Pg.32 NOTE—Assessor's Block Numbers Shown in Ellipses.
Assessor's Parcel Numbers Shown in Circles.

CITY OF SACRAMENTO
Assessor's Map Bk.251-Pg.11
County of Sacramento, Calif.

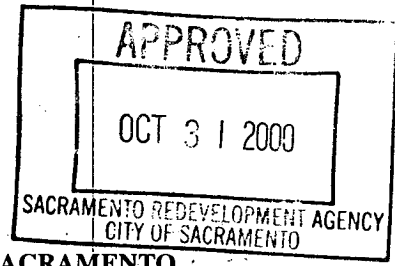
GRANT UNION HIGH SCHOOL

Del Paso Heights Redevelopment Project Site

Property Boundaries

North	Grand Avenue
South	South Avenue
East	Fig and Balsam streets
West	Dry Creek Road

File
Yes
Date
Time
Tree



RESOLUTION NO. 2000-066

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

**DEL PASO HEIGHTS PROJECT AREA:
CEQUA AND PROJECT APPROVAL, APPROVAL OF BUDGET
AMENDMENT AND AUTHORIZATION FOR EXECUTION OF AN
OWNER PARTICIPATION AGREEMENT WITH
CONDITIONAL GRANT AGREEMENT
WITH GRANT JOINT UNION HIGH SCHOOL DISTRICT**

WHEREAS, the Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Del Paso Heights Redevelopment Plan ("Redevelopment Plan") and a Five Year Implementation Plan for the Del Paso Heights Project Area ("Project Area");

WHEREAS, the Grant Joint Union High School District ("Developer") owns certain real property in the Project Area, which property is generally described as 1400 Grand Avenue, Sacramento, California 96838 (APN 251 0112 001 0000) ("Property");

WHEREAS, the Agency and the Developer desire to enter into an Owner Participation Agreement with Conditional Grant Agreement ("OPA/CGA"), a copy of which accompanies this resolution and is on file with the Agency Clerk, which would require Developer to make certain improvements within the Property to eliminate blight ("Project");

WHEREAS, the Project will benefit and improve the Project Area and serve the best interests of an the health, safety and welfare of City residents. The Project is consistent with and furthers the Redevelopment Plan, will assist in the elimination of blighting influences in the Project Area, and will further the goals of the Implementation Plan for the Project Area: elimination of blighting conditions; increased property values; and enhanced public safety;

WHEREAS, the Developer has determined and the Agency finds that no other reasonable means of financing such improvements are available;

WHEREAS, an Initial Study of the Project has been prepared in accordance with the California Code of Regulations (ACCR) §15063, and based upon the Initial Study, it is found and determined that the Project has no potential for causing significant impacts upon the environment. The Project is, therefore, exempt from further environmental review pursuant to CCR §15061(b)(3).

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____
DATE ADOPTED: _____

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

Section 1. The OPA/CGA is approved.

Section 2. The Executive Director is authorized to enter into the Conditional Grant Agreement. The Executive Director or her designee is authorized to take all such actions, execute such instruments, and amend the budget as may be necessary to implement the Conditional Grant Agreement.

Section 3. The Agency budget is hereby amended to transfer Two Million Dollars (\$2,000,000) from the 1999 Tax Exempt CIRB Public Improvements project to the Grant Joint Union High School District Project.

Section 4. The Executive Director is directed to prepare a Notice of Exemption for the Project in accordance with California Code of Regulations 15062.

ATTEST:

CHAIR

SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____