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CITY MANAGER
RECEIVED
MAR 23 1988

**DEPARTMENT OF PARKS
AND COMMUNITY SERVICES**

ROBERT P. THOMAS
DIRECTOR

G. ERLING LINGGI
ASSISTANT DIRECTOR

WALTER S. UEDA
DEPUTY DIRECTOR

**CITY OF SACRAMENTO
CALIFORNIA**

March 22, 1988

APPROVED
BY THE CITY COUNCIL

MAR 29 1988

OFFICE OF THE
CITY CLERK

APPROVED
MAR 29 1988
SACRAMENTO REDEVELOPMENT AGENCY
CITY OF SACRAMENTO

1231 I STREET
SUITE 400
SACRAMENTO, CA
95814-2977

916-449-5200

DIVISIONS:
CROCKER ART MUSEUM
GOLF
METROPOLITAN ARTS
MUSEUM AND HISTORY
PARKS
RECREATION
ZOO

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Riverboat Delta King Status Report and Agreements

*CC 88-251 AG 87232
Through AG 87236*

SUMMARY

*AGI CC 88-252 AG 87237
Through 87243*

This report provides information on the status of the restoration of the Riverboat Delta King and requests approval of new agreements and amendments of existing agreements between the City, Agency, and the Delta King partnership which will enable the Delta King to complete its restoration program.

A full and complete report is scheduled to be heard by the Sacramento Housing and Redevelopment Agency Commission on March 28 and Agency/City Council on April 5, including the transfer of improvements to the City.

BUDGET AND FINANCE COMMITTEE ACTION

The attached report will be reviewed by the Budget and Finance Committee at their meeting of March 29, 1988. Results of that meeting will be presented orally to the City Council.

RECOMMENDATION

It is recommended that the City Council approve, by resolution:

1. Authorization of the City Manager to execute amendments to various agreements related to the Riverboat Delta King.
2. Authorization for the Executive Director to enter into a parking agreement between the Redevelopment Agency of the City of Sacramento (RACS) and the Riverboat Delta King and authorization for the Executive Director to execute an amendment to the Parking Operations Agreement between the City and Redevelopment Agency of the City of Sacramento.

and representatives thereof of the City of Sacramento
execute an agreement to the following provisions whereby the City
of Sacramento shall and the representatives thereof shall
S. 1. The representatives thereof of the City of Sacramento (SAC) and the
representatives thereof shall execute into a binding agreement

provisions relating to the City of Sacramento
S. 2. The representatives thereof shall execute provisions to provide
it is recommended that the City Council approve of resolution:

RESOLUTION

relating to the City Council
whereby the City Council of 1960. The City Council shall be authorized
the representatives thereof shall be authorized by the Mayor and Finance Committee of

FINANCE AND BUDGET COMMITTEE

whereby the representatives of the City of Sacramento shall
and the representatives thereof shall execute on behalf of the City Council on
a bill and certain provisions to be passed by the Sacramento Council

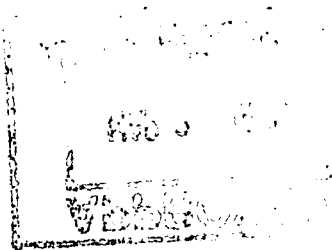
whereby the representatives shall execute for the City of Sacramento
executive provisions whereby the City of Sacramento and the representatives thereof
representatives thereof shall execute provisions of non-compliance and execution of
the provisions thereof in relation to the status of the representatives of the

GENERAL

SUBJECT: Finance and Budget Committee

Resolution relating to:

SACRAMENTO, CALIFORNIA
CITY COUNCIL



1960 55' 1960

City Council
March 22, 1988
Page Two

- 3. Authorization for the City Manager to amend the Parking Operations Agreement between the Redevelopment Agency of the City of Sacramento and City of Sacramento.

Respectfully submitted,



ROBERT P. THOMAS, Director
Parks and Community Services

Recommendation Approved:



WALTER J. SLIVE
City Manager

March 29, 1988
District No. 1

RPT:ja

3. Authorization for the City Manager to amend the Parking Operations Agreement between the Redevelopment Agency of the City of Sacramento and City of Sacramento

Respectfully submitted,

ROBERT P. THOMAS, Director
Parks and Community Services

Recommendation Approved:

WALTER J. SLIPS
City Manager

RPT:ja

March 29, 1963
District No. 1

RESOLUTION No. 88-251

Adopted by The Sacramento City Council on date of

APPROVED
BY THE CITY COUNCIL
MAR 29 1988
OFFICE OF THE
CITY CLERK

**RESOLUTION REGARDING AMENDMENTS RELATED
TO THE RIVERBOAT DELTA KING**

WHEREAS, the City of Sacramento has previously entered into lease agreements with the Riverboat Delta King, Inc., a California Corporation and State of California; and

WHEREAS, the City has obtained from the Redevelopment Agency of the City of Sacramento access and a moorage system connecting the Riverboat Delta King to the Old Sacramento Wharf and now desires to grant formal entitlements to said access and moorage to Riverboat Delta King; and

WHEREAS, the lender for the Riverboat Delta King requires security agreements to secure an indebtedness of the Delta King for improvements thereto;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Sacramento:

Section 1: The security agreement between City, Home Federal, State Lands, and Delta King naming Home Federal Savings and Loan as a secured party lender attached as Exhibit A is hereby approved and the City Manager is hereby authorized to execute said amendment.

Section 2: The estoppel amendment to the master Lease attached as Exhibit B is hereby approved. The City Manager is hereby authorized to execute said amendment.

Section 3: The amendment to the sublease with the Riverboat Delta King, attached as Exhibit C and related to various operations of the waterfront, is hereby approved, and the City Manager is authorized to execute said amendment.

MAYOR

ATTEST:

CITY CLERK

CITY CLERK

WITNES:

WITNES

regularly approved and the City Manager is authorized to execute said amendment
attached as Exhibit C and related to various operations of the Department is
Section 3: The amendment to the agreement with the Riverport Delta King

amendment.
is regularly approved. The City Manager is hereby authorized to execute said
Section 5: The estoppel amendment to the master lease attached as Exhibit

authorized to execute said amendment.
attached as Exhibit A is hereby approved and the City Manager is hereby
and Delta King making those federal savings and loan as a secured party lender.
Section 1: The security agreement between City Home Federal, 2916 10th

WOM' THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

therefore:
agreements to secure an independence of the Delta King for improvements
HEREBY, the lender for the Riverport Delta King requires security
access and control to Riverport Delta King; and
the City Sacramento shall and now desires to grant certain encumbrances to said
Sacramento access and a control system connecting the Riverport Delta King to
HEREBY, the City has obtained from the Requalification Agency of the City of
State of California; and
agreements with the Riverport Delta King, Inc., a California corporation and
HEREBY, the City of Sacramento has provisionally entered into lease

TO THE RIVERPORT DELTA KING
RESOLUTION REGARDING AMENDMENTS BELATED

RESOLUTION No. 88-252

Adopted by The Sacramento City Council on date of

**APPROVAL OF AND AUTHORIZATION FOR EXECUTION OF
AN AMENDMENT TO THE AGREEMENT FOR OPERATION
AND MAINTENANCE OF THE FIVE AGENCY OWNED
PARKING FACILITIES (LOTS G, K, P, R, AND U)**

WHEREAS, the City of Sacramento and Redevelopment Agency of the City of Sacramento have entered into an agreement for operation and maintenance of public parking structure; and

WHEREAS, it is necessary to alter the method and computation of payment to the Agency because of a desire to assist in the subsidization of hotel parking for the Delta King for a ten year period;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Sacramento:

Section 1. The amendment to the agreement for operation and maintenance of the five Agency owned parking facilities (Lots G, K, P, R, and U) in Attachment II of this staff report is approved. The City Manager is hereby authorized to execute said amendment.

Section 2. The Parking Agreement with the Riverboat Delta King, Inc. as set forth in Attachment II of this staff report is hereby approved. The City Manager is authorized to execute said Parking Agreement.

MAYOR

ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

MAR 29 1988

OFFICE OF THE
CITY CLERK

RESOLUTION No. 88-252

Adopted by The Sacramento City Council on date of

**APPROVAL OF AND AUTHORIZATION FOR EXECUTION OF
AN AMENDMENT TO THE AGREEMENT FOR OPERATION
AND MAINTENANCE OF THE FIVE AGENCY OWNED
PARKING FACILITIES (LOTS G, K, P, R, AND U)**

WHEREAS, the City of Sacramento and Redevelopment Agency of the City of Sacramento have entered into an agreement for operation and maintenance of public parking structure; and

WHEREAS, it is necessary to alter the method and computation of payment to the Agency because of a desire to assist in the subsidization of hotel parking for the Delta King for a ten year period;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Sacramento:

Section 1. The amendment to the agreement for operation and maintenance of the five Agency owned parking facilities (Lots G, K, P, R, and U) in Attachment II of this staff report is approved. The City Manager is hereby authorized to execute said amendment.

MAYOR

ATTEST:

CITY CLERK

CITY STATE

ATTEST:

WALTON

EXERCISES AND AGREEMENTS

IT IS THE POLICY OF THE CITY OF SACRAMENTO TO SUPPORT AND ENCOURAGE THE BANKING INDUSTRY AND TO ASSIST IN THE DEVELOPMENT OF THE BANKING INDUSTRY IN THE CITY OF SACRAMENTO.

AND WHEREAS BY AN ORDINANCE OF THE CITY OF SACRAMENTO:

FOR THE PURPOSES OF A CITY BANK:

THE BANKING INDUSTRY OF A CITY BANK TO ASSIST IN THE DEVELOPMENT OF THE BANKING INDUSTRY IN THE CITY OF SACRAMENTO IS TO ASSIST IN THE DEVELOPMENT OF THE BANKING INDUSTRY IN THE CITY OF SACRAMENTO.

AND WHEREAS:

SACRAMENTO BANKING INDUSTRY TO ASSIST IN THE DEVELOPMENT OF THE BANKING INDUSTRY IN THE CITY OF SACRAMENTO AND WHEREAS THE CITY OF SACRAMENTO AND DEVELOPMENT BANKING INDUSTRY OF THE CITY OF

BANKING INDUSTRY (ARTICLE 10 OF THE CITY CHARTER AND THE BANKING INDUSTRY OF THE CITY OF SACRAMENTO) TO ASSIST IN THE DEVELOPMENT OF THE BANKING INDUSTRY IN THE CITY OF SACRAMENTO AND WHEREAS THE CITY OF SACRAMENTO AND DEVELOPMENT BANKING INDUSTRY OF THE CITY OF SACRAMENTO

RESOLUTION NO. 88-026

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

APPROVAL OF AN AGREEMENT FOR DELTA KING HOTEL
GUEST PARKING AND AMENDMENT TO THE AGREEMENT
FOR OPERATION AND MAINTENANCE OF THE
FIVE AGENCY-OWNED PARKING FACILITIES
(LOTS G, K, P, R AND U)

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

Section 1: The Parking Agreement with the Riverboat
Delta King, Inc. as set forth in Attachment II of this staff
report is hereby approved. The Executive Director is authorized
to execute said Parking Agreement.

Section 2: The amendment to the agreement for operation
and maintenance of the five Agency-owned parking facilities
(Lots G, K, P, R & U) in Attachment II of this staff report is
approved. The Executive Director is authorized to execute said
amendment.

Section 3: This resolution shall be effective upon
adoption.

CHAIR

ATTEST:

SECRETARY



1100WPP2(98)

DEPARTMENT OF PARKS
AND COMMUNITY SERVICES

CITY OF SACRAMENTO
CALIFORNIA

1231 I STREET
SUITE 400
SACRAMENTO, CA
95814-2977

ROBERT P. THOMAS
DIRECTOR

March 22, 1988

916-449-5200

G. ERLING LINGGI
ASSISTANT DIRECTOR

DIVISIONS:
CROCKER ART MUSEUM
GOLF
METROPOLITAN ARTS
MUSEUM AND HISTORY
PARKS
RECREATION
ZOO

WALTER S. UEDA
DEPUTY DIRECTOR

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Riverboat Delta King Status Report and Agreements

SUMMARY

This report provides information on the status of the restoration of the Riverboat Delta King and requests approval of new agreements and amendments of existing agreements between the City, Agency, and the Delta King partnership which will enable the Delta King to complete its restoration program.

A full and complete report is scheduled to be heard by the Sacramento Housing and Redevelopment Agency Commission on March 28 and Agency/City Council on April 5, including the transfer of improvements to the City.

BACKGROUND INFORMATION

The Delta King is an historic riverboat which is presently undergoing restoration on the Sacramento River in Old Sacramento. (See Attachment I.) Proposed plans include a 44-room hotel, restaurants, bars, meeting rooms, limited retail and museum/theatre.

Agreements Related to Financing the Delta King

1. Restoration Completion Loan

Home Federal Savings and Loan has offered to provide a \$4 million loan to assist in the completion of the restoration of the Delta King. Since the majority of the exterior of the Delta King is completed except for the paddle wheel, smoke stacks and windows, these funds would be used for interior work including heating and cooling systems, partitions, interior finishing, fixtures, furnishings and equipment, and funds to cover re-opening expenses and working capital. The final approval of this loan and release of funds is expected shortly, following approval of this staff report and resolutions.

2. Security Agreement Between State Lands, City of Sacramento, Home Savings and Loan, and Riverboat Delta King

The State Lands Commission on January 21, 1988, approved an agreement with the City of Sacramento related to financing of the Delta King by a lender. The Master Lease provided for subleasing and encumbering of subleases for financing purposes. The lender, Home Savings and Loan, as a condition of the loan, has required that they be named as secured-party lender. The State's standard form Security Agreement (Agreement and Consent to Encumbering of Lease) was modified to allow for four parties instead of three. (Exhibit A of City Resolution amending various agreements related to the Riverboat Delta King.) In conjunction with the Master Plan agreement, the lender is also requiring an Estoppel Statement. (Exhibit B of City Resolution amending various agreements related to the Riverboat Delta King.)

3. Amendment of a Sublease Between Delta King, Inc. and City of Sacramento (Exhibit C of City Resolution Amending Various Agreements Related to the Riverboat Delta King)

The sublease between the City of Sacramento and Riverboat Delta King, Inc. (Agreement No. 85042) will be amended to include various operating responsibilities. Major terms and conditions of this amendment are:

- a. Areas to be leased to Delta King include the barge, hotel bridge, promenade deck stairway, and head pier adjacent to the Delta King.
- b. Barge control - Lessee shall permit public access on "K" Street Barge from 9:00 a.m. to 11:00 p.m. daily. Public access at other times may be controlled by Delta King.
- c. Lessee shall maintain barge and other leased areas at their expense, including the elevator. The City shall be responsible for capital repairs, fire protection systems, and debris removal.
- d. City shall lease by revocable use permit the existing booth at the north end of the California Steam Navigation Company Freight Depot building and turnaround at Front and "K" Streets for a valet station.
- e. Lessee shall be responsible for utility connection from Delta King to seawall.
- f. City shall provide lease with nonexclusive easements for pedestrian and service vehicle access from Front Street to the Delta King.

Agreements Related to Parking Spaces for Delta King

1. Parking Agreement Between Redevelopment Agency of the City of Sacramento and Riverboat Delta King, Inc.

The Delta King Hotel requests 44 dedicated parking spaces in the Old Sacramento South Parking Garage (Lot R) for exclusive use by hotel guests. The major terms of this proposed parking agreement (a copy of which is included as Attachment II) are as follows:

- a. Term - 25 years (concurrent with the City's moorage sublease with the Delta King).
- b. Fees and Payments - Per a set 10-year schedule, Agency to pay 95 percent of the hotel-guest parking fees for the first five years of hotel occupancy; declining to five percent in the tenth year and phased out entirely beginning with the eleventh year. (Annual Agency payment not to exceed \$50,000.)
- c. Valet Parking - Delta King authorized to operate a valet parking service with guest loading/unloading zone in the vicinity of the Delta King's "K" Street accessway.

2. Amendment to City-Agency Parking Operation Agreement

Under the existing agreements, the City Parking Division (CPD) is responsible for operating the downtown public parking facilities, including those owned by the Redevelopment Agency. The CPD collects the parking fee revenues and, after deducting operating and standard maintenance expenses, transmits the net Agency parking facilities' revenues to the Agency.

The Delta King Hotel guest parking costs will be charged against the annual net parking revenues generated by the five Agency-owned facilities and due to the Agency (up to a maximum of \$50,000 annually). CPD and Agency staff propose amending the existing operating agreements for Lots G, K, P, R, and U so that the appropriate Delta King Hotel guests' parking fees are collected from the net parking fee revenues. (See Attachment II.) The SHRA Commission approved this agreement at their meeting of February 22, 1988.

Schedule of Restoration

According to general partner Edmund Coyne, completion of restoration of the Delta King is scheduled within nine months after receipt of funding. Opening of the Delta King will be held when totally completed, not phased over a number of months.

FINANCIAL DATA

Implementation of both the proposed parking agreement and the amendments to the operating agreements could result in an annual revenue loss of up to \$50,000 to the Agency's Parking Facility Fund for five years beginning in 1989. The projected annual revenue loss would then gradually decrease until 1998, and cease entirely beginning in 1999.

Revenue received as a result of the lease between the City and Riverboat Delta King, Inc. will be deposited to the City General Fund. Minimum annual rent to the City will be \$24,000 plus one half of one percent of the gross receipts for the first five years and one percent of the gross receipts for the remaining years of the lease term.

RECOMMENDATION

It is recommended that the City Council approve, by resolution:


1. Authorization of the City Manager to execute amendments to various agreements related to the Riverboat Delta King.
2. Authorization for the Executive Director to enter into a parking agreement between the Redevelopment Agency of the City of Sacramento (RACS) and the Riverboat Delta King and authorization for the Executive Director to execute an amendment to the Parking Operations Agreement between the City and Redevelopment Agency of the City of Sacramento.
3. Authorization for the City Manager to amend the Parking Operations Agreement between the Redevelopment Agency of the City of Sacramento and City of Sacramento.

Respectfully submitted,



ROBERT P. THOMAS, Director
Parks and Community Services

Recommendation Approved:



JACK R. CRIST
Deputy City Manager

RPT:ja

March 29, 1988
District No. 1

AGREEMENT

AG 87232

THIS AGREEMENT is entered into as of this _____ day of _____, 1988 by and between the State of California, acting by and through its State Lands Commission ("State"), the City of Sacramento ("City"), The Riverboat Delta King, Inc., a California corporation ("Delta King") and Home Federal Savings and Loan Association, a federal savings and loan association ("Lender").

APPROVED BY THE CITY COUNCIL
MAR 29 1988
OFFICE OF THE CITY CLERK

RECITALS

i. The State and the City have previously entered into that certain Master Lease ("Master Lease") dated July 1, 1986, wherein the State has leased to the City a portion of the real property underlying the Sacramento River and adjoining certain real property owned by the City. All of such real property covered by the Master Lease is referred to herein as the "State Property."

ii. The City has leased to the Delta King certain real property owned by the City and adjoining the State Property and has subleased to the Delta King a portion of the State Property all pursuant to that certain Sublease ("Sublease") between the Delta King and the Sublease as of September 11, 1985. The real property covered by the Sublease is herein referred to as the "Premises."

iii. Lender has committed to make a loan ("Loan") to the Delta King, pursuant to Lender's commitment dated September 28, 1987, for the purposes of refurbishing the Riverboat Delta King, constructing certain other improvements on the Premises and paying certain interest and development costs relating thereto. The security for the Loan will be, among other things, a deed of trust on the Delta King's interest under the Sublease. All work related to the construction and refurbishment referred to above is herein referred to as the "Project."

iv. Prior to making the Loan, Lender has required and the State and the City have agreed to make certain modifications to the State Lease and the City Lease as more particularly described below.

A. NOW, THEREFORE, the State DOES HEREBY APPROVE AND CONSENT TO ALL OF THE FOLLOWING:

1. Home Federal Savings and Loan Association being the lender designated as a party to this Agreement; and

2. the mortgaging or encumbering of the Sublease by a Deed of Trust and/or other security instrument being executed by Delta King (Trustor) to establish a security interest for the benefit of Lender (Beneficiary) to secure indebtedness for the purchase of improvements (or other purpose as stated) constructed, repaired or reconstructed by Delta King on the Premises, pursuant to the terms and conditions of the Note and any modifications, extensions or renewals thereof; and

3. recordation in the Office of the County Recorder of Sacramento County of the security interest; and

4. any increases in, or modifications, extensions or renewals of the financing or indebtedness by the Lender; provided, however, that any such increases, modifications or renewals shall not be deemed in any way to increase, modify, extend, renew or otherwise amend the Master Lease or Sublease; and

5. Lender acquiring the Sublease by any of the means set forth in this Agreement.

B. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do further agree as follows:

1. State agrees that State will give Delta King and Lender notice of any defaults under the Master Lease and will accept the curative acts of Lender and/or Delta King with regard to any defaults under the Master Lease as if performed by the tenant under the Master Lease.

2. Should the Master Lease be terminated for any reason while the Sublease is still in full force and effect, State agrees to recognize the Sublease and the tenant under the Sublease and agrees that the tenant under the Sublease shall not be disturbed in its possession of the Premises for any reason other than one which would entitle the lessor under the Sublease to terminate the Sublease under its terms.

3. Should the Master Lease be terminated for any reason simultaneously with or at approximately the same time as a termination of the Sublease, State shall, upon written request by Lender to State made within sixty (60) days after such termination, execute and deliver a new lease of the Premises to Lender for the remainder of the term of the Master Lease with the same covenants, conditions and agreements (except for any requirements which have been satisfied by the tenant under the Sublease prior to termi-

nation) as are contained in the Sublease; provided, however, that State's execution and delivery of such new lease of the Premises shall be made without representation or warranty of any kind or nature whatsoever, either express or implied, including without limitation, any representation or warranty regarding title to the Premises or the priority of such new lease. Together with the execution and delivery of such new lease of the Premises, State shall convey to Lender title to any improvements located on the Premises by quitclaim deed for the term of such new lease. State's delivery of any such improvements to Lender pursuant to such new lease shall be made without representation or warranty of any kind or nature whatsoever, either express or implied; and Lender shall take any such improvements "as is" in their then current condition. Upon execution and delivery of such new lease, Lender, at its sole cost and expense, shall be responsible for taking such action as shall be necessary to remove the Delta King or any other occupant from the Premises. State's obligation to enter into such new lease of the Premises with the Lender shall be conditioned as follows: (i) Lender has remedied and cured all monetary defaults under the Master Lease, or to the extent the Master Lease covers property in excess of the Premises the pro rata share of such defaults allocable to the Premises, and has remedied and cured or has commenced and is diligently completing the cure of all nonmonetary defaults under the Master Lease, or the pro rata share thereof allocable to the Premises, susceptible to cure by any party other than by the original tenant under the Master Lease and (ii) that Lender pays all costs and expenses of State, including without limitation, reasonable attorneys' fees, real property transfer taxes and any escrow fees and recording charges, incurred in connection with the preparation and execution of such new lease and any conveyances related thereto.

4. State and City have each reviewed and approved the form of Deed of Trust used by Lender in connection with the security interest being granted by Delta King to Lender in Delta King's leasehold interest in the Premises.

5. Notwithstanding any other provision of the Master Lease or the Sublease, during the term of the Sublease, title to all of the improvements located on the Premises shall be vested in the Delta King or any other successor tenant.

6. Notwithstanding any other provision of the Master Lease or the Sublease, during the term of the Sublease, the tenant under the Sublease shall have the right to contest by appropriate proceeding any tax or other imposition levied against the Premises or the tenant, any

mechanic's lien or other encumbrance on the Premises or any new law, statute or regulation made applicable to the Premises, provided that such tenant provides to State and/or City, as applicable, reasonably adequate security to protect the Premises against the enforcement of such matter pending the resolution of such contest and provided further that upon the resolution of such contest such tenant immediately pays any tax or imposition found owing, discharges such lien or encumbrance or complies with such law, statute or regulation to the extent held applicable.

7. City agrees that in the event Lender assumes the position of tenant under the Sublease for whatever reason and under whatever circumstances the time period for the completion of the renovation of the Riverboat Delta King, as provided in paragraph 2 of the Sublease shall be extended to three (3) years from the date Lender actually acquires possession of the Premises. City acknowledges that the requirements of the first sentence of paragraph 2 of the Sublease have been satisfied.

8. City acknowledges that the options to extend the term of the Sublease referenced in paragraph 2 and elsewhere in the Sublease may be exercised by Lender whether or not Lender has at the time of such exercise assumed the tenant's obligations under the Sublease and City shall recognize such exercise as if done by the tenant under the Sublease.

9. The provisions of paragraph B.1 of Exhibit C to the Master Lease are hereby modified to recognize that the proceeds of the Loan will be used to pay, in addition to certain construction costs, interest, and certain related development costs of the Project.

10. City agrees that the rental rate under the Sublease for any extended term shall be determined as follows:

(a) Subject to the provisions of Section 10(c)-(e) hereof, rent shall be adjusted as of the commencement date of any extended term by mutual agreement of the parties to the Sublease or, if the parties are unable to agree, by appraisal as follows:

(i) The adjusted rent shall be the fair market annual rental value (the "Fair Market Rent") of the Premises (exclusive of the improvements constructed thereon by Delta King). Fair Market Rent shall be based on the then current use and state of improvement of the Premises and assuming full compliance by Delta King with all of the terms

and provisions of this Lease (which may not necessarily be the highest and best use); provided, however, that if Delta King has not fully restored and/or reconstructed any damaged or destroyed improvements, such Fair Market Rent shall be calculated as though Delta King had fully restored and/or reconstructed such improvements. The Fair Market Rent may be expressed in terms of both minimum annual rent as of the date of the first appraisal (the "fixed minimum rent") and additional, percentage or participation rent or other consideration, if any, as is then customary for leases for similar uses, expressed in terms of a percentage and a base (hereinafter the "percentage formula"). If the Fair Market Rent is determined by appraisal as set forth below, each appraiser shall also designate the annual average dollar amount which would have been generated during the five-year period immediately preceding the date of the first appraisal, had his percentage formula been in effect during that period (the "dollar value of the percentage formula"). Each appraisal shall also set forth the percentage and the dollar amount of the base being so used for such calculation ("base dollars").

(ii) City and Delta King shall first attempt to agree upon the adjusted rent which shall be the Fair Market Rent. In the event City and Delta King are unable to mutually agree upon such new Fair Market Rent on or before three hundred (300) days prior to the commencement date of the any extended term, then the appraisal procedure set forth in subsection (iii) immediately below shall be followed.

(iii) In the event the adjusted rent is not determined pursuant to subsection (ii) immediately above, then City, within ten (10) days following the failure of the parties to agree upon such adjusted rent, shall appoint a real estate appraiser who is a member of the American Institute of Real Estate Appraisers or any successor thereto or the Society of Real Estate Appraisers or any successor thereto (or in the event the American Institute or Society of Real Estate Appraisers or any successor shall not then be in existence, a disinterested real estate appraiser having appropriate qualifications to appraise commercial real estate). The appraiser shall have at least seven (7) years full-time commercial appraisal experience in the office field in the County of Sacramento or the greater Sacramento Metropolitan Area. The appraiser selected by City shall be impartial and unrelated, directly or indirectly, so far as employment of services is concerned, to any of the parties hereto, or their successors. The cost of the services performed by such appraiser shall be borne solely by City. The appraiser

shall determine the Fair Market Rent of the Premises as of the date of his appraisal in the manner herein specified, and shall render his appraisal (with copies thereof showing the basis therefor) within sixty (60) days after said appraiser has been selected.

The Fair Market Rent determined by the appraiser selected by City shall constitute the adjusted rent for the Premises, unless objected to by Delta King, in its sole discretion, in writing, within thirty (30) days of notice of the appraisal results. If Delta King objects to the appraisal results of the appraiser selected by City, then Delta King shall, within fifteen (15) days following written notice of Delta King's objection, appoint an appraiser meeting the qualifications stated above. Said appraiser shall determine the Fair Market Rent of the Premises as of the date of the first appraisal by City's appraiser, in the manner specified herein, and shall render his appraisal (with copies thereof showing the basis therefor) within sixty (60) days after said appraiser has been selected by Delta King. The cost of the services performed by the appraiser selected by Delta King shall be borne solely by Delta King.

If the two appraisers concur on the Fair Market Rent for the Premises, the adjusted rent during any extended term shall be such Fair Market Rent.

If the two appraisers do not concur as to either the fixed minimum rent or the percentage to be used in the percentage formula, but do concur as to the base to be used in the percentage formula, and the difference between the fixed minimum rent and the dollar value of the percentage formula of the higher and lower appraisals is, in each case, an amount less than ten percent (10%) of each such amount as specified in the higher appraisal, then the difference between the fixed minimum rent and/or the dollar value of the percentage formula (as applicable) shall be split by taking the mean average thereof.

If the two appraisers do not concur as to the base to be used in the percentage formula or if the difference between the two appraisals of either fixed minimum rent or dollar value of the percentage formula is an amount greater than ten percent (10%) of such amount as specified in the higher appraisal, then the parties shall endeavor to agree upon the adjusted rent, including the fixed minimum rent and/or (as applicable) the percentage formula (including the base dollars and percentage to be applied). If City and Delta King are unable to agree upon such adjusted rent on or before a date which shall be thirty (30) days following the

rendering of the second appraisal (the "Negotiation Period"), then the adjusted rent shall be established in accordance with the procedure described below.

(iv) If at the expiration of the Negotiation Period the two parties do not concur as to the Rent, then a third appraiser, selected in the manner set forth below, shall designate which of the two bases, in such third appraiser's opinion, is the more prevalent base then being used in commercial ground leases for similar uses, and the base so designated shall thereafter be the base. Once the base is determined in accordance with the foregoing, then the percentage to be applied to that base (thereby resulting in the percentage formula) shall be determined by averaging the dollar amount of the percentage formula for each of the two appraisals; the percentage used in the percentage formula shall then be determined as that percentage which, when applied to the base dollars for the base being used, yields the amount determined by averaging the dollar amount of each of the two appraisals.

Within thirty (30) days after the expiration of the Negotiation Period specified above, City and Delta King shall jointly agree on the appointment of a third real estate appraiser meeting the qualifications stated above. If City and Delta King are unable to agree upon the appointment of the third appraiser within such 30-day period, then a petition may be made by either City or Delta King to the presiding judge of the Sacramento County Superior Court to appoint a third appraiser meeting the qualifications stated above.

The third appraiser shall determine the Fair Market Rent of the Premises as of the date of the first appraisal by City's appraiser, in the manner specified herein, and shall render his appraisal (with copies thereof showing the basis therefor) within sixty (60) days after his appointment. The costs related to the selection and services of the third appraiser shall be borne equally by City and Delta King.

If the low appraisal and/or the high appraisal for either the fixed minimum rent and/or the dollar value of the percentage formula are/is more than twenty percent (20%) lower and/or higher than the middle appraisal thereof, the low and/or the high appraisal as to that component of Fair Market Rent shall be disregarded. If only one appraisal is disregarded, the remaining two appraisals shall be added together and their total divided by two; the resulting quotient (which shall in no event be higher than City's first appraisal or lower than Delta King's first appraisal)

shall be the adjusted rent for such extended term. If both the low appraisal and the high appraisal are disregarded as stated in this paragraph, the middle appraisal shall be the adjusted rent for such extended term.

After the appraisers have made their determination, they shall immediately notify the City and Delta King.

Each appraiser shall certify that he has personally inspected the Premises and all properties used as comparisons, that he has no past, present or contemplated future interest in the Premises, or any improvements located thereon, including without limitation, the Riverboat Delta King, or any part thereof, that the compensation to be received by him from any source for making the appraisal is solely in accordance with this Agreement, that he has followed the instructions as set forth in this Section for valuing the Premises, that neither his employment to make the appraisal nor his compensation therefor is contingent upon reporting a predetermined value or a value within a predetermined range of values, that he has had at least seven (7) years full-time professional experience as a commercial real estate appraiser in the office field in the County of Sacramento or in the greater Sacramento Metropolitan Area, that he is a member of the American Institute of Real Estate Appraisers or the Society of Real Estate Appraisers or successor thereto (or, if neither such Institute nor Society nor a successor is in existence, a disinterested real estate appraiser having appropriate qualifications to appraise commercial real estate), and that his appraisal was prepared in conformity with the standards of professional practice of the Institute or Society or successor thereto.

(b) If for any reason whatsoever the adjusted rent is not determined pursuant hereto prior to the commencement date of any extended term, then, until it is determined, Delta King shall pay on account of rent the rent payable hereunder for the preceding extended term (or under the Sublease for the original term, if applicable) determined as of the day immediately prior to the commencement date of such extended term, and when the adjusted rent is determined, Delta King shall pay to City the difference, if any, between the rent paid during such period and the amount which would have been paid had the rent been determined on or prior to such commencement date of such extended term, together with interest on such difference at the rate of ten (10) percent per annum, such interest to accrue from the date the amount would have been paid.

(c) Except as provided in Section B.10(d) below, Delta King may terminate this Lease by serving written notice to City within thirty (30) days after the adjusted rental rate for any extended term has been set, which termination shall be effective on the later of (i) the end of the original lease term (or the preceding extended term, if applicable) or (ii) twelve (12) months from the date written notice of such termination is received by City. If the adjusted rental rate has not been set until after the commencement of any such extended term, Delta King shall pay to City simultaneously with any notice of termination, any difference between the additional rent paid for such extended term and the amount set therefor for the period from the commencement of such extended term to the date of such written notice and payment, and Delta King shall continue to pay the adjusted rental rate for any such extended term until the date the termination is effective. If Delta King elects to terminate this Lease after the adjusted rental rate for any such extended term is set and City has not exercised its rights under Section B.10(d) below, Delta King shall pay the costs of all of the appraisers in connection with such appraisal. No termination provided for in this Section B.10(c) shall be effective without Lender's consent.

(d) Notwithstanding the provisions of Section B.10(c) above, City shall have the right, within thirty (30) days after receipt of Delta King's written notice of termination, to declare by written notice to Delta King that Delta King's notice of termination is null and void and that City will lease the Premises to Delta King for the applicable extended term at an additional rent equal to that in effect for the initial lease term (or the preceding extended term, if applicable), in which event the term of the Sublease shall be so extended at the additional rent set forth in this Section B.10(d).

11. City agrees that the Sublease is hereby modified to contain the following provisions:

(a) During the term of the Loan City will enter into no agreement with any tenant under the Sublease to modify, cancel, terminate or surrender the Sublease or any interest of the tenant therein without the prior written consent of the Lender.

(b) Tenant under the Sublease, its successors and assigns, have the right, without the prior consent of City, to sublet portions of, or the whole of the

Premises and the improvements thereon, subject to the prior written approval of the State as governed by paragraphs B.3 and B.5 of Exhibit C (Agreement and Consent to Encumbrancing of Lease) of the Master Lease.

(c) City will give to Lender copies of all notices given under the Sublease at the same time such notices are given to the tenant thereunder. Any notice under the Sublease not provided to Lender at the same time as such notice is given to the tenant shall be ineffective for the purposes of giving notice under the Sublease. City will give to Lender written notice of any default of tenant under the Sublease and regardless of the cure periods for such default which may or may not be contained in the Sublease, allow Lender at least 60 days beyond the time allowed to the tenant thereunder to cure or to commence the cure (if said default cannot be cured within such period) or to commence the enforcement of its lien as provided in subparagraph (d) below before terminate the Sublease.

(d) Any default by the tenant under the Sublease in the payment of money as provided under the terms of the Sublease may be cured in accordance with the terms thereof by the Lender and City will accept such payment from the Lender during the term of the Loan. Should the tenant under the Sublease default under the terms of the Sublease and should the default be such that it cannot be cured by the payment of money, City will accept payments of rent from the Lender and the Sublease will not terminate but shall remain in full force and effect, pending Lender's resort to foreclosure or sale proceedings under its Deed of Trust and during any such proceedings; and upon completion of any such proceedings or sale under said Deed of Trust the Lender or the purchaser at such sale will be recognized by the City as tenant under the terms of the Sublease for all purposes for the remaining term thereof and the leasehold interest of the Lender or such purchase shall not be adversely affected or terminated by reason of any non-monetary default occurring prior to the completion of such proceedings or sale. Any such foreclosure or other transfer of the Sublease shall be conducted according to the procedures set forth in paragraphs B.3 and B.5 of Exhibit C (Agreement and Consent to Encumbrancing of Lease) to the Master Lease.

(e) Should the Sublease be terminated for any reason, City shall, upon written request by Lender to City made within sixty (60) days after such termination, execute and deliver a new lease of the Premises to

Lender for the remainder of the term of the Sublease with the same covenants, conditions and agreements (except for any requirements which have been satisfied by Tenant prior to termination) as are contained in the Sublease; provided, however, that City's execution and delivery of such new lease of the Premises shall be made without representation or warranty of any kind or nature whatsoever, either express or implied, including without limitation, any representation or warranty regarding title to the Premises or the priority of such new lease. Together with the execution and delivery of such new lease of the Premises, City shall convey to Lender title to any improvements located on the Premises by quitclaim deed for the term of such new lease. City's delivery of any such improvements to Lender pursuant to such new lease shall be made without representation or warranty of any kind or nature whatsoever, either express or implied; and Lender shall take any such improvements "as is" in their then current condition. Upon execution and delivery of such new lease, Lender, at its sole cost and expense, shall be responsible for taking such action as shall be necessary to remove the Delta King or any other occupant from the Premises. City's obligation to enter into such new lease of the Premises with the Lender shall be conditioned as follows: (i) Lender has remedied and cured all monetary defaults under the Sublease and has remedied and cured or has commenced and is diligently completing the cure of all nonmonetary defaults under the Sublease susceptible to cure by any party other than by the original tenant under the Sublease and (ii) that Lender pays all costs and expenses of City, including without limitation, reasonable attorneys' fees, real property transfer taxes and any escrow fees and recording charges, incurred in connection with the preparation and execution of such new lease and any conveyances related thereto.

12. City and State agree that Lender shall not by entering into this Agreement or by acceptance of the Deed of Trust or any other security interest in the Premises or in the leasehold estate created by the Sublease, Lender has not become personally liable under the terms and obligations of the Sublease or the Master Lease and Lender will not become so liable unless and until it assumes said obligations and is recognized by City and or State as the tenant under the Sublease or the Master Lease and shall be liable only so long as Lender maintains ownership of the leasehold interest or estate.

13. In the event of any dispute or proceeding regarding the provisions of this Agreement the prevailing

party in such dispute or proceeding shall be entitled to recover, among other things, all reasonable attorneys fees and disbursements incurred in such dispute or proceeding.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

STATE OF CALIFORNIA, by and through its STATE LANDS COMMISSION

By _____
Its _____

CITY OF SACRAMENTO, a municipal corporation

By _____
Its _____

RIVERBOAT DELTA KING, INC., a California corporation

By _____
Its _____

HOME FEDERAL SAVINGS AND LOAN ASSOCIATION, a federal savings and loan association

By _____
Its _____

AG 87233

Ground Lessor's Estoppel Statement

To: Home Federal Savings and Loan Association
625 Broadway, Suite 235
San Diego, California 92101
Att'n: Dan Agnew
Corporate Banking

APPROVED
BY THE CITY COUNCIL

MAR 29 1988

OFFICE OF THE
CITY CLERK

Re: Sublease dated September 11, 1985 by and between City of Sacramento, a municipal corporation (the "Sublessor") and The Riverboat Delta King, Inc., a California corporation (the "Sublessee"), on premises located at _____ California, recorded in Official Records of _____ County, _____ as document number _____.

Gentlemen:

The undersigned Sublessor certifies and represents unto the addressee hereof, its attorneys and representatives, in respect of the above described sublease ("Sublease") as follows:

(1) The undersigned is the Sublessor under the Sublease described above and the undersigned has not assigned or agreed to assign the Sublessor's interest under the Sublease in whole or in part;

(2) There are no other leases affecting said property;

(3) The Sublease is in full force and effect and Sublessee is not in any respect in default under the terms and provisions of the Sublease (nor is there now any fact or condition which, with notice or lapse of time or both, will become such a default);

(4) The Sublease is for a total term of _____ () years commencing _____, 19____, and ending _____, 19____, has not been in any respect modified, altered or amended, and contains the entire agreement between Sublessor and Sublessee, except as follows:

(5) The rent under the Sublease is _____.

(6) Sublessor has been advised by Sublessee that Sublessee has applied to Home Federal Savings and Loan Association (hereinafter referred to as "Lender", for a real estate loan (hereinafter called "Loan") to be secured by a Deed of Trust for the benefit of Lender encumbering all of Sublessee's right, title and interest in and to its leasehold estate upon said premises, and Sublessor has been further advised by Sublessee that Lender has required as a condition to entering into the Loan, the delivery of certain statements and representations as hereinafter set forth made by Sublessor to Lender, which Sublessor hereby makes as follows:

(a) The undersigned, as Sublessor, has received no notice of prior assignment, hypothecation or pledge of Sublessee's interest in the Sublease.

(b) During the term of the Loan Sublessor will enter into no agreement with Sublessee to modify, cancel, terminate or surrender the Sublease or any interest of the Sublessee therein without the prior written consent of the Lender.

Sublessor makes the above statements for the benefit and protection of Home Federal Savings and Loan Association knowing that said lender will rely on same in making the aforementioned proposed loan to Sublessee.

Dated: _____

Sublessor: City of Sacramento, a
municipal corporation

By: _____

Its: _____

APPROVED
BY THE CITY COUNCIL

MAR 29 1988

OFFICE OF THE
CITY CLERK

FIRST AMENDMENT TO SUBLEASE

This Agreement is entered into this ___ day of March, 1988, by and between the City of Sacramento, a municipal corporation ("Lessor"), and The Riverboat Delta King, Inc., a California corporation ("Lessee").

RECITALS

A. Lessor and Lessee have previously entered into that certain Sublease (the "Sublease") dated as of September 11, 1985, covering certain property and facilities (the "Property") located in the Sacramento River adjacent to the area commonly known as Old Sacramento, and more particularly described in the Sublease. A memorandum of the Sublease was recorded on _____, in Book _____, Page _____ of the Official Records of Sacramento County, California.

B. Lessor and Lessee now desire to amend the Sublease in certain respects, including granting to Lessee certain easements over real property adjacent to the Property that is either owned by Lessor, leased to Lessor or over which Lessor has an easement.

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Lease of "K" Street Barge. In addition to the Property, Lessor hereby leases to Lessee the so called "K" Street Barge, which shall be deemed to include the barge itself, ramps, piers, walkways and related facilities located within the boundaries of the Property that are not a part of the Riverboat Delta King itself. The "K" Street Barge shall be leased on the same terms and conditions as contained in the Sublease and there shall be no increase in the minimum or additional rent payable under the Sublease on account of the "K" Street Barge. The "K" Street Barge may be used for (i) access by the general public to the head pier and the Riverboat Delta King, (ii) special events by Lessee, (iii) storage and mechanical equipment within the barge, and (iv) as a utility service way and service access way. Lessor reserves unto itself a nonexclusive easement for pedestrian ingress, egress and passage over the "K" Street Barge on the terms and conditions set forth herein.

2. Maintenance of "K" Street Barge. During the term of the Sublease, Lessee shall keep the "K" Street Barge in good condition and repair, and shall perform and pay for

all normal and customary maintenance and repair of all lighting systems and fixtures, elevators, decks and below deck areas, handrails, railings, stairways, equipment, any canopy covers over any portion of the "K" Street Barge, and utilities. Notwithstanding the foregoing, the Lessee shall not be responsible for and the Lessor shall be responsible for (i) normal and customary repair and maintenance of the "K" Street Barge hull, the fire protection and electrical systems (except for the lighting systems referenced above) on the "K" Street Barge, and the removal of all floating debris around the Riverboat Delta King and the "K" Street Barge; and (ii) all capital repairs and replacements (as determined in accordance with the applicable rules and regulations for determining capital items, as opposed to expense items, under the Internal Revenue Code, as it may be amended from time to time) of the "K" Street Barge and all elements and systems thereof; and (iii) all required maintenance, repair and replacement of any hoists. In the event that either party (the "Defaulting Party") fails to fulfill its obligations under this Section 2, the other party (the "Nondefaulting Party") shall give the Defaulting Party notice of such failure, which notice shall specify the exact nature in which such party has failed to fulfill such obligations. If within ten (10) days of the date of any such notice specified in the preceding sentence the Defaulting Party has not cured the specified failure, or if such failure cannot be cured within such ten (10) day period or has not commenced such cure and thereafter pursues such cure to completion, the Nondefaulting Party may take such acts or undertake such efforts as may reasonably be required to effect such cure and the Defaulting Party shall pay on demand all costs and expenses of the Nondefaulting Party incurred in connection therewith.

3. Easements. Lessor hereby grants the following nonexclusive easements to the Lessee for the term of the Sublease (all such easements shall be appurtenant to the Property):

(a) Head Pier, Ramps and Towers and "L" Street Barge Easements. A nonexclusive easement for pedestrian ingress, egress and passage along all of the ramps, boardwalks, bridges, barges, and piers owned by the Lessor and located on the Sacramento River between the "K" Street Barge and the continuation of the southerly boundary of "L" Street, all as shown on Exhibit A attached hereto.

(b) Waterfront Easement. A nonexclusive easement for pedestrian ingress, egress and passage along all of the public boardwalk and walkways between

the continuation of the centerline boundary of "J" Street and the continuation of the southerly boundary of "L" Street, all as shown on Exhibit B attached hereto, provided however, that Lessor shall have the right to reconfigure the easement described in this Section 3(b) so long as a reasonable public walkway is maintained through the area.

(c) Temporary Construction Yard Easement. An exclusive easement to use the area designated in Exhibit C attached hereto as a construction yard for the Riverboat Delta King and for the storage of equipment and materials and parking for those involved with or working on the Riverboat Delta King. Notwithstanding anything to the contrary contained above, the term of the easement granted in this Section 3(c) shall be one (1) year from the date hereof. As a condition to the granting of the easement described in this Section 3(c), Lessee shall provide a mutually acceptable fence entirely surrounding said easement area, shall provide security for the goods and materials stored on the easement area and upon the termination of the easement shall remove said fence and leave the easement area clean and free from debris. During the term of the Easement granted in this Section 3(c) Lessee shall perform and pay for all normal and customary maintenance of the Temporary Construction Yard Easement, including without limitation, maintenance of the fence described above.

(d) Service Road Easement. A nonexclusive easement for the ingress and egress of service, provisioning and maintenance vehicles and pedestrians in connection with the use and operation of the Riverboat Delta King over the area described in Exhibit D attached hereto, including the area between the Old Southern Pacific Railroad Right of Way on the east and the flood wall of the Sacramento River on the west extending from the centerline of the continuation of "J" Street on the north to the north line of the continuation of "K" Street on the south. Any vehicles that are unable to turn around within the limits of the service road area shall be required to back out of the service road area. No service vehicles shall access the Riverboat Delta King across "K" Street, or "L" Street unless so directed by the Lessor. No part of the service road area shall be used for

parking, valet parking, bus parking, limousine parking or airporter services. As a condition to granting this easement, Lessee shall cooperate with the State Park Riverfront Park Project and, to the extent such Project temporarily interferes with the use of this easement, the Lessor shall provide Lessee with a reasonably equivalent temporary service road easement. Notice of any required closure of the service road area described above shall be given to Lessee not less than forty eight (48) hours in advance of any proposed closure and shall be conditioned upon reasonable alternative vehicular access.

(e) "K" Street Pedestrian Access and Valet Turnaround Easement. A nonexclusive easement for pedestrian ingress, egress and passage over the continuation of "K" Street described in Exhibit E attached hereto. In addition to the easement described in the preceding sentence, Lessee shall have an easement to use the portion of the easement described in Exhibit E at the foot of "K" Street as a valet station and turnaround and the existing booth at the north end of the CSNC building as a valet station. Such use of the turnaround and booth as a valet station shall be subject to a revocable use permit to be granted by Lessor pursuant to its customary procedures. Lessee shall be entitled to place signs and notices on said booth advertising said valet services in accordance with the Old Sacramento Sign Ordinance. Lessee shall indemnify and hold Lessor harmless from and against any and all cost, damage, liability, expense or claim arising out of or relating to the use of the turnaround for valet services, except such as may be caused by the negligence or wilful misconduct of the Lessor. During the term of the Sublease, Lessee shall perform and pay for all normal and customary maintenance and repair of the valet station and turnaround area.

4. Use of Easements. All nonexclusive easements granted herein to either party shall be for the use of such party, its contractors, agents, employees, licensees, guests and invitees, including without limitation members of the general public who may be visiting the Old Sacramento Wharf area. It is the intention of the parties that the various nonexclusive easements granted herein shall serve to facilitate the flow of pedestrian and, to a limited extent, vehicular traffic in and around the Old Sacramento Wharf area. Both parties agree to cooperate in the interpretation

and implementation of these easements to achieve that end. All exclusive easements granted to either party shall be for the benefit of such party, its agents, contractors, invitees, licensees, guests, and employees only. All easements shall be generally open and available to pedestrians from 9:00 a.m. to 11:00 p.m. everyday; provided, however, that Lessee shall be allowed, after reasonable notice to Lessor (not less than 24 hours' advance verbal notice if the closure will exceed 8 consecutive hours in any one day or twelve hours in total on any two days), to close off the "K" Street Barge for the purposes of accommodating or facilitating any special events, fulfilling its obligations under Section 2 above, or preventing any dedication or prescriptive rights from attaching. In controlling access to the "K" Street Barge, Lessee shall use reasonable closure devices, including signs, which shall be subject to approval by Lessor. In addition to the rights granted above, Lessee shall have the authority, at all times, to remove persons for cause or take other steps necessary to maintain control of the "K" Street Barge.

5. Maintenance and Repair. Except as specifically provided above, the party granting each specific easement referenced herein shall be responsible for all maintenance, repair and replacement of any improvements located on any easement granted herein and such party shall maintain such improvements in good order and repair and consistent with the first class quality of the Riverboat Delta King. No improvements located on any easement area shall be materially altered or reconfigured without the consent of the owner of the property to which such easement is appurtenant, which consent shall not be unreasonably withheld. In the event that either party fails to fulfill its obligations under the first sentence of this Section 5, the other party shall have all of the rights to do the work itself and charge the other party in accordance with the provisions for Defaulting Parties and Nondefaulting Parties specified in Section 2 above. Each party shall make all reasonable efforts to minimize the disruption of any easement area as a result of any repairs or maintenance.

6. Damage and Destruction. Notwithstanding any provisions to the contrary hereinabove contained, in the event of any damage or destruction of any of the improvements located on any of the easement area granted herein, the party who has the obligation for the capital maintenance and repair of such improvements shall be obligated to reconstruct such improvements to their condition immediately prior to such damage or destruction within a reasonable period of time after such casualty or destruction; provided, however, that in the event the Riverboat Delta King is damaged or destroyed and the Lessee

does not elect to restore the Riverboat Delta King to an economically functioning unit, neither the Lessee nor the Lessor shall have any future obligation to restore any other improvements on the areas covered by the easements. In the event any party fails to fulfill its reconstruction obligations under this Section, the other party shall have all of the rights of a Nondefaulting Party under Section 2 above.

7. Indemnity. Lessee shall indemnify and hold Lessor, its agents, officers, contractors and employees harmless from and against any and all cost, damage, liability or expense (including without limitation reasonable attorneys' fees and disbursements) arising out of or related to the use of the nonexclusive easements on the Property or the use by Lessee of the exclusive easements granted herein, except such as may be caused by the negligence or wilful misconduct of Lessor. Lessor shall indemnify and hold Lessee, its agents, officers, contractors, and employees harmless from and against and all costs, damages, liabilities or expenses arising out of or related to the use, maintenance and operation of the nonexclusive easements located outside the Property, except such as may be caused by Lessee's negligence.

8. Floodwall Access. In the event of any threat to life, public safety, or property, the City Manager of Lessor may restrict public access to all ramps, barges, walkways or boardwalks along the entire Old Sacramento Waterfront area, including, without limitation those covered by the easements described herein. Lessor shall be responsible for adjusting the level of the "K" Street Barge and all other boardwalks, ramps, walkways and other structures located within the easement areas described herein to coincide with the water level of the Sacramento River.

9. Utilities. Lessor will provide lines for water, sewer, gas and water for fire protection, which lines shall be stubbed through the floodwall. Lessor will also provide conduit for electric service, and conduit for telephone and cable television stubbed through the floodwall.

10. Signs. Any signs for the Riverboat Delta King shall be submitted to Lessor for its reasonable approval prior to being posted on the Property or on any of the easement areas.

11. Trash Compactor. Lessee agrees to share with other waterfront users in the cost of use, repair and

maintenance, on a prorata basis, (although the actual repair and maintenance shall be performed by or through the Lessor) of the Lessor's trash compactor unit and the compactor enclosure building. Lessor agrees to make available to Lessee in the compactor enclosure building a debris box for the Lessee's garbage.

12. Successors and Assigns. The provisions of this Agreement shall be binding on and shall benefit the successors and assigns of each of the parties hereto subject to the restrictions on assignment contained in the Sublease. The easements granted herein shall be deemed appurtenant to the Property in the case of those granted to Lessee and shall be deemed appurtenant to the Lessor's property in the Old Sacramento area in the case of those granted to Lessor and all such easements shall be deemed to run with the land.

13. Short Form. Upon the execution of this Agreement, a short form hereof shall be executed and acknowledged by both parties and recorded in the Official Records of the County of Sacramento.

14. Status of Sublease. Except as set forth hereinabove, the Sublease shall remain in full force and effect and be unchanged hereby. In the event of any conflict between the provisions of this Agreement and the Sublease, the provisions of this Agreement shall control.

CITY OF SACRAMENTO, a
municipal corporation

By: _____
LESSOR

THE RIVERBOAT DELTA KING, INC.,
a California corporation

By: _____
Edmund J. Coyne, President
LESSEE

ATTEST:

APPROVED AS TO FORM:

CITY CLERK

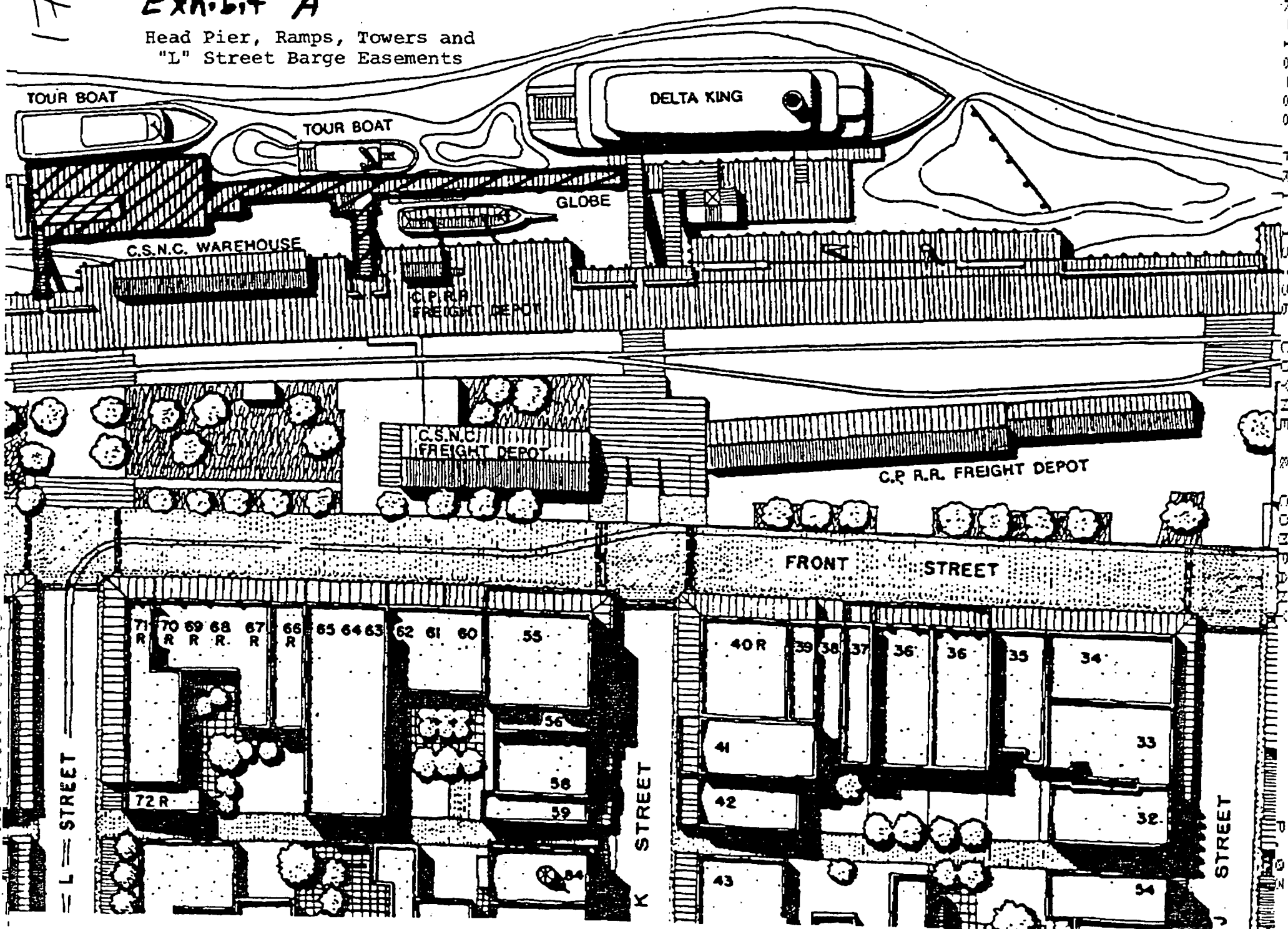
CITY ATTORNEY

Dated _____

17

Exhibit "A"

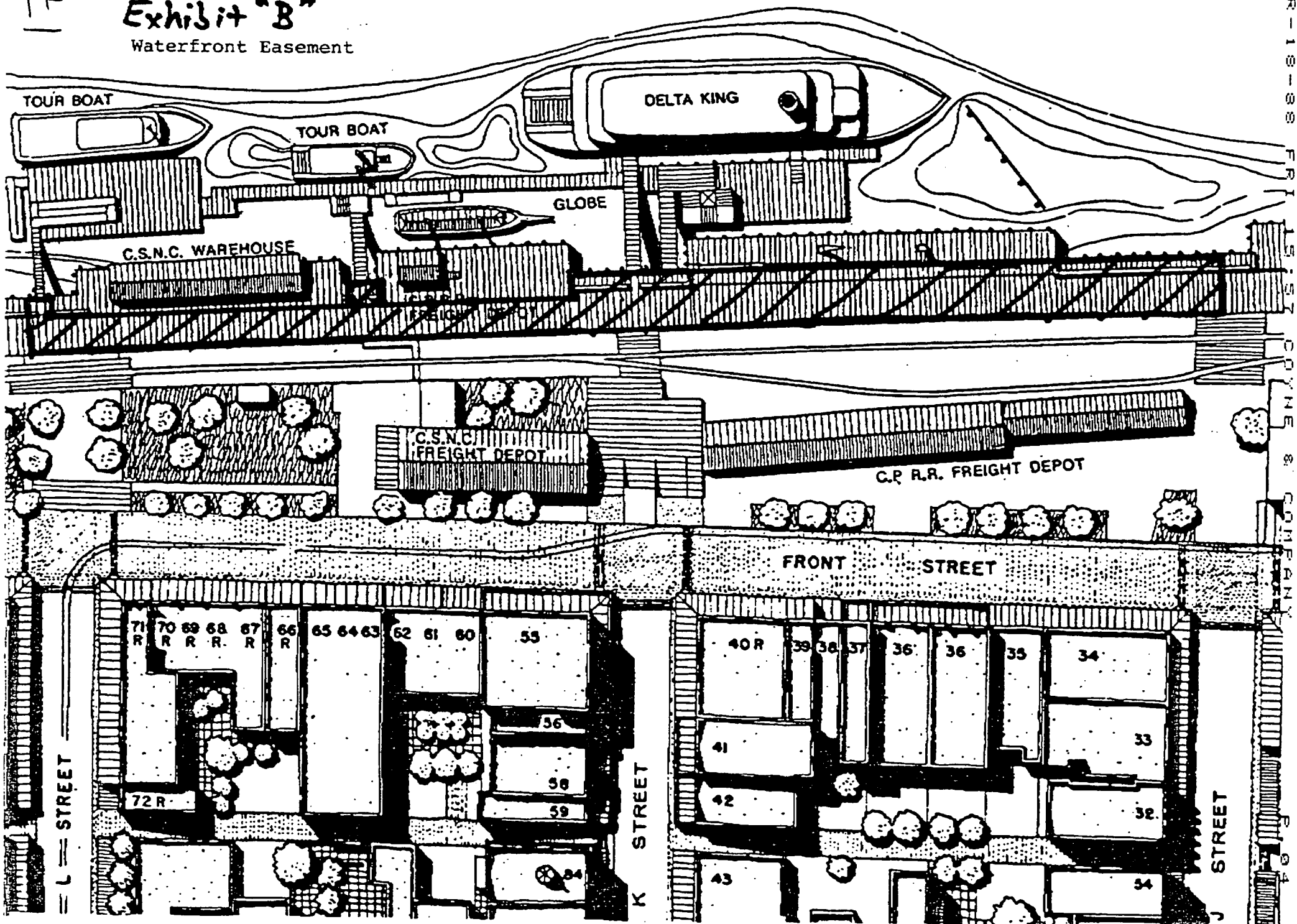
Head Pier, Ramps, Towers and "L" Street Barge Easements



17

Exhibit "B"

Waterfront Easement

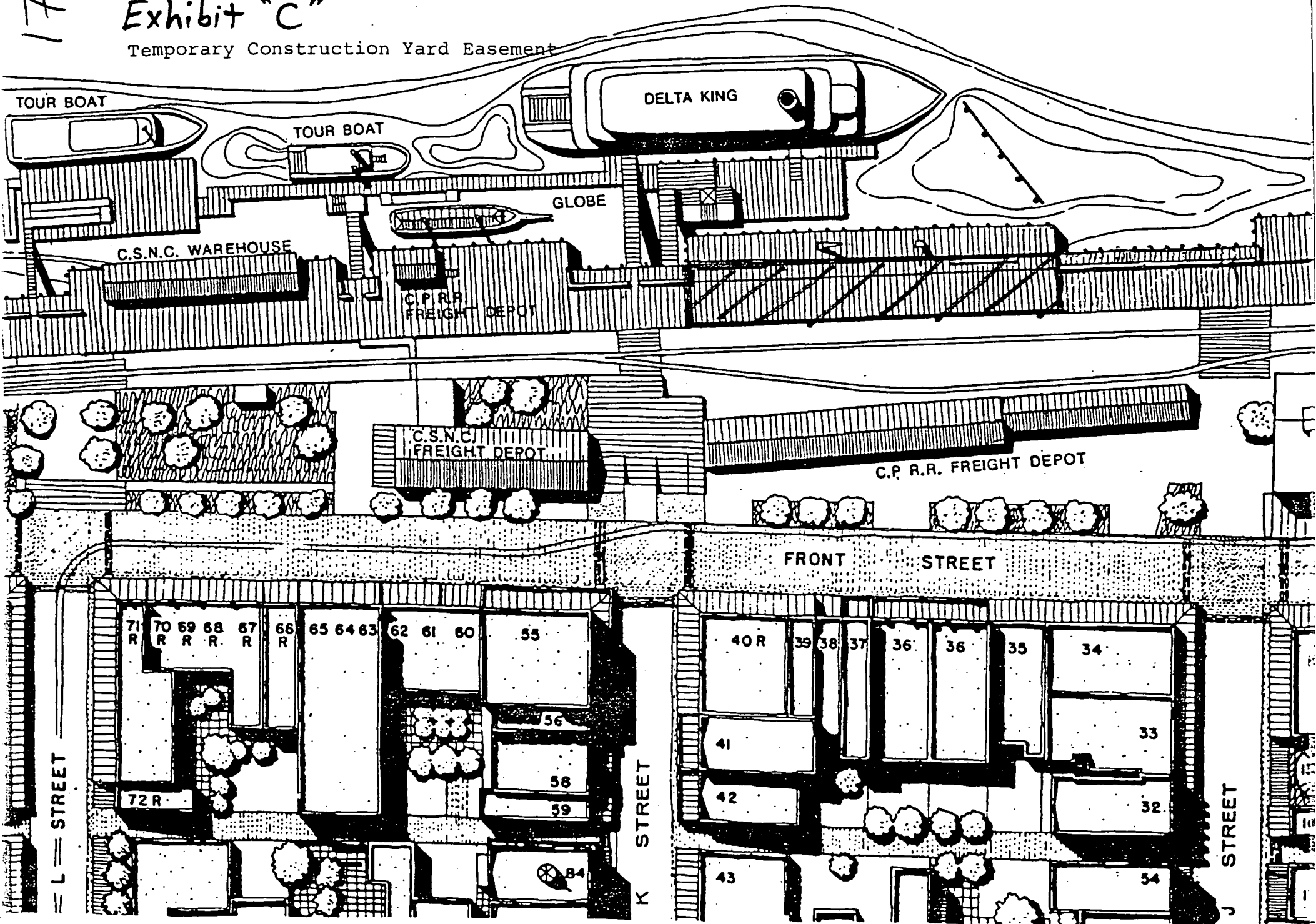


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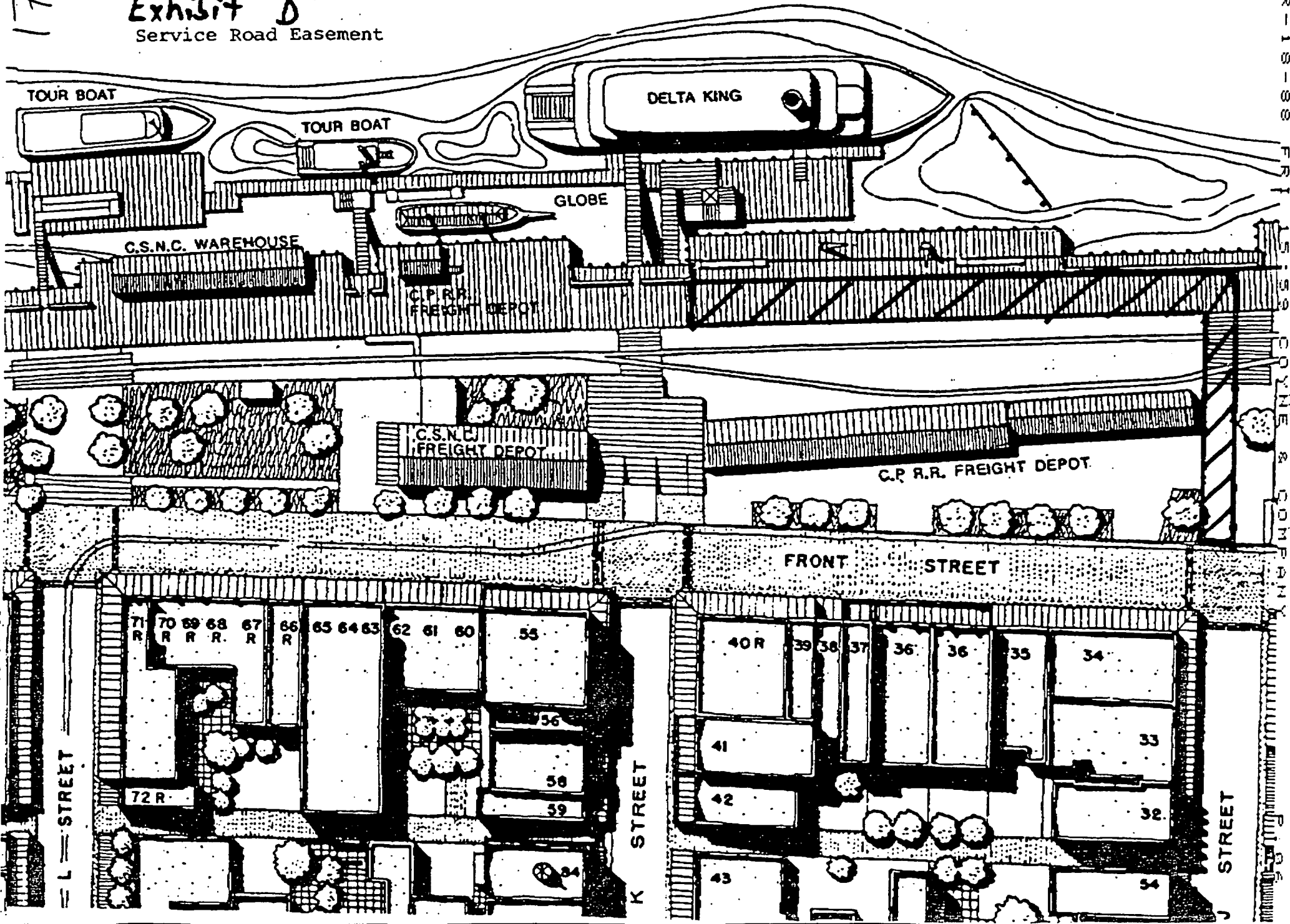
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Exhibit "C"

Temporary Construction Yard Easement



17 Exhibit "D" Service Road Easement



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02.16.99 01:57 PM P06

AG 8 72 35

Recording Requested by and
After Recordation, Mail to:

MORRISON & FOERSTER
345 California Street
San Francisco, California 94104

Att'n: Barbara Gregoratos

MEMORANDUM OF LEASE

This Lease is made and entered into between the STATE OF CALIFORNIA acting by and through its STATE LANDS COMMISSION (hereinafter called "Lessor") and the CITY OF SACRAMENTO, a municipal corporation (hereinafter called "Lessee").

Lessor leases to Lessee the real property in the City of Sacramento, County of Sacramento, State of California, more particularly described in Exhibit A attached hereto and incorporated herein by reference as though written out at length herein (which property is hereinafter called the "premises") together with (i) all buildings, docks, wharves and other improvements of every kind and nature on or in said premises, (ii) all appurtenances, rights and privileges pertaining thereto, (iii) all easements granted by Lessor in the hereinafter referred to unrecorded instruments between the parties in, over and to, and all rights and benefits of whatever nature and howsoever designated arising out of covenants (whether affirmative or negative) on the part of Lessor contained in said unrecorded instruments or otherwise accruing relating to the use and enjoyment of the leased premises.

The term of this Lease is for a period commencing on July 1, 1986 and ending on December 31, 2036.

This Lease is subject to the terms, conditions, provisions and covenants of (i) that certain unrecorded instrument between the parties hereto entitled "Master Lease" dated July 1, 1986, and (ii) that certain unrecorded four-party agreement entitled "Agreement" between the parties hereto, the Riverboat Delta King, Inc., and Home Federal Savings and Loan Association, dated _____, 1988, which terms, conditions, provisions and covenants of the Master Lease and Agreement are

incorporated herein by reference as though written out at length herein.

Executed on March _____, 1988.

STATE OF CALIFORNIA, by and through its
STATE LANDS COMMISSION

By _____

Its _____

LESSOR

CITY OF SACRAMENTO, a municipal corporation

By _____

Its _____

LESSEE

(Acknowledgments)

AE 87236

Recording Requested by:
After Recordation, Mail to:

MORRISON & FOERSTER
345 California Street
San Francisco, California 94104

Att'n: Barbara Gregoratos

MEMORANDUM OF SUBLEASE

This Sublease is made and entered into between the CITY OF SACRAMENTO, a municipal corporation (hereinafter called "Lessor") and THE RIVERBOAT DELTA KING, INC., a California corporation (hereinafter called "Lessee").

Lessor leases to Lessee the real property in the City of Sacramento County of Sacramento, State of California, more particularly described in Exhibit A attached hereto and incorporated herein by reference as though written out at length herein (which property is hereinafter called the "premises") together with (i) all buildings, docks, wharves and other improvements of every kind and nature on or in said premises, (ii) all appurtenances, rights and privileges pertaining thereto, (iii) all easements granted by Lessor in the hereinafter referred to unrecorded instrument between the parties, and any amendments thereto, in, over and to, and all rights and benefits of whatever nature and howsoever designated arising out of covenants (whether affirmative or negative) on the part of Lessor contained in said unrecorded instrument or otherwise accruing relating to the use and enjoyment of the lease premises.

The primary term of this Sublease commences on the earlier of the date Lessee completes exterior restoration of the Riverboat Delta King, or September 24, 1986 and ends twenty-five (25) years thereafter, which term may be extended at the option of Lessee for two (2) successive extended terms of ten (10) years each.

This Sublease is subject to the terms, conditions, provisions and covenants of (i) that certain unrecorded instrument between the parties hereto entitled "Sublease" dated September 11, 1985, and (ii) that certain unrecorded instrument between the parties hereto entitled "First Amendment to Sublease" dated March __, 1988, and (iii) that certain unrecorded four-party agreement entitled "Agreement" dated _____ 1988 between the parties hereto, the State of California by and through its State Lands Commission and Home Federal Savings and

Loan Association, which terms, conditions, provisions and covenants of the Sublease and First Amendment to Sublease are incorporated herein by reference as though written out at length herein.

Executed on March _____, 1988.

CITY OF SACRAMENTO,
a municipal corporation

By _____

Its _____

LESSOR

THE RIVERBOAT DELTA KING, INC.,
a California corporation

By _____

Its _____

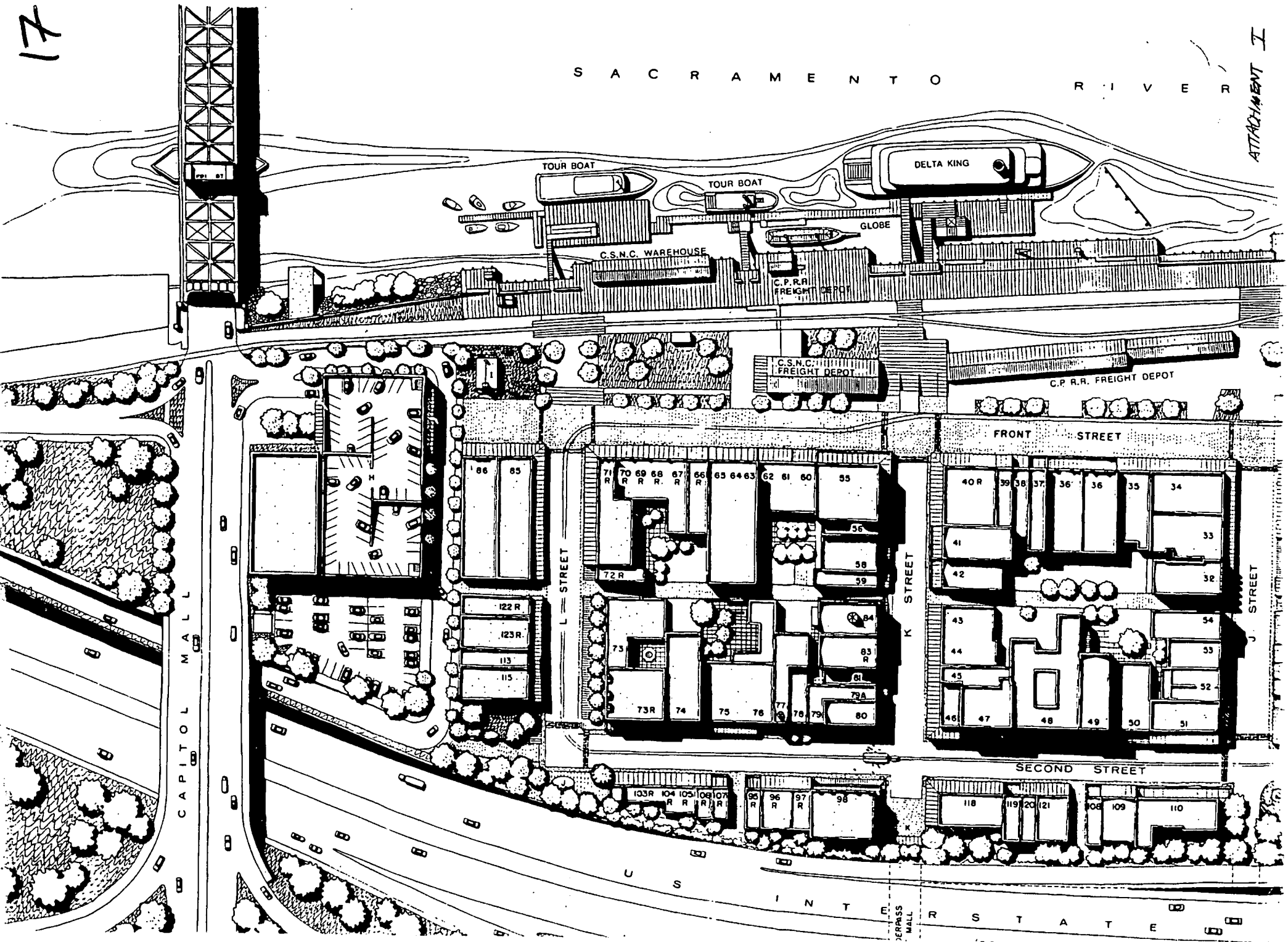
LESSEE

(Acknowledgments)

17

SACRAMENTO RIVER

ATTACHMENT I



PARKING AGREEMENT
DELTA KING HOTEL
IN OLD SACRAMENTO

AG-87237

THIS AGREEMENT is entered into on _____, 1988, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, coporate and politic ("Agency"), the CITY OF SACRAMENTO ("City"), and RIVERBOAT DELTA KING, INC. ("Delta King").

Recitals

1. The City and Delta King have executed a Lease Agreement for Private Development which provides for the restoration of the Riverboat Delta King on the riverfront (west bank) in the Old Sacramento Historic Area (the "Property"). The Old Sacramento Historic Area is depicted on a map attached hereto and incorporated herein by reference marked as Exhibit "A".

2. The Delta King intends to operate a hotel business ("Hotel") on the Property.

3. The Delta King has asked Agency and City for assurance of the availability of parking and automobile access to the Hotel for Hotel's guests.

4. The City and Agency recognize that the success of the Delta King Hotel operation will have a strong positive impact on the overall economic vitality of Old Sacramento.

5. The City and Agency further recognize that the availability of parking and automobile access is a critical element to the successful operation of the Delta King Hotel.

6. The City operates all City-owned parking structures and, under contract with the Agency, operates all Agency-owned parking facilities. The Agency and City may in the future contract with a private or public entity to operate one of more City or Agency-owned parking facility. The term "City" as used in this Agreement shall refer to any entity responsible for operation of the parking facilities.

Agreement

The parties to this Agreement agree as follows:

1. Term

1.1 The term of this Agreement shall commence on the date that the City of Sacramento issues a Certificate of Occupancy for the Delta King Hotel.

1.2 The term of the lease shall run concurrent with the term of the City's sublease for moorage of the Riverboat Delta King. In no event shall the term of this Agreement extend beyond the expiration date of the City's sublease Agreement with the Delta King. (The sublease expires, unless extended by mutual agreement, at the end of the 25-year period commencing with the date of completion of the exterior restoration of the Delta King, but no later than September 24, 1986.)

2. Designated Parking Facilities

2.1 Agency shall make available, for parking Hotel guest vehicles, a maximum of forty-four (44) designated spaces in the parking facility (Lot R) located between Front Street, Neasham Circle and Capitol Mall. The allocated parking spaces shall be designated by signs as posted by the City which shall be marked "Hotel Parking." City shall not be required to enforce these signs, but the Hotel may advise its guests as necessary. The designated spaces shall be those spaces indicated in Exhibit "B", attached.

2.2 Hotel guest vehicles may be parked in the designated spaces for an unlimited time at the hourly rate as established from time to time by the Sacramento City Council for each designated parking facility. The current parking rates are presented in Exhibit C.

2.3 The guest or other person parking the guest's vehicle shall, upon entry into the parking facility, obtain a parking ticket in the same manner that such tickets are obtained by the general public. Hotel management shall validate each ticket by a unique stamp impression validation which indicates the guest's "check in" and "check out" times. Arrangements for ticket validations and billings shall be according to City-established procedures.

3. Parking Fees, Billing and Payment

3.1 City shall maintain records of Hotel guest's validated parking tickets and parking changes related thereto. City shall send monthly billing statements to Delta King indicating amounts due to City for Hotel guest parking during the previous month according to City established procedures.

3.2 Commencing on Year 1 and continuing to the end of Year 10 of this Agreement, City shall collect the hotel guest parking fees from Agency parking revenues in the Agency's Parking Facility Fund. Commencing on Year 1 and continuing to the end of Year 10 of this Agreement, the Agency shall bill Delta King, on a periodic basis, for the Delta King's share of the Hotel guest parking costs. Such billings shall be promptly paid by Delta King and shall be deemed delinquent if unpaid within 90 days of written demand from the Agency. Delinquent payments shall constitute a material breach of this Agreement and subject to appropriate sanctions as determined by the Agency.

3.3 Agency and Delta King shall pay for Hotel guest parking charges as follows:

3.3.1 From the commencement of this Agreement and continuing for a period of five (5) years, Agency shall pay ninety-five percent (95%) or \$50,000, per year, whichever is less and Delta King shall pay five percent (5%) or the balance due to the City, whichever is greater;

3.3.2 In the sixth year, Agency shall pay eighty-five percent (85%) or \$50,000 whichever is less and Delta King shall pay fifteen percent (15%) or the balance due to the City, whichever is greater; and

3.3.3 In each year thereafter, commencing with the sixth year and continuing through the tenth year, Agency's portion of the payment shall be reduced and Delta King's portion of the payments shall be increased, in accordance with the following schedule:

<u>Year</u>	<u>Percentage of Parking Payment Paid By-</u>	
	<u>Agency</u>	<u>Delta King</u>
1 through 5	95*	5
6	85*	15
7	65*	35
8	45*	55
9	25*	75
10	5*	95
11 through the balance of the Term of Agreement	0	100

(*Not to exceed \$50,000)

In any event, Agency's portion of the annual payment during years 1-10, inclusive, shall not exceed \$50,000, and Delta King shall pay the balance due to the City.

3.4 Commencing on Year 11 of this Agreement, Delta King shall make all due parking payments directly to City, subject to all reasonable terms and conditions of the City for billings and collections.

4. Passenger Loading/Unloading Zone

4.1 The Delta King check-in and valet station shall be located on the west side of the intersection of Front and K Streets as indicated in Exhibit "D".

4.2 The cost of signage necessary to designate the valet service area, signage posted at the loading zone, signage posted at other locations designated by City to indicate the location of the loading/unloading zone shall be provided by Agency. Installation and maintenance of a courtesy phone or similar device at the valet service area to be used by Hotel guests or employees to call the Hotel, shall be paid by Delta King. Any other amenities or improvements desired by Hotel shall be subject to approval of City and shall be paid for by Delta King.

4.3 Use of the valet service area shall be in accordance with rules established by City as set forth in Exhibit "E" attached.

5. Valet Parking Insurance and Indemnification

5.1 Prior to commencing valet parking services, Delta King shall provide Agency evidence of commercial general liability insurance, in the form and amount set forth in Exhibit "F" to cover any theft, personal injury, contractual liability and property damage related to the operation of such valet parking service. In no event shall the policy of insurance have a combined single limit liability less than one million dollars (\$1,000,000) or a deductible in excess of ten thousand dollars (\$10,000). The Agency and the City shall be named as additional insureds covered by said policy. The Delta King agrees to indemnify, defend and hold harmless the Agency and the City for any liability for theft, personal injury or property damage in connection with valet parking of Hotel guest vehicles. Failure to provide the required insurance is a material breach of this Agreement.

6. Peak Parking Demand Periods

6.1 Peak parking demand periods are those times when in the sole judgement of the City, the designated parking facilities are likely to be used to full capacity. At times determined by the City to be peak parking demand periods, the Agency shall reserve designated parking spaces within Lots W, P, G, and R for the exclusive use of guests of hotels located within the Old Sacramento Historic Area. The location of spaces shall be at the discretion of the City, and shall not exceed the number of parking spaces reserved for hotel guest parking, per the agreements between those hotels and the Agency.

7. Automatic Termination

7.1 This Agreement shall automatically terminate if, without the prior written consent of the Agency, the Property ceases to be operated as a hotel. Agency and Delta King may negotiate a parking agreement for other overnight lodging or housing-type use.

8. Assignability

8.1 Delta King may not assign this Agreement without written consent of the Agency. A change in ownership interests of the shareholders, principals or officers of Delta King, from the current ownership, which is less than fifty percent (50%) shall not constitute an assignment.

8.2 Agency consent to such assignment shall not be unreasonably withheld. The terms governing assignment shall conform with the Agreement dated January __, 1988 among the City, Delta King, Home Federal Savings and Loan, and the State of California, acting by and through the State Lands Commission, except to the extent of a conflict with the express terms of this Agreement in which event this Agreement shall have precedence. In any event, Agency shall consent to an assignment for the benefit of a lender for construction or permanent financing for the Hotel if the terms of such assignment have been approved by Agency at either (1) the time of obtaining such loan, or (2) upon the execution of this Agreement.

9. Non-Guest Use

9.1 The purpose of this Agreement is to make parking available for Hotel guest vehicles only. The parking made available pursuant to this Agreement shall not be used by Delta King or other Hotel employees, vendors, tradesmen or others doing business with the Hotel. Hotel shall maintain records of vehicle license numbers of hotel guests. City and Agency shall have the right to audit such records to verify that validations are for hotel guests only. Hotel shall provide a record of the vehicle license numbers of Hotel employees to the City and Agency, upon request.

9.2 City or Agency shall serve prompt notice to Hotel of any discovered willful misuse of Hotel validation.

9.3 If during the term of this Agreement, the City, Agency, Delta King or the Hotel discover that persons other than Hotel guests, but under the control of the Delta King or Hotel, have willfully used the Hotel validation, a written notice of violation of this Agreement's terms and conditions shall be transmitted to the Delta King. Under these circumstances, the Agency, in its own and exclusive discretion, may order Delta King to pay restitution to the City for the noticed unauthorized uses. In the event of significant and flagrant continual unauthorized uses (as determined by the Agency in its sole and exclusive discretion), the Agency may (1) suspend its parking payments pursuant to Section 3 of this Agreement for the months stated in such notice, and (2) order that the full hotel parking-related monthly costs be paid by the Delta King for such month(s).

9.4 Commencing with Year 11 and continuing through the remainder of the term of this Agreement, the City may impose reasonable and appropriate penalties (in accordance with Chapter 25 of the Sacramento City Code and the California Vehicle Code) for unauthorized uses as described in this section.

9.5 Delta King and/or Hotel shall cooperate with City and make a good faith effort to diligently pursue correction of any violation of the terms and conditions of this agreement governing the use of Hotel validation. Failure of Delta King and/or Hotel to diligently pursue such correction shall be a material breach of this Agreement.

10. Maintenance of Parking Facility

10.1 City shall maintain parking facility including hotel guest designated parking area. Hotel shall maintain all hotel amenities and improvements installed by Hotel or City for Hotel use as requested by Hotel and approved per the terms and conditions of this Agreement.

11. Construction of Parking Facilities

11.1 This Agreement shall not obligate the Agency to construct or acquire any parking facilities in order to accommodate Hotel guest vehicles. If natural causes or events outside the control of the City or Agency eliminate the availability of parking spaces, the Agency shall make a good faith effort to provide alternative areas for parking in a timely manner.

12. Notices

12.1 Any notice, demand or communication under or in connection with this Lease may be served upon City by personal service, or by mailing the same by first-class mail in the United States Post Office, postage prepaid, and directed to Lessor as follows:

City Manager
City of Sacramento
City Hall
915 I Street
Sacramento, CA 95814

and may likewise be served on Agency by personal service or by so mailing the same addressed to Agency at:

Executive Director
Sacramento Housing and Redevelopment Agency
630 I Street
Sacramento, CA 95814-2490

and may likewise be served on Delta King by personal service or by so mailing the same addressed to Lessee at:

President
Riverboat Delta King, Inc.
901 Tamalpais Avenue, Suite 200
San Rafael, CA 94901

City, Agency, or Delta King may change such address by notifying the other parties in writing as to such new address and which address shall continue as the address until further written notice.

IN WITNESS WHEREOF, the parties hereto have executed this Parking Agreement as of the date first above written.

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

APPROVED AS TO FORM:

By WILLIAM H. EDGAR
Executive Director

Agency Counsel

CITY OF SACRAMENTO

APPROVED:

By WALTER J. SLIPE
City Manager

Organization

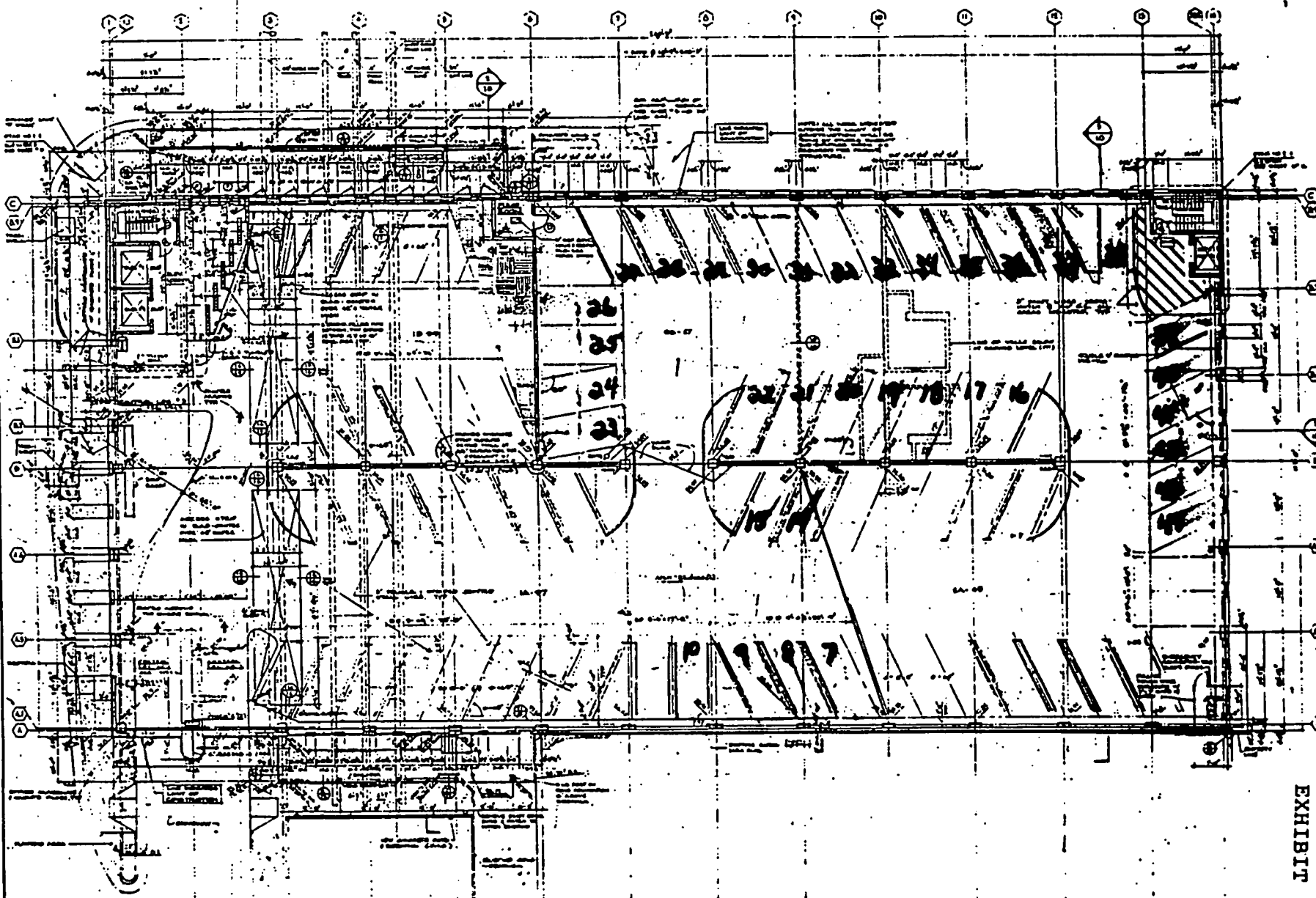
THE RIVERBOAT DELTA KING, INC.

By EDMUND J. COYNE
President

901 Tamalpais Avenue, Suite 200
San Rafael, California 94901

(415) 453-0451

HS:msw/cmc
1143M



SECOND LEVEL PLAN

10

OLD SACRAMENTO SO
 PARKING STRUCTURE
 SACRAMENTO HOUSING
 REDEVELOPMENT AGENCY

DESIGNED BY
 DRAWN BY
 CHECKED BY
 DATE

REVISIONS
 NO. DESCRIPTION DATE

APPROVED BY
 DATE

EDWARD F. ROTI/ASST.
 ARCHITECT

PSDR
 PROJECT NO.

DATE

17 3

EXHIBIT "B.2"

OFF-STREET PARKING FEES (City Code Section 25.153)

Lot	Hourly(1)	Night 6PM-6AM(1)	Daily(2)	Pre-(3) Charge	Monthly(8) Under Cover	Monthly(8) Open	Monthly(8) Motor- cycle
A	\$.25 & 1.00	\$1.25	---	\$1.50	\$58.00(5)	\$50.00(5)	\$19.00
B	.25 & 1.00	1.25	---	1.50	50.00(5)	42.00(5)	17.00
	---	---	\$1.75	1.50	---	---	---
E	.25 & 1.00	1.25	---	1.50	50.00(5)	---	17.00
G	.25 & 1.00(13)	1.25(13)	---	1.50	52.00(5)	---	17.00
H	.25 & 1.00	1.25	---	1.50	58.00(5)	---	19.00
K	.25 & 1.00	1.25	---	1.50	58.00(5)	---	19.00
L-1	.30(12)			1.50			
L-2	.30(12)			1.50			
M	---	---	.50	1.50	---	---	---
P	.25 & 1.00	1.25	---	1.50	40.00	---	13.00
Q	---	---	1.75	1.50	---	20.00(10)	---
R	.25 & 1.00	1.25	---	1.50	38.00	---	13.00
U	---	1.25	---	1.50	---	46.00(4&6)	15.00
W	---	---	2.50(7)	---	---	---	---
X	---	---	---	1.50(11)	---	40.00	13.00
Y	1.00(9)	---	---	1.50(11)	---	40.00	13.00

(1) Between 6AM and 6PM: \$.25 each hour for first three hours. \$1.00 for each hour thereafter. Between 6PM and 6AM: \$.25 each hour for first five hours, no charge for each hour thereafter. \$5.75 minimum charge for lost ticket. \$5.00 service charge for IOU, (IOUs not paid within 15 days will be assessed a \$3.00 penalty which will increase by \$5.00 each 15 days to a maximum of \$18.00).

(2) Rate applies from time of entry until 6 AM on the day following the time of entry.

(3) Special events.

(4) \$7.00 for current residents of the Wong Center (May 1978) who own automobiles. This rate to be phased out as residents move or dispose of their automobiles.

(5) 50% monthly parking discount for residents of Central Business District vicinity within the boundaries of 7th Street, 14th Street, H Street and L Street, who qualify as having no reasonable parking alternatives - such permits shall be valid only between 5:30 PM and 8:30 AM, Monday through Friday and all day Saturday and Sunday.

(6) \$39.00 per month for Traveler's Bldg. tenants per owner participation agreement with the Sacramento Redevelopment Agency (rate effective March 1, 1986 to February 28, 1987).

(7) No charge for tour buses.

(8) A \$5.00 deposit fee shall be charged for each monthly parking access card for Lots A, B, E, G, H, K, P and R. This deposit shall be refundable upon return of the access card in an undamaged and usable condition, normal wear and tear expected. A \$5.00 fee shall be charged for each replacement for lost monthly permits at Lots I, Q, U and X.

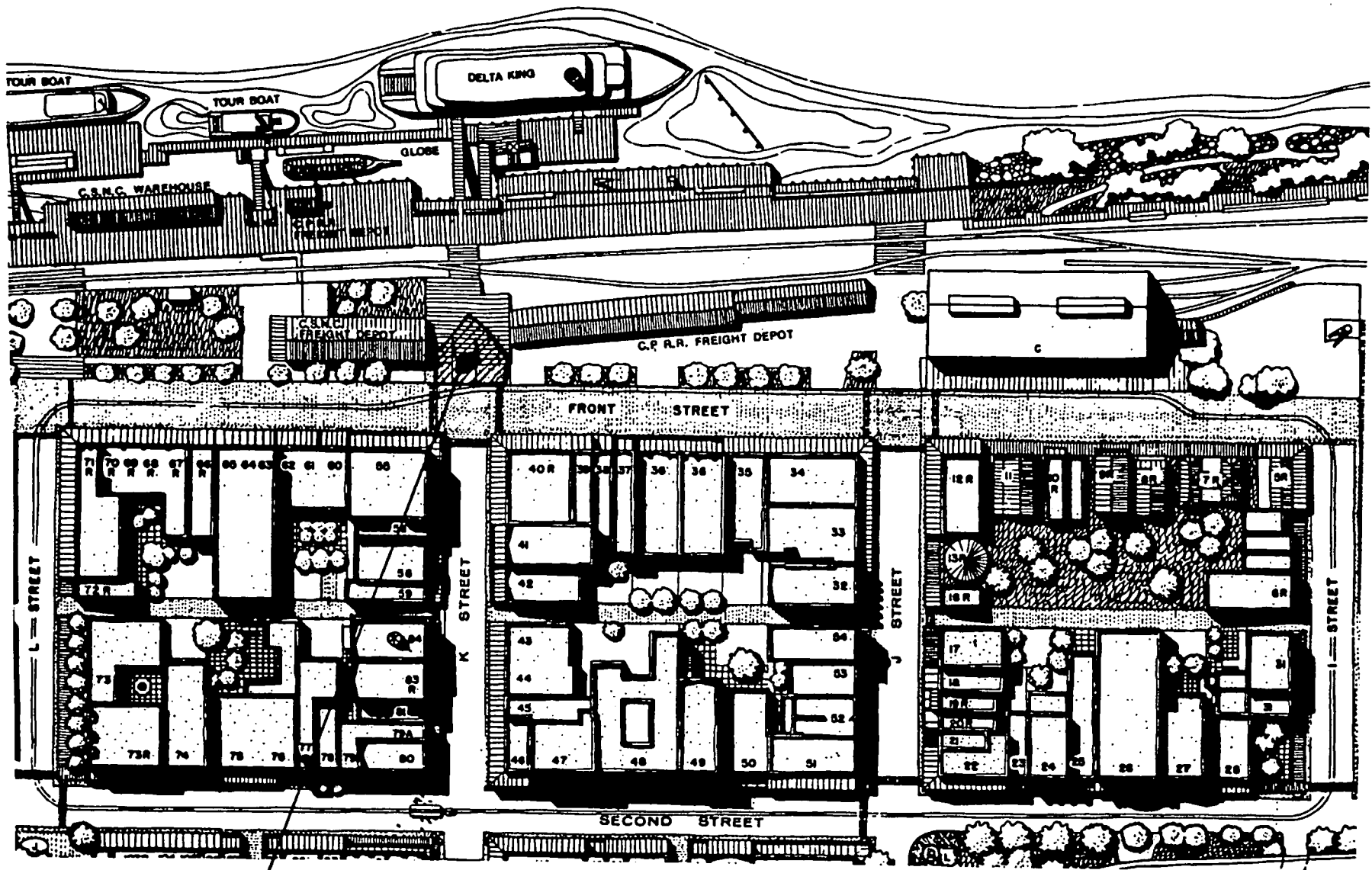
(9) \$1.00 for 3 hours.

(10) \$38.00 for horse-drawn vehicles with related truck and horse trailer.

(11) \$1.00 if ticket dispensed by mechanical ticket dispenser.

(12) No vehicle shall park beyond two hours between the hours of 8AM and 6PM, Monday through Saturday, with national holidays exempt. Fees shall be paid to parking meters: \$.60 for two hours, \$.30 for one hour, \$.25 for 50 minutes, \$.10 for 20 minutes, and \$.05 for 10 minutes.

(13) Capitol Plaza Holiday Inn validations-Between 6AM and 6PM: \$.25 each hour for first three hours, \$.75 for each hour thereafter. Between 6PM and 6AM: \$.25 for first hour, \$.20 for second hour, no charge for each hour thereafter.



Location of Check-in/Valet Station for Delta King Hotel

DELTA KING HOTEL

Valet Service Area
Turnaround (Front and K Streets)

Regulations for Use

The use of the turnaround for the Delta King Hotel shall remain public right-of-way and be governed by all rules and regulations of Sacramento City Code, Chapter 25 and California Vehicle Codes relating to the standing or parking of vehicles.

There shall be no stopping, standing or parking for any purpose, other than loading or unloading of passengers.

The use of this public right-of-way or adjacent streets will be such as not to impede traffic circulation, pedestrian safety or emergency access.

This turnaround is to be designated as one-way from north to south.

All rules and regulations will be enforced by the City of Sacramento on an as-needed basis.

**CITY OF SACRAMENTO
CERTIFICATE OF INSURANCE**

This is to certify to the CITY OF SACRAMENTO that the insurance policies listed below have been issued to the named insured and are in force at this time.

NAMED INSURED: _____

ADDRESS: _____

DESCRIPTION OF CONTRACT: _____

TYPE OF INSURANCE	INSURER AND POLICY NUMBER	POLICY PERIOD	LIMITS OF LIABILITY	
			Each Occurrence	Aggregate
GENERAL LIABILITY <input checked="" type="checkbox"/> Comprehensive General <input type="checkbox"/> Liquor Liability <input checked="" type="checkbox"/> Contractual <input checked="" type="checkbox"/> Products/Completed Operations <input checked="" type="checkbox"/> Personal Injury <input checked="" type="checkbox"/> Broad Form Property Damage			BODILY INJURY \$ _____ PROPERTY DAMAGE \$ _____ BODILY INJURY AND PROPERTY DAMAGE COMBINED \$ <u>1,000,000</u> <u>1,000,000.</u> DEDUCTIBLE \$ <u>10,000 (maximum)</u>	
AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> Owned, Non-Owned and Hired Automobiles			BODILY INJURY (EACH PERSON) \$ _____ BODILY INJURY (EACH ACCIDENT) \$ _____ PROPERTY DAMAGE \$ _____ BODILY INJURY AND PROPERTY DAMAGE COMBINED \$ <u>1,000,000</u>	
UMBRELLA LIABILITY <input type="checkbox"/> Umbrella/Excess Liability			SINGLE LIMIT \$ _____ SELF-INSURED RETENTION \$ _____	
WORKERS' COMPENSATION <input checked="" type="checkbox"/> Workers' Compensation and Employers Liability			EMPLOYERS LIABILITY LIMIT \$ <u>500,000.</u>	
FIRE <input type="checkbox"/> Fire & Extended Coverage Perils			AMOUNT OF INSURANCE \$ _____	
MISCELLANEOUS COVERAGES <input type="checkbox"/> Aircraft Liability (including passenger injuries) <input type="checkbox"/> Garagekeepers Legal Liability <input type="checkbox"/> Watercraft Liability <input type="checkbox"/> Professional Liability			BODILY INJURY \$ _____ PROPERTY DAMAGE \$ _____ AMOUNT OF INSURANCE \$ _____ BODILY INJURY \$ _____ PROPERTY DAMAGE \$ _____ AMOUNT OF INSURANCE \$ _____	
OTHER COVERAGE (Indicate)				

THE FOLLOWING PROVISIONS APPLY:

- None of the above described coverages will be cancelled, reduced or non-renewed until after 30 days written notice has been given to the Risk Management Manager, City of Sacramento.
- The City of Sacramento, its officials, agents and employees are named on all liability policies described above (except professional liability policies) as additional insureds as respects all operations performed for the City of Sacramento by or on behalf of the named insured.
- The above policies include a severability of interests clause.

Any liability insurance maintained by the City of Sacramento will apply only in excess of the liability insurance coverages and limits described above.

DATE ISSUED: _____
 AUTHORIZED REPRESENTATIVE OF INSURANCE CO.

 (Title)

Address _____

Phone _____

559

Lot R

FIRST AMENDMENT TO
AGREEMENT FOR OPERATION AND MAINTENANCE
OF PUBLIC PARKING STRUCTURE

This first Amendment dated July 1, 1979, to that certain Agreement dated May 18, 1977 for operation and maintenance of the parking structure in Project No. 4, Capitol Mall Riverfront Project, Redevelopment area No. One, Sacramento, California, is made between the City of Sacramento and the Redevelopment Agency of the City of Sacramento, who agree as follows:

Effective July 1, 1979 Paragraph 5 Part (C) is amended to read:

- (c) Payments to Agency from the net revenue realized from the operation and maintenance of the parking structure City shall pay to Agency quarterly (computed annually) commencing at the close of the quarter during which it computes the recovery of all of the above-described sums:
 - (i) the sum of 80% of the net revenues realized during each calendar year.
 - (ii) City will make and keep accurate records of revenues and expenses of the parking structure, which records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time and frequency.

Except as specifically changed herein, the terms and conditions of the Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

City of Sacramento

By Walter J. Slize
City Manager

APPROVED AS TO FORM:

Richard J. Savage
City Attorney

APPROVED AS TO FORM:

John Albert
Agency Attorney

Redevelopment Agency of the
City of Sacramento

By Robert E. Roche
Executive Director

City Agreement No. 79006

SECOND AMENDMENT TO AGREEMENT FOR
OPERATION AND MAINTENANCE OF
PUBLIC PARKING STRUCTURE

AG 87238

This Second Amendment dated _____, 1988 to that certain Agreement for Operation and Maintenance of Public Parking Structure dated May 18, 1977 as amended by the First Amendment to the Agreement for Operation and Maintenance of Public Parking Structure dated July 1, 1979 for operation and maintenance of the parking structure in the Merged Downtown Sacramento Redevelopment Project Area (consisting of former Redevelopment Project Areas Nos. 2-A, 3, 4 and 8), Sacramento, California, is made between the City of Sacramento ("City") and the Redevelopment Agency of the City of Sacramento ("Agency"), which agree as follows:

Effective _____, 1988, Paragraph 5, Parts (c), (d), and (e) are amended to read:

(c) Payments to Agency. Subject to the requirements of part (e) of this paragraph, payments to the Agency from the net revenues realized from the operation and maintenance of the parking structure, City shall pay to the Agency on a quarterly basis (compounded annually) commencing at the close of the quarter during which it computes the recovery of all the

above-described sums:

- (i) the sum of 80% of the net revenues realized during each calendar year.
 - (ii) City will make and keep accurate records of revenues and expenses of the parking structure; these records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time of frequency.
- (d) Definitions.:
- (1) "Gross Revenue" shall be all monies collected from the normal operation of this parking structure.
 - (2) "Net Revenue" shall be that money remaining from the Gross Revenue after all the operating and maintenance expenses (including administration costs) have been deducted.
- (e) The sums payable to the Agency pursuant to part (c) of this paragraph shall be reduced by an amount equivalent to the annual hotel guest parking-related costs that the

Agency will assume, pursuant to the Agency's Parking Agreement with the "Delta King Hotel" (attached as Exhibit "A" and incorporated into this Second Amendment) and the Agency's Parking Agreement with Western Industrial Group, Inc., in connection with the development of the "Orleans Hotel" (attached as Exhibit "B" and incorporated into this Second Agreement).

Except as specifically changed herein, the terms and conditions of the Agreement and the First Amendment to the Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____

City Manager

City Attorney

REDEVELOPMENT AGENCY OF THE

2 17

APPROVED AS TO FORM:

CITY OF SACRAMENTO

Agency General Counsel

By _____

Executive Director

HS:jann

2829J

02/11/88

551 17

AGREEMENT FOR OPERATION AND MAINTENANCE OF PUBLIC PARKING STRUCTURE

THIS AGREEMENT, entered into this 18th day of May, 1977, by and between the CITY OF SACRAMENTO, a municipal corporation (hereinafter referred to as the "City"), and the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (hereinafter referred to as the "Agency").

WITNESSETH:

WHEREAS, the Agency is carrying out the redevelopment of the Capitol Mall Riverfront Project, Project No. 4, pursuant to the Official Redevelopment Plan for said Project approved by the City Council on August 25, 1966, by Ordinance No. 2681, Fourth Series, and the Capitol Mall Extension, Project No. 3, pursuant to the Official Redevelopment Plan for said Project approved by the City Council on June 16, 1960, by Ordinance No. 2208, Fourth Series; and

WHEREAS, in order to carry out the development of the Old Sacramento Historic Area in said Project, it has been necessary that permanent public parking facilities be constructed for the Agency to serve the developments in the Old Sacramento Historic Area in said Projects.

NOW, THEREFORE, City and Agency agree as follows:

1. DESCRIPTION OF PARKING STRUCTURE

The term "parking structure" as used in this Agreement shall mean the property in Project No. 4, Capitol Mall Riverfront Project, Redevelopment Area No. One, Sacramento, California, as described in Exhibit "A" attached hereto.

2. OPERATION BY CITY

The City shall operate and maintain the parking structure as a public parking lot. The term of this Agreement shall be from September 24, 1976, and shall continue until the termination of this Agreement as provided in Paragraph 7 hereof.

3. PURCHASE OF OPERATIONAL EQUIPMENT BY AGENCY

Agency shall complete the preparation of the public parking structure for automobile use by purchasing and installing such fixtures, machinery, equipment and personal property as is necessary for its proper operation. Any subsequent purchase or installation of such fixtures, machinery, equipment and personal property shall be considered to be operational and maintenance expense under this Agreement.

City Agreement No. 26246

4. MANNER OF OPERATION

City shall operate and maintain the parking structure in like manner as it operates and maintains other City-owned downtown public parking facilities, and shall establish and collect rates appropriate for the Old Sacramento Area. At the Agency's request, the City will make reasonable increases in the rates above the rates charged at other City lots, if necessary in order to enable the Agency to arrange financing for any Redevelopment Project Area or Areas. Monthly parking may be permitted in the parking structure unless objected to by the Agency. City shall make available for the use of residential tenants of the dwelling units in the Clarendon House development (Old Sacramento Parcel No. 73) in the parking structure, thirty-nine (39) monthly parking permits at a rental rate equivalent to the prevailing rental rates for this parking structure as fixed from time to time by the Agency or the City.

5. EXPENSES OF OPERATION AND ALLOCATION OF REVENUE

- (a) Expenses to be Paid by City. City shall pay all expenses arising in connection with the maintenance and operation of the parking structure, including all utilities furnished the premises and shall be reimbursed for these expenditures out of gross revenue derived from the operation of the parking structure.
- (b) Interest Due the City. Should the City operate at a deficit prior to the payment to the Agency of any net revenue realized from the operation of the parking structure, City shall add interest in the amount of seven percent (7%) compounded annually (.5833% monthly) of that deficit amount to the expenses arising in connection with the maintenance and operation of the parking structure until such time as net revenue is realized and all such deficits and interest are repaid.
- (c) Payments to Agency. From the net revenue realized from the operation and maintenance of the parking structure City shall pay to Agency quarterly (computed annually) commencing at the close of the quarter during which it completes the recovery of all of the above-described sums:
 - (i) The sum of ninety percent (90%) of the first \$50,000 of such net revenue realized during each calendar year.
 - (ii) The entire amount of net revenue exceeding \$50,000 realized during that calendar year.
 - (iii) City will make and keep accurate records of revenues and expenses of the parking structure, which records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time and frequency.
- (d) Definitions:
 - (1) Gross Revenue shall be all monies collected from the normal operation of this parking structure.

*Amended
7/11/79*

(2) Net Revenue shall be that money remaining from the Gross Revenue after all the operating and maintenance expenses (including administration costs) have been deducted.

6. HOLD HARMLESS PROVISIONS

City shall pay, indemnify and save harmless the Agency, its agents and employees from all suits, actions, claims, demands, damages, losses, expenses and costs of every kind and description (except those caused by, resulting from and/or growing out of acts of commission or omission, negligence and/or fault of the Agency, its employees and agents) to which the Agency, or its agents or employees, may be subjected by reason of injury or death to persons or damage to property resulting from or caused by any act of commission or omission by City, its agents, or employees, or its contractors or subcontractors in connection with or arising out of and during the maintenance and operation of the parking structure by the City pursuant hereto.

7. TERMINATION

This Agreement may be terminated by either party hereto upon the giving of six (6) months written notice thereof to the other, provided that any such notice of termination from the Agency to the City shall be effective only if at the date specified in Agency's notice of termination the City has recovered all sums including but not limited to interest to which it is entitled under this Agreement for the operation and maintenance of the parking structure.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF SACRAMENTO

By Walter J. Slize
City Manager

APPROVED AS TO FORM:

Richard J. Savage
City Attorney

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

By William G. Selmi
Executive Director

APPROVED AS TO FORM:

Angel B. Beattie
Agency Attorney

EXHIBIT "A"

All that certain land as shown on that certain Record of Survey entitled "Area Contained Within the Boundary of Project No. 4 of The Redevelopment Agency of the City of Sacramento", recorded in the office of the Recorder of Sacramento County in Book 26 of Surveys, at Page 18, described as follows:

Beginning at the southeast corner of Lot 3 in the block bounded by Front Street, Second Street, "L" Street and Capitol Mall from which the southeast corner of the west one-half of said block bears S 18°28'23" W 85.73 feet; thence from said point of beginning along the southerly line of said Lot 3 and its westerly prolongation N 71°21'34" W 240.587 feet; thence N 18°38'26" E 117.08 feet; thence S 71°21'34" E 240.245 feet to a point on the west line of the alley in said block; thence along said west line of the alley S 18°28'23" W 117.08 feet to the point of beginning.

FIRST AMENDMENT TO AGREEMENT FOR
OPERATION AND MAINTENANCE OF
PUBLIC PARKING STRUCTURE
(LOT G)

AG 87239 17

This First Amendment dated _____, 1988 to that certain Agreement for Operation and Maintenance of Public Parking Structure dated June 27, 1979 for operation and maintenance of the parking structure (Lot G) in the Merged Downtown Sacramento Redevelopment Project Area (consisting of former Redevelopment Project Areas Nos. 2-A, 3, 4 and 8), Sacramento, California, is made between the City of Sacramento ("City") and the Redevelopment Agency of the City of Sacramento ("Agency"), which agree as follows:

Effective _____, 1988, Paragraph 5, Parts (c), (d), and (e) are amended to read:

(c) Payments to Agency. Subject to the requirements of part (e) of this paragraph, payments to the Agency from the net revenues realized from the operation and maintenance of the parking structure, City shall pay to the Agency on a quarterly basis (compounded annually) commencing at the close of the quarter during which it computes the recovery of all the above-described sums:

(i) the sum of 80% of the net revenues realized during each calendar year.

(ii) City will make and keep accurate records of revenues and expenses of the parking structure; these records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time of frequency.

(d) Definitions.:

(1) "Gross Revenue" shall be all monies collected from the normal operation of this parking structure.

(2) "Net Revenue" shall be that money remaining from the Gross Revenue after all the operating and maintenance expenses (including administration costs) have been deducted.

(e) The sums payable to the Agency pursuant to subsection (i) of part (c) of this paragraph may be reduced by the City to cover the annual hotel guest parking-related costs that the Agency will assume, pursuant to the Agency's Parking Agreement with the "Riverboat Delta King Inc." (attached as Exhibit "A" and incorporated into this First Amendment) and the Agency's Parking Agreement with Western Industrial Group, Inc., in connection with the development of the "Orleans Hotel" (attached as Exhibit "B" and incorporated into this First Agreement).

Except as specifically changed herein, the terms and conditions of the Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
City Manager

City Attorney

REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
Executive Director

Agency General Counsel

HS:msw
1177M
03/01/88

AGREEMENT FOR OPERATION AND MAINTENANCE
OF PUBLIC PARKING STRUCTURE

712 17
"Lot G"

THIS AGREEMENT, entered into this 27th day of June 1979 by and between the CITY OF SACRAMENTO, a municipal corporation (hereinafter referred to as the "City"), and the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (hereinafter referred to as the "Agency").

WITNESSETH:

WHEREAS, the Agency is carrying out the redevelopment of the Capitol Mall Project, Project No. 2A, pursuant to the Official Redevelopment Plan for said Project approved by the City Council on September 13, 1955, by Ordinance No. 1936, Fourth Series, and

WHEREAS, in order to carry out the development of said Project, it has been necessary that permanent public parking facilities be constructed for the Agency to serve the developments in said Projects.

NOW, THEREFORE, City and Agency agree as follows:

1. DESCRIPTION OF PARKING STRUCTURE

The term "parking structure" as used in this Agreement shall mean the property in Project No. 2A, Capitol Mall Project, Redevelopment Area No. One, Sacramento, California, as described in Exhibit "A" attached hereto.

2. OPERATION BY CITY

The City shall operate and maintain the parking structure as a public parking lot. The term of this Agreement shall be from May 25, 1979, and shall continue until the termination of this Agreement as provided in Paragraph 7 hereof.

3. PURCHASE OF OPERATIONAL EQUIPMENT BY AGENCY

Agency shall complete the preparation of the public parking structure for automobile use by purchasing and installing such fixtures, machinery, equipment and personal property as is necessary for its proper operation. Any subsequent purchase or installation of such fixtures, machinery, equipment and personal property shall be considered to be operational and maintenance expense under this Agreement.

4. MANNER OF OPERATION

City shall operate and maintain the parking structure in like manner as it operates and maintains other City-owned downtown public parking facilities, and shall establish and collect rates appropriate for the Area. At the Agency's request, the City will make reasonable increases in the rates above the rates charged at other City lots, if necessary in order to enable the Agency to arrange financing for any Redevelopment Project Area or Areas. Monthly parking may be permitted in the parking structure unless objected to by the Agency.

5. EXPENSES OF OPERATION AND ALLOCATION OF REVENUE

- (a) Expenses to be Paid by City. City shall pay all expenses arising in connection with the maintenance and operation of the parking structure, including all utilities furnished the premises and shall be reimbursed for these expenditures out of gross revenue derived from the operation of the parking structure.
- (b) Interest Due the City. Should the City operate at a deficit prior to the payment to the Agency of any net revenue realized from the operation of the parking structure, City shall add interest in the amount of seven percent (7%) compounded annually (.5833% monthly) of that deficit amount to the expenses arising in connection with the maintenance and operation of the parking structure until such time as net revenue is realized and all such deficits and interest are repaid.
- (c) Payments to Agency. From the net revenue realized from the operation and maintenance of the parking structure, City shall pay to Agency quarterly (computed annually), commencing at the close of the quarter during which it completes the recovery of all of the above-described sums, the sum of eighty percent (80%) of such net revenue realized during each calendar year.
- (d) Records. City will make and keep accurate records of revenues and expenses of the parking structure, which records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time and frequency.
- (e) Definitions:
 - (1) Gross Revenue shall be all monies collected from the normal operation of this parking structure.
 - (2) Net Revenue shall be that money remaining from the Gross Revenue after all the operating and maintenance expenses (including administration costs) have been deducted.

6. HOLD HARMLESS PROVISIONS

City shall pay, indemnify and save harmless the Agency, its agents and employees from all suits, actions, claims, demands, damages, losses, expenses and costs of every kind and description (except those caused by, resulting from and/or growing out of acts of commission or omission, negligence and/or fault of the Agency, its employees and agents) to which the Agency, or its agents or employees, may be subjected by reason of injury or death to persons or damage to property resulting from or caused by any act of commission or omission by City, its agents, or employees, or its contractors or

subcontractors in connection with or arising out of and during the maintenance and operation of the parking structure by the City pursuant hereto.

7. TERMINATION

This Agreement may be terminated by either party hereto upon the giving of six (6) months written notice thereof to the other, provided that any such notice of termination from the Agency to the City shall be effective only if at the date specified in Agency's notice of termination the City has recovered all sums including but not limited to interest to which it is entitled under this Agreement for the operation and maintenance of the parking structure.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF SACRAMENTO
By Walter Slipe
City Manager

APPROVED AS TO FORM:

Lawrence J. Savage
City Attorney

REDEVELOPMENT AGENCY OF THE CITY OF
SACRAMENTO
By Robert E. Rock
A. Executive Director

APPROVED AS TO FORM:

John Abbott
AGENCY ATTORNEY

EXHIBIT "A"

All that property in the Block bounded by 3rd, 4th, K, and L Streets in the City of Sacramento, together with all property occupied by entrances, exits and other appurtenances necessary to the operation of the public parking garage situated thereon.

RESOLUTION NO. 79-425

Adopted by The Sacramento City Council on date of

JUL - 3 1979

AUTHORIZING EXECUTION OF AGREEMENT FOR OPERATION AND MAINTENANCE OF PARKING STRUCTURE LOCATED BETWEEN 3rd, 4th, K, AND L STREETS (LOT G)

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

The City Manager is hereby authorized and directed to execute that certain Agreement in the form approved by the City Attorney, between the City of Sacramento and the Redevelopment Agency of the City of Sacramento for operation and maintenance of Lot G.

MAYOR

ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

JUL - 3 1979

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 2836

Adopted by The Redevelopment Agency of the City of Sacramento on Date of:

JUL 3 1979

AUTHORIZING EXECUTION OF AGREEMENT FOR OPERATION AND MAINTENANCE OF PARKING STRUCTURE LOCATED BETWEEN 3rd, 4th, K, AND L STREETS (LOT G)

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

The Executive Director is hereby authorized and directed to execute that certain Agreement in the form approved by the Agency Counsel, between the City of Sacramento and the Agency of the City of Sacramento for operation and maintenance of Lot G.

Philip L. Kenner

CHAIRPERSON

ATTEST:

Robert E. Roche

ASSISTANT SECRETARY

CERTIFIED AS TRUE COPY
of Resolution No. 2836

JUL 9 1979

SECOND AMENDMENT TO AGREEMENT FOR
OPERATION AND MAINTENANCE OF
PUBLIC PARKING STRUCTURE
(LOT K)

AG 87240

This Second Amendment dated _____, 1988 to that certain Agreement for Operation and Maintenance of Public Parking Structure dated April 19, 1971 as amended by the First Amendment to the Agreement for Operation and Maintenance of Public Parking Structure dated July 1, 1979 for operation and maintenance of the parking structure (Lot K) in the Merged Downtown Sacramento Redevelopment Project Area (consisting of former Redevelopment Project Areas Nos. 2-A, 3, 4 and 8), Sacramento, California, is made between the City of Sacramento ("City") and the Redevelopment Agency of the City of Sacramento ("Agency"), which agree as follows:

Effective _____, 1988, Paragraph 5, Parts (c), (d), and (e) are amended to read:

(c) Payments to Agency. Subject to the requirements of part (e) of this paragraph, payments to the Agency from the net revenues realized from the operation and maintenance of the parking structure, City shall pay to the Agency on a quarterly basis (compounded annually) commencing at the close of the quarter during which it computes the recovery of all the above-described sums:

(i) the sum of 80% of the net revenues realized during each calendar year.

(ii) City will make and keep accurate records of revenues and expenses of the parking structure; these records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time of frequency.

(d) Definitions.:

(1) "Gross Revenue" shall be all monies collected from the normal operation of this parking structure.

(2) "Net Revenue" shall be that money remaining from the Gross Revenue after all the operating and maintenance expenses (including administration costs) have been deducted.

(e) The sums payable to the Agency pursuant to subsection (i) of part (c) of this paragraph may be reduced by the City to cover the annual hotel guest parking-related costs that the Agency will assume, pursuant to the Agency's Parking Agreement with the "Delta King Hotel" (attached as Exhibit "A" and incorporated into this Second Amendment) and the Agency's Parking Agreement with Western Industrial Group, Inc., in connection with the development of the "Orleans Hotel" (attached as Exhibit "B" and incorporated into this Second Agreement).

Except as specifically changed herein, the terms and conditions of the Agreement and the First Amendment to the Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
City Manager

City Attorney

REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
Executive Director

Agency General Counsel

HS:msw
1178M
03/01/88

FIRST AMENDMENT TO
AGREEMENT FOR OPERATION AND MAINTENANCE
OF PUBLIC PARKING STRUCTURE

713

17

Lot K

This first Amendment dated July 1, 1979, to that certain Agreement dated April 19, 1971 for operation and maintenance of the parking structure in Project No. 3 (Capitol Mall Extension Project), Redevelopment Area No. One, Sacramento, California, is made between the City of Sacramento and the Redevelopment Agency of the City of Sacramento who agree as follows:

Effective July 1, 1979 Paragraph 5, Part (c) is amended to read:

- (c) Payments to Agency from the net operating revenues realized from the operation and maintenance of the parking lot, following reimbursement for all monies expended pursuant to Paragraph 3, Subparagraph 5 (a), and executed temporary Agreements, City shall pay to Agency quarterly (commencing at the close of the quarter during which it completes the recovery of all the above-described sums):
- (i) the sum of 80% of the net operating revenues realized during each calendar year.
 - (ii) City will make and keep accurate records of the operating revenues and expenses of the parking lots, which records shall be open to inspection by duly authorized representatives of the Agency at a reasonable time and frequency.

Except as specifically changed herein, the terms and conditions of the Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

City of Sacramento

By Walter J. Slize
City Manager

APPROVED AS TO FORM:

Richard J. Sauer
City Attorney

APPROVED AS TO FORM:

John Abbott
Agency Attorney

Redevelopment Agency of the
City of Sacramento

By Robert E. Parker
Executive Director

City Agreement No. 79005

RESOLUTION NO. 79-426

Adopted by The Sacramento City Council on date of

JUL. - 3 1979

AUTHORIZING EXECUTION OF AN AMENDMENT TO THE AGREEMENT
FOR OPERATION AND MAINTENANCE OF UNDERGROUND PARKING
STRUCTURE LOCATED BETWEEN 5th, 7th, J AND L (LOT K)

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

The City Manager is hereby authorized and directed to execute that certain
Amendment to that certain Agreement, in the form approved by the City At-
torney, between the City of Sacramento and the Redevelopment Agency of the
City of Sacramento for operation and maintenance of Lot K.

PHILLIP L. ISENBERG

MAYOR

ATTEST:

LORRAINE MAGANA

CITY CLERK

CERTIFIED AS TRUE COPY
of Resolution No. 79-426

JUL 9 1979

RESOLUTION NO. 2837

Adopted by the Redevelopment Agency of the City of Sacramento on Date of:

JUL 3 1979

AUTHORIZING EXECUTION OF AN AMENDMENT TO THE AGREEMENT FOR OPERATION AND MAINTENANCE OF UNDERGROUND PARKING STRUCTURE LOCATED BETWEEN 5th, 7th, J AND L (LOT K)

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

The Executive Director is hereby authorized and directed to execute that certain Amendment to that certain Agreement, in the form approved by the Agency Counsel, between the City of Sacramento and the Agency of the City of Sacramento for operation and maintenance of Lot K.

Phyllis L. Benberg
CHAIRPERSON

ATTEST:

Robert E. Roche
ASSISTANT SECRETARY

CERTIFIED AS TRUE COPY
of Resolution No. 2837

JUL 3 1979
DATE CERTIFIED
Stanley D. Koger
Deputy City Clerk, City of Sacramento

Jan. 17

MEMORANDUM OF UNDERSTANDING
FOR OPERATION AND MAINTENANCE OF PUBLIC PARKING STRUCTURE

THIS MEMORANDUM OF UNDERSTANDING, entered into as of this 9th day of April, 1971, by and between the CITY OF SACRAMENTO, a municipal corporation (hereinafter referred to as "City") and the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (hereinafter referred to as "Agency").

WITNESSETH:

WHEREAS, Agency is carrying out the redevelopment of the Capitol Mall Extension Project (Project No. 3) pursuant to the official Redevelopment Plan for said project approved by the City in 1960; by Ordinance No. 2208, Fourth Series; and

WHEREAS, in order to successfully carry out the development of the General Commercial areas in said Project, it has been necessary that permanent public parking facilities be constructed for the Agency to serve the planned developments in said General Commercial Area in said Redevelopment Project.

NOW, THEREFORE, AGENCY AND CITY AGREE AS FOLLOWS:

1. Description of Parking Structure. The term "parking structure" as used in this Agreement shall mean the following real property in Project No. 3 (Capitol Mall Extension Project), Redevelopment Area No. One, Sacramento, California, as described in Exhibit "A" attached hereto.

2. Operation by City. The City shall use, occupy, operate and maintain the parking structure as a public parking lot. Such use, occupancy, operation and maintenance by City shall commence on April 1, 1971, and shall continue until the termination of this Agreement as provided in Paragraph 7 hereof.

automobile uses by purchasing and installing cash registers and cashiers' clocks, office furniture, safes and cashiers' chairs.

(a) The cash registers and cashiers' clocks shall be leased to the Agency at the rate of \$22.00 per month for each combination of one cash register and one cashier's clock in actual use. City shall be paid this rent out of the revenues to be derived from the operation and maintenance of the parking structure in the manner set forth in Paragraph 5 below. Title to the cash registers and cashiers' clocks shall remain in the City.

(b) The office furniture, safes and cashiers' chairs shall be sold to the Agency. City shall be reimbursed for the cost of this equipment out of the revenues to be derived from the operation and maintenance of the parking structure in the manner set forth in Paragraph 5 below. Title to this equipment shall remain in the City until City has been reimbursed in full for all amounts expended for such equipment.

4. Manner of Operation. City shall operate and maintain the parking structure in like manner as it operates and maintains other City-owned downtown public parking facilities, and shall establish and collect rates and charges established and collected by the City for the parking at its other City-owned downtown parking facilities. At the Agency's request, the City will make reasonable increases in the rates above the rates charged at other City lots, if necessary in order to enable the Agency to arrange financing for any Redevelopment Project Area or Areas. Monthly parking may be permitted in the parking structure unless objected to by the Agency. City shall provide written notice to the Agency of any proposed rate or change in rate at least 45 days

operation and maintenance of the parking structure and shall assume the obligations of the Agency under the "Maintenance and Operation Agreement" attached hereto as Exhibit "B", except for the obligations in Item 9 of said Agreement. City shall be reimbursed for these expenditures out of gross revenues derived from the operation and maintenance of the parking structure.

(b) Reimbursement to City. The City shall be reimbursed for all monies previously expended under Paragraph 3, under subparagraph 5(a), and under all executed temporary agreements, prior to any payments being made to Agency pursuant to subparagraph 5(c).

(c) Payments to Agency. From the net operating revenues realized from the operation and maintenance of the parking lot, following reimbursement for all monies expended pursuant to Paragraph 3, subparagraph 5(a), and executed temporary agreements, City shall pay to Agency quarterly (commencing at the close of the quarter during which it completes the recovery of all the above-described sums):

(i) The sum of ninety percent (90%) of the first \$100,000 of such net operating revenues realized during each calendar

City will make and keep accurate records of the operating revenues and expenses of the parking lots, which records shall be open to inspection by duly authorized representatives of the Agency at a reasonable time and frequency.

6. Hold Harmless Provisions. City shall pay, indemnify and save harmless the Agency, its agents and employees from all suits, actions, claims, demands, damages, losses, expenses and costs of every kind and description (except those caused by, resulting from, and/or growing out of acts of commission or omission, negligence and/or fault of the Agency, its employees and/or agents) to which the Agency, or its agents or employees, may be subjected by reason of injury or death to persons or damage to property resulting from or caused by any act of commission or omission by City, its agents or employees, or its contractors or subcontractors in connection with or arising out of and during the operation and maintenance of the parking lots by the City pursuant hereto.

7. Termination. This Agreement may be terminated by either party hereto upon the giving of six (6) months written notice thereof to the other, provided that any such notice of termination from the Agency to the City shall be effective only if at the date specified to Agency's notice of termination the City has recovered the sums expended by it for the improvement of the parking structure as provided in Paragraph 3 hereof.

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

[Handwritten signature]

CITY OF SACRAMENTO

By *[Handwritten signature]*

EXHIBIT "A"

All that real property in the County of Sacramento, State of California, described as follows:

Parcels G, E-1, E-2, R-1, R-2, and R-3, as said parcels are shown on that certain Parcel Map entitled "Portion of Blocks Bounded by 5th, 7th, J and L Streets", recorded in Book 3 of Parcel Maps at Page 24, records of Sacramento County.

TOGETHER with all that certain parking structure and improvements related thereto (including, without limitation, all piles, pile caps, foundations, footings and structural elements thereof) lying within and beneath said Parcels.

TOGETHER with and SUBJECT to all those certain easements, covenants and agreements as set forth in the "Agreement and Grants of Easements", recorded in Book 71-03-16 at Page 305 at the office of the County Recorder of Sacramento County.

RESOLUTION No. 676

Adopted by The Sacramento City Council on date of

April 8 1971

RESOLUTION APPROVING AGREEMENT WITH SACRAMENTO REDEVELOPMENT AGENCY FOR OPERATION OF AN UNDERGROUND PARKING GARAGE

The Mayor of the City of Sacramento is hereby authorized and directed to execute on behalf of the City of Sacramento that certain MEMORANDUM OF UNDERSTANDING FOR OPERATION AND MAINTENANCE OF PUBLIC PARKING STRUCTURE between the Redevelopment Agency of the City of Sacramento and the City of Sacramento.

RICHARD H. MARRIOTT
MAYOR

ATTEST:

ELMER C. CLEVELAND
CITY CLERK

CERTIFIED AS TRUE COPY

OF RESOLUTION NO. 676

April 9, 1971

Elmer C. Cleveland
CITY CLERK CITY OF SACRAMENTO

FIRST AMENDMENT TO THE JOINT EXERCISE OF
POWERS AGREEMENT FOR THE CONSTRUCTION
AND OPERATION OF THE "LOT P"
PUBLIC PARKING FACILITY

AG 87241

This First Amendment dated _____, 1988 to that certain Joint Exercise of Powers Agreement dated March 16, 1981 for construction and operation of the parking structure (Lot P, located under Interstate 5 freeway near Old Sacramento) in the Merged Downtown Sacramento Redevelopment Project Area (consisting of former Redevelopment Project Areas Nos. 2-A, 3, 4 and 8), Sacramento, California, is made between the City of Sacramento ("City") and the Redevelopment Agency of the City of Sacramento ("Agency"), which agree as follows:

Effective _____, 1988, Paragraph 5 ("Advances"), shall be amended to read:

5. Advances.

(a) The parties hereto shall advance such sums as may be required to construct the Parking Facilities according to rules, law, custom and practice of the City for contracting for construction of similar public facilities, including without limitation, artwork. The advances shall be made as required to pay the expenses of accomplishing the purposes of this agreement in proportion of:

33.33%	Parking Authority
66.67%	RACS

The purposes for which such advances shall be made shall include, but not be limited to, construction of the Parking Facilities, operation and maintenance of the Parking Facilities, compliance with the Lease, and any other and further expenditures or reserves, as the case may be, necessary or desirable to accomplish the purposes of this agreement.

These advances shall be repaid from revenues produced by the Parking Facilities as such revenues are available on an annual basis in thirty (30) equal annual installments. If sufficient revenue is not available in any given year to make such a payment, then such payment shall accumulate and be added to each payment due each successive year until sufficient revenue is available for such repayment or portion thereof, as the case may be.

(b) After the expenses of the construction operation and maintenance of the parking facilities, compliance with the Lease, and any other further expenditures or reserves, as the case may be, necessary or desirable to accomplish the purposes of this agreement, and the repayment of contributions as specified above and according to Government Code Sections 6512 and 6512.1, each year of the term of this agreement, any remaining revenue shall, subject to the provisions in subsection (c) of this paragraph, be shared by Parking Authority, RACS, and City according to the following percentages:

33%	Parking Authority
66%	RACS
1%	City

For all purposes, and specifically for purposes of the Lease, said advances shall be considered debt due and payable from the revenues of the Parking Facilities. Furthermore, the division and payment of remaining revenue as described above shall in no event be construed for any purpose to be any prepayment of principal of said debt, but shall be construed to be a division of profits.

(c) The sums payable to the Agency pursuant to part (b) of this paragraph may be reduced by the City to cover the annual hotel guest parking-related costs that the Agency will assume, pursuant to the Agency's Parking Agreement with Riverboat Delta King Inc. (attached as Exhibit "A" and incorporated into this First Amendment) and the Agency's Parking Agreement with Western Industrial Group, Inc., in connection with the development of the "Orleans Hotel" (attached as Exhibit "B" and incorporated into this First Amendment).

5 17

Except as specifically changed herein, the terms and conditions of the Joint Exercise of Powers Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
City Manager

City Attorney

REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
Executive Director

Agency General Counsel

HS:msw
1179M
03/01/88

17

CITY OFFICE
SACRAMENTO
MAR 15 3 33 PM '81

JOINT EXERCISE OF POWERS AGREEMENT

This agreement, dated for convenience as of MARCH 16, 1981, is made by and between REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a body corporate and politic ("RACS"), PARKING AUTHORITY OF THE CITY OF SACRAMENTO ("Parking Authority"), and CITY OF SACRAMENTO, a municipal corporation ("City"), who agree as follows:

R E C I T A L S

WHEREAS, City has made a lease (the "Lease") with the State of California for certain airspace and land located under the Interstate 5 freeway in the City near Old Sacramento for the purpose of constructing and operating parking facilities, namely, a parking garage and associated equipment (the "Parking Facilities");

WHEREAS, the Lease requires the construction of the Parking Facilities;

WHEREAS, the parties hereto desire to make an agreement to provide for the financing of the Parking Facilities and for the operation and maintenance thereof and for the performance of the obligations of City pursuant to the Lease;

THEREFORE, the parties agree:

1. Definitions.

Unless the context otherwise requires, the terms defined in this section shall for all purposes of this agreement have the meanings specified:

CITY AGREEMENT NO. 80170

PARKING FACILITIES: ,The improvement at the premises described in the Lease, but not including improvements made on P-1 at a later date.

2. No Separate Entity; Administering Agency.

No separate entity is created by this agreement. For purposes of Government Code Sections 6507 and 6508 et. seq., the administering agency shall be the Parking Authority of the City of Sacramento and as such, the Parking Authority shall have the powers set forth in Government Code Section 6508 for the purposes of this agreement and such other and further powers as may be required to accomplish the purposes of this agreement. Such power shall be exercised subject to such restrictions upon the manner of exercising such powers as are imposed on the Parking Authority in the exercise of similar powers as provided in Government Code Section 6509.

3. Term.

This agreement shall continue in effect during the term of the Lease as the term may be extended as provided in the Lease. The administering agency shall be responsible for determining whether to exercise the option to extend the term of the Lease; provided, however, in the event that the administering agency determines not to extend the term of the Lease, it shall advise RACS at least thirty (30) days before the last date to extend the term. Thereupon, RACS shall have the sole option to extend the Lease; provided, however, in such event this agreement shall terminate as of the last date of the initial term of the Lease

City Agreement No. 80173

and SHRA shall thereupon be solely responsible for complying with the Lease, the operation and maintenance of the Parking Facilities, and any prior obligations or liabilities connected with the operation and maintenance of the Parking Facilities not covered by insurance; provided, in the case of any self-insured liabilities, the reserve funds shall be transferred to RACS or Parking Authority will maintain defense of the same, at the option of RACS. In the event RACS becomes the administering agency in the manner heretofore described, actual operation of the Parking Facilities shall be subject to agreement between City and RACS.

4. Powers.

The City Treasurer of City shall be the treasurer for purposes of all money produced by the Parking Facilities and any contributions by the parties to this agreement. The treasurer is designated as the depository of all such funds, and, as such, shall have the powers, duties and responsibilities specified in Government Code Section 6505.5. The Director of Finance of City is designated as the person responsible for accounting for all money produced by the Parking Facilities. For purposes of Government Code Section 6505.5, the Director of Finance is the "controller" to accomplish the disbursements required by the purposes of this agreement or otherwise specified in this agreement.

City Agreement No. 80173

5. Advances.

The parties hereto shall advance such sums as may be required to construct the Parking Facilities according to rules, law, custom and practice of the City for contracting for construction

of similar public facilities, including without limitation, artwork. The advances shall be made as required to pay the expenses of accomplishing the purposes of this agreement in proportion of:

- 33.33% Parking Authority
- 66.67% RACS

The purposes for which such advances shall be made shall include, but not be limited to, construction of the Parking Facilities, operation and maintenance of the Parking Facilities, compliance with the Lease, and any other and further expenditures or reserves, as the case may be, necessary or desirable to accomplish the purposes of this agreement.

These advances shall be repaid from revenues produced by the Parking Facilities as such revenues are available on an annual basis in thirty (30) equal annual installments. If sufficient revenue is not available in any given year to make such a payment, then such payment shall accumulate and be added to each payment due each successive year until sufficient revenue is available for such repayment or portion thereof, as the case may be. After the expenses of the construction operation and maintenance of the parking facilities, compliance with the Lease, and any other and further expenditures or reserves, as the case may be, necessary or desirable to accomplish the purposes of this agreement, and the repayment of contributions as specified above and according to Government Code Sections 6512 and 6512.1, each year of the term of this agreement, any remaining revenue shall be shared by Parking Authority, RACS, and City according to the following percentages:

City Agreement No. _____

33%	Parking Authority
66%	RACS
1%	City

For all purposes, and specifically for purposes of the Lease, said advances shall be considered debt due and payable from the revenues of the Parking Facilities. Furthermore, the division and payment of remaining revenue as described above shall in no event be construed for any purpose to be any prepayment of principal of said debt, but shall be construed to be a division of profits.

6. Operation by City.

The City shall operate and maintain the Parking Facilities as a public parking lot. The term of this agreement shall be from the date of this agreement and shall continue until the termination of this agreement as provided in Paragraph 5 hereof.

7. Manner of Operation.

City shall operate and maintain the Parking Facilities in like manner as it operates and maintains other City-owned downtown public parking facilities and City shall establish and collect rates appropriate for the area according to the Lease. City will make and keep accurate records of revenues and expenses of the Parking Facilities, which records shall be open to inspection by the duly authorized representatives of RACS and Parking Authority at reasonable time and frequency.

8. Termination.

This agreement may be terminated only upon expiration of the term of the Lease or by mutual agreement of the parties hereto.

City Agreement No. 80179

9. Severability.

Should any part, term or provision of this agreement be decided by the courts to be illegal, or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

10. Successors, Assignment and Additional Parties.

This agreement shall be binding upon and shall inure to the benefit of the successors of the members. No member may assign any right or obligation hereunder without the consent of the other.

11. Section Headings.

All section headings contained herein are for convenience of reference only, and are not intended to define or limit the scope of any provisions of this agreement.

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a body corporate and politic

APPROVED AS TO FORM:

[Signature]
AGENCY ATTORNEY

By William H. Edgar
Executive Director

PARKING AUTHORITY OF THE CITY OF SACRAMENTO

By Chris L. Bentley
Its MAYOR

CITY OF SACRAMENTO, a municipal corporation

APPROVED AS TO FORM:

Richard J. Swags
DEPUTY CITY ATTORNEY

By Walter J. Slupe
WALTER J. SLUPE, City Manager

City Agreement No. 80179

Let 17

RESOLUTION NO. 81-001

Adopted by The Parking Authority on date of

MAR 3 1981

RESOLUTION OF THE PARKING AUTHORITY OF THE CITY OF SACRAMENTO TO ENTER INTO A JOINT EXERCISE OF POWERS AGREEMENT WITH THE CITY OF SACRAMENTO AND THE RE-DEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO AND AUTHORIZING APPROPRIATION OF FUNDS TO FINANCE CONSTRUCTION OF PUBLIC PARKING FACILITIES UNDER THE I-5 FREEWAY BETWEEN 2nd, 3rd, I AND K STREETS

BE IT RESOLVED BY THE PARKING AUTHORITY OF THE CITY OF SACRAMENTO:

1. That the Parking Authority is hereby authorized to enter into a Joint Exercise of Powers Agreement with the City of Sacramento and the Redevelopment Agency of Sacramento for the purpose of financing the construction of parking facilities located under the I-5 Freeway between 2nd, 3rd, I and K Streets in the City of Sacramento.
2. The City Finance Director is hereby authorized to advance \$1,643,671 according to the terms of the Joint Exercise of Powers Agreement by and between the Sacramento Housing and Redevelopment Agency, the Parking Authority of the City of Sacramento and the City of Sacramento, for the construction of public parking facilities under the I-5 Freeway between 2nd, 3rd, I and K Streets in the City of Sacramento.

Chiey Z. Parker
 CHAIRMAN

ATTEST:

Suzanne Rogano
 SECRETARY

CERTIFIED AS TRUE COPY
 OF PA 81-001

MARCH 10, 1981
 DATE CERTIFIED

Suzanne Rogano
 CITY CLERK, CITY OF SACRAMENTO

City Agreement No. 804

CITY OF SACRAMENTO No. 100

RESOLUTION NO. RA 81--013

Adopted by the Redevelopment Agency of the City of Sacramento

March 3, 1981

RESOLUTION AUTHORIZING EXECUTION OF JOINT EXERCISE OF POWERS AGREEMENT AND DECLARING FINDING OF BENEFIT TO PROJECT NO. 4 PARKING FACILITY UNDER INTERSTATE 5 FREEWAY

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

Section 1. The Executive Director is authorized to execute that certain "Joint Exercise of Powers Agreement" with the City of Sacramento and the Parking Authority of the City of Sacramento, in form approved by Agency Counsel, in connection with the construction, operation and maintenance of the Parking Facility to be located under the Interstate 5 Freeway between I and K Streets.

Section 2. The Agency's obligation under said Agreement shall be limited to 66.67% of the cost of said Parking Facility, but in no event exceeding Three Million Six Hundred Thirty-Six Thousand Eight Hundred Eighty-Nine Dollars (\$3,636,889.00), and said amount is hereby appropriated to that purpose from the Agency's Parking Facility Fund.

Section 3. The Redevelopment Agency hereby finds that the above-mentioned Parking Facility is of benefit to Project No. 4 and the immediate neighborhood in which said Project is located, and that no other reasonable means of financing such facility is available to the community.

Cheryl Z. Pennington
CHAIRMAN

ATTEST:

William H. Edger
SECRETARY

RESOLUTION No. RA 81-013

MAR 3 1981

RESOLUTION NO. 81-161

Adopted by The Sacramento City Council on date of

MAR 3 1981

RESOLUTION AUTHORIZING CITY TO ENTER INTO A JOINT EXERCISE OF POWERS AGREEMENT WITH THE PARKING AUTHORITY AND THE REDEVELOPMENT AGENCY AND DECLARING FINDING OF BENEFIT TO PROJECT NO. 4 FOR PUBLIC PARKING FACILITIES UNDER THE I-5 FREEWAY.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

- 1. The City Manager is hereby authorized and directed to execute on behalf of the City, that certain Joint Exercise of Powers Agreement, under which the City shall construct, operate and maintain public parking facilities located under the I-5 Freeway between 2nd, 3rd, I and K Streets in the City of Sacramento.
- 2. The City Council hereby finds that the above-mentioned parking facilities are of benefit to Project No. 4 and the immediate neighborhood in which said project is located and that no other means of financing such facilities are available to the community.

W. L. Bentley

 MAYOR

ATTEST:

Louise Rogers

 CITY CLERK

RESOLUTION No. 81-161

MAR 3 1981

AG 87242 17

SECOND AMENDMENT TO AGREEMENT FOR
OPERATION AND MAINTENANCE OF
PUBLIC PARKING STRUCTURE
(LOT R)

This Second Amendment dated _____, 1988 to that certain Agreement for Operation and Maintenance of Public Parking Structure dated May 18, 1977 as amended by the First Amendment to the Agreement for Operation and Maintenance of Public Parking Structure dated July 1, 1979 for operation and maintenance of the parking structure (Lot R) in the Merged Downtown Sacramento Redevelopment Project Area (consisting of former Redevelopment Project Areas Nos. 2-A, 3, 4 and 8), Sacramento, California, is made between the City of Sacramento ("City") and the Redevelopment Agency of the City of Sacramento ("Agency"), which agree as follows:

Effective _____, 1988, Paragraph 5, Parts (c), (d), and (e) are amended to read:

(c) Payments to Agency. Subject to the requirements of part (e) of this paragraph, payments to the Agency from the net revenues realized from the operation and maintenance of the parking structure, City shall pay to the Agency on a quarterly basis (compounded annually) commencing at the close of the quarter during which it computes the recovery of all the above-described sums:

(i) the sum of 80% of the net revenues realized during each calendar year.

(ii) City will make and keep accurate records of revenues and expenses of the parking structure; these records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time of frequency.



(d) Definitions.:

(1) "Gross Revenue" shall be all monies collected from the normal operation of this parking structure.

(2) "Net Revenue" shall be that money remaining from the Gross Revenue after all the operating and maintenance expenses (including administration costs) have been deducted.

(e) The sums payable to the Agency pursuant to subsection (i) of part (c) of this paragraph may be reduced by the City to cover the annual hotel guest parking-related costs that the Agency will assume, pursuant to the Agency's Parking Agreement with the "Riverboat Delta King Inc." (attached as Exhibit "A" and incorporated into this Second Amendment) and the Agency's Parking Agreement with Western Industrial Group, Inc., in connection with the development of the "Orleans Hotel" (attached as Exhibit "B" and incorporated into this Second Agreement).

Except as specifically changed herein, the terms and conditions of the Agreement and the First Amendment to the Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
City Manager

City Attorney

REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
Executive Director

Agency General Counsel

HS:msw
1180M
03/01/88

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lot R

FIRST AMENDMENT TO
AGREEMENT FOR OPERATION AND MAINTENANCE
OF PUBLIC PARKING STRUCTURE

This first Amendment dated July 1, 1979, to that certain Agreement dated May 18, 1977 for operation and maintenance of the parking structure in Project No. 4, Capitol Mall Riverfront Project, Redevelopment area No. One; Sacramento, California, is made between the City of Sacramento and the Redevelopment Agency of the City of Sacramento, who agree as follows:

Effective July 1, 1979 Paragraph 5 Part (C) is amended to read:

- (c) Payments to Agency from the net revenue realized from the operation and maintenance of the parking structure City shall pay to Agency quarterly (computed annually) commencing at the close of the quarter during which it computes the recovery of all of the above-described sums:
 - (i) the sum of 80% of the net revenues realized during each calendar year.
 - (ii) City will make and keep accurate records of revenues and expenses of the parking structure, which records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time and frequency.

Except as specifically changed herein, the terms and conditions of the Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

City of Sacramento

By Walter J. Slize
City Manager

APPROVED AS TO FORM:

Louise J. Savage
City Attorney

APPROVED AS TO FORM:

John Albert
Agency Attorney

Redevelopment Agency of the
City of Sacramento

By Robert E. Roche
Executive Director

City Agreement No. 79006

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AGREEMENT FOR OPERATION AND MAINTENANCE
OF PUBLIC PARKING STRUCTURE

THIS AGREEMENT, entered into this 18th day of MAY, 1977, by and between the CITY OF SACRAMENTO, a municipal corporation (hereinafter referred to as the "City"), and the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (hereinafter referred to as the "Agency").

WITNESSETH:

WHEREAS, the Agency is carrying out the redevelopment of the Capitol Mall Riverfront Project, Project No. 4, pursuant to the Official Redevelopment Plan for said Project approved by the City Council on August 25, 1966, by Ordinance No. 2681, Fourth Series, and the Capitol Mall Extension, Project No. 3, pursuant to the Official Redevelopment Plan for said Project approved by the City Council on June 16, 1960, by Ordinance No. 2208, Fourth Series; and

WHEREAS, in order to carry out the development of the Old Sacramento Historic Area in said Project, it has been necessary that permanent public parking facilities be constructed for the Agency to serve the developments in the Old Sacramento Historic Area in said Projects.

NOW, THEREFORE, City and Agency agree as follows:

1. DESCRIPTION OF PARKING STRUCTURE

The term "parking structure" as used in this Agreement shall mean the property in Project No. 4, Capitol Mall Riverfront Project, Redevelopment Area No. One, Sacramento, California, as described in Exhibit "A" attached hereto.

2. OPERATION BY CITY

The City shall operate and maintain the parking structure as a public parking lot. The term of this Agreement shall be from September 24, 1976, and shall continue until the termination of this Agreement as provided in Paragraph 7 hereof.

3. PURCHASE OF OPERATIONAL EQUIPMENT BY AGENCY

Agency shall complete the preparation of the public parking structure for automobile use by purchasing and installing such fixtures, machinery, equipment and personal property as is necessary for its proper operation. Any subsequent purchase or installation of such fixtures, machinery, equipment and personal property shall be considered to be operational and maintenance expense under this Agreement.

City Agreement No. 26246

4. MANNER OF OPERATION

City shall operate and maintain the parking structure in like manner as it operates and maintains other City-owned downtown public parking facilities, and shall establish and collect rates appropriate for the Old Sacramento Area. At the Agency's request, the City will make reasonable increases in the rates above the rates charged at other City lots, if necessary in order to enable the Agency to arrange financing for any Redevelopment Project Area or Areas. Monthly parking may be permitted in the parking structure unless objected to by the Agency. City shall make available for the use of residential tenants of the dwelling units in the Clarendon House development (Old Sacramento Parcel No. 73) in the parking structure, thirty-nine (39) monthly parking permits at a rental rate equivalent to the prevailing rental rates for this parking structure as fixed from time to time by the Agency or the City.

5. EXPENSES OF OPERATION AND ALLOCATION OF REVENUE

- (a) Expenses to be Paid by City. City shall pay all expenses arising in connection with the maintenance and operation of the parking structure, including all utilities furnished the premises and shall be reimbursed for these expenditures out of gross revenue derived from the operation of the parking structure.
- (b) Interest Due the City. Should the City operate at a deficit prior to the payment to the Agency of any net revenue realized from the operation of the parking structure, City shall add interest in the amount of seven percent (7%) compounded annually (.5833% monthly) of that deficit amount to the expenses arising in connection with the maintenance and operation of the parking structure until such time as net revenue is realized and all such deficits and interest are repaid.
- (c) Payments to Agency. From the net revenue realized from the operation and maintenance of the parking structure City shall pay to Agency quarterly (computed annually) commencing at the close of the quarter during which it completes the recovery of all of the above-described sums:
 - (i) The sum of ninety percent (90%) of the first \$50,000 of such net revenue realized during each calendar year.
 - (ii) The entire amount of net revenue exceeding \$50,000 realized during that calendar year.
 - (iii) City will make and keep accurate records of revenues and expenses of the parking structure, which records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time and frequency.
- (d) Definitions:
 - (1) Gross Revenue shall be all monies collected from the normal operation of this parking structure.

*Amended
7/11/79*

(2) Net Revenue shall be that money remaining from the Gross Revenue after all the operating and maintenance expenses (including administration costs) have been deducted.

6. HOLD HARMLESS PROVISIONS

City shall pay, indemnify and save harmless the Agency, its agents and employees from all suits, actions, claims, demands, damages, losses, expenses and costs of every kind and description (except those caused by, resulting from and/or growing out of acts of commission or omission, negligence and/or fault of the Agency, its employees and agents) to which the Agency, or its agents or employees, may be subjected by reason of injury or death to persons or damage to property resulting from or caused by any act of commission or omission by City, its agents, or employees, or its contractors or subcontractors in connection with or arising out of and during the maintenance and operation of the parking structure by the City pursuant hereto.

7. TERMINATION

This Agreement may be terminated by either party hereto upon the giving of six (6) months written notice thereof to the other, provided that any such notice of termination from the Agency to the City shall be effective only if at the date specified in Agency's notice of termination the City has recovered all sums including but not limited to interest to which it is entitled under this Agreement for the operation and maintenance of the parking structure.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF SACRAMENTO

By Walter J. Slize
City Manager

APPROVED AS TO FORM:

Richard J. Savage
City Attorney

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

By William G. Selmi
Executive Director

APPROVED AS TO FORM:

George B. Beattie
Agency Attorney

EXHIBIT "A"

All that certain land as shown on that certain Record of Survey entitled "Area Contained Within the Boundary of Project No. 4 of The Redevelopment Agency of the City of Sacramento", recorded in the office of the Recorder of Sacramento County in Book 26 of Surveys, at Page 18, described as follows:

Beginning at the southeast corner of Lot 3 in the block bounded by Front Street, Second Street, "L" Street and Capitol Mall from which the southeast corner of the west one-half of said block bears S 18°28'23" W 85.73 feet; thence from said point of beginning along the southerly line of said Lot 3 and its westerly prolongation N 71°21'34" W 240.587 feet; thence N 18°38'26" E 117.08 feet; thence S 71°21'34" E 240.245 feet to a point on the west line of the alley in said block; thence along said west line of the alley S 18°28'23" W 117.08 feet to the point of beginning.

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FIRST AMENDMENT TO AGREEMENT FOR
OPERATION AND MAINTENANCE OF
PUBLIC PARKING STRUCTURE
(LOT U)

This First Amendment dated _____, 1988 to that certain Agreement for Operation and Maintenance of Public Parking Structure dated October 5, 1977 for operation and maintenance of the parking structure (Lot U) in the Merged Downtown Sacramento Redevelopment Project Area (consisting of former Redevelopment Project Areas Nos. 2-A, 3, 4 and 8), Sacramento, California, is made between the City of Sacramento ("City") and the Redevelopment Agency of the City of Sacramento ("Agency"), which agree as follows:

Effective _____, 1988, Paragraph 5 is amended to read:

5. (a) Payments to Agency. Subject to the requirements of part (c) of this paragraph, payments to the Agency from the net revenues realized from the operation and maintenance of the parking structure, City shall pay to the Agency on a quarterly basis (compounded annually) commencing at the close of the quarter during which it computes the recovery of all the above-described sums:

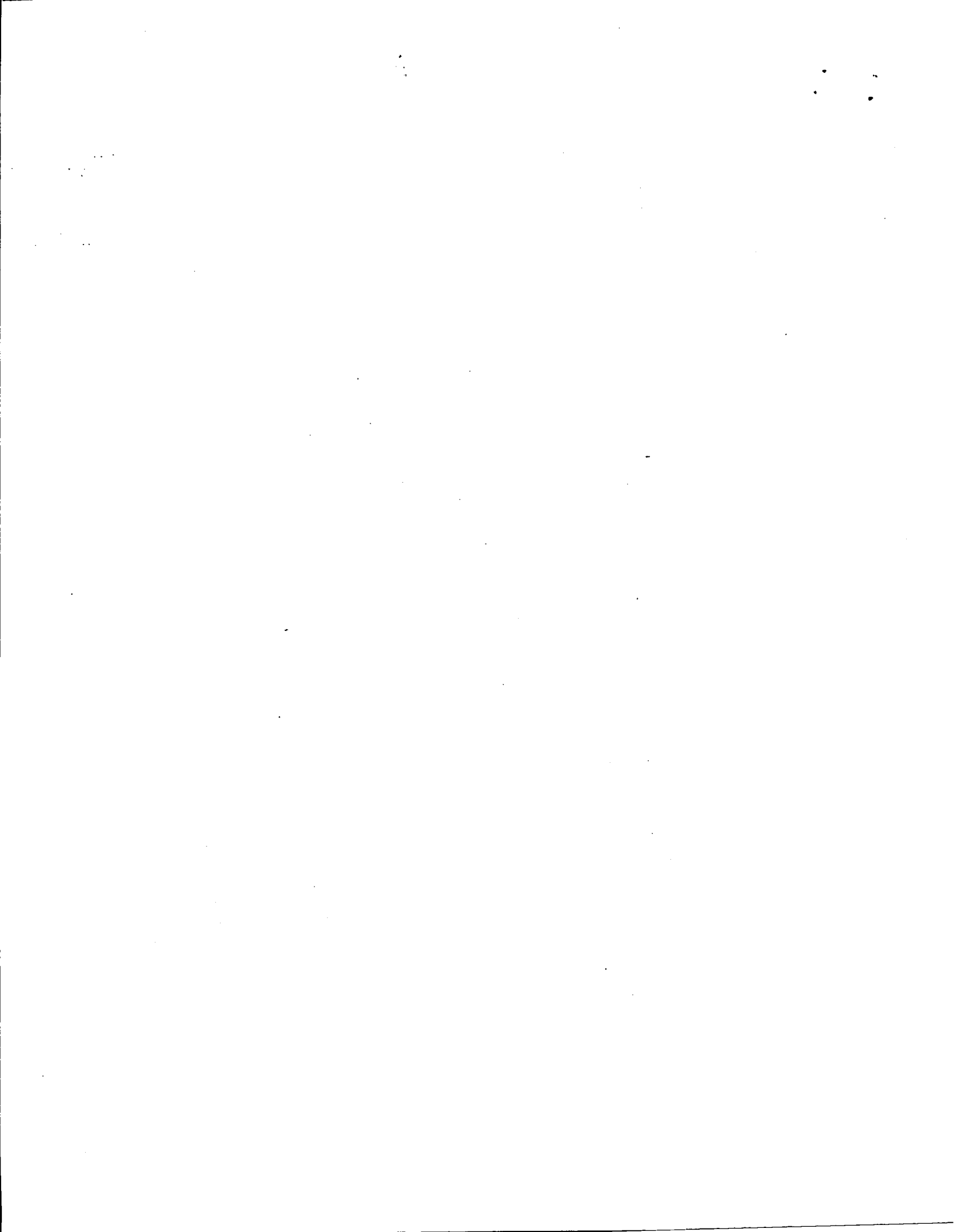
(i) the sum of 50% of the net revenues realized during each calendar year.

(ii) City will make and keep accurate records of revenues and expenses of the parking structure; these records shall be open to inspection by the duly authorized representatives of the Agency at a reasonable time of frequency.

(b) Definitions.:

(1) "Gross Revenue" shall be all monies collected from the normal operation of this parking structure.

(2) "Net Revenue" shall be that money remaining from the Gross Revenue after all the operating and maintenance expenses (including administration costs) have been deducted.



(c) The sums payable to the Agency pursuant to subsection (i) of part (a) of this paragraph may be reduced by the City to cover the annual hotel guest parking-related costs that the Agency will assume, pursuant to the Agency's Parking Agreement with the "Riverboat Delta King Inc." (attached as Exhibit "A" and incorporated into this First Amendment) and the Agency's Parking Agreement with Western Industrial Group, Inc., in connection with the development of the "Orleans Hotel" (attached as Exhibit "B" and incorporated into this First Agreement).

Except as specifically changed herein, the terms and conditions of the Agreement remain unchanged and in full force and effect.

In Witness Whereof, the parties hereto have executed this Amendment as of the date first above written.

CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
City Manager

City Attorney

REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO

APPROVED AS TO FORM:

By _____
Executive Director

Agency General Counsel

HS:msw
1181M
03/01/88

Lot U Fiscal 17
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A G R E E M E N T

THIS AGREEMENT, made this 5th day of October, 1977, by and between the CITY OF SACRAMENTO, a municipal corporation, (Hereinafter referred to as the "City"), and the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (hereinafter referred to as the "Agency").

W I T N E S S E T H:

WHEREAS, Agency is carrying out the redevelopment of the Capitol Mall Project No. 2-A pursuant to the Official Redevelopment Plan for said project adopted by the City Council of the City of Sacramento on July 19, 1956, by Ordinance No. 1969 Fourth Series as last amended on August 30, 1973, by Ordinance No. 3312 Fourth Series, and

WHEREAS, Agency is carrying out the redevelopment of the Capitol Mall Extension, Project No. 3, pursuant to the Official Redevelopment Plan for said project adopted by the City Council of the City of Sacramento on June 16, 1960, by Ordinance No. 2208, Fourth Series; and

WHEREAS, Agency is carrying out the redevelopment of the Capitol Mall Riverfront Project, Project No. 4, pursuant to the Official Redevelopment Plan for said project adopted by the City Council of Sacramento on August 25, 1966, by Ordinance No. 2681, Fourth Series; and

WHEREAS, in order to successfully carry out the development of the West End Commercial Area portion of the aforesaid project it is necessary to provide for the development and operation of parking lots to satisfy the needs of the area; and

WHEREAS, the Agency owns certain property on the blocks bounded by 4th, 5th, J and K Streets (Lot U) and 5th, 6th, I and J Streets (Lot V), adjacent to said West End Commercial Area, and certain property located on the Southeast corner of 6th and I Streets (Agency lot).

NOW, THEREFORE, Agency and City agree as follows:

1. City shall prepare parking lot U, parking lot V and Agency lot and shall operate and maintain parking lot U and parking lot V on the real property outlined on the map marked "Exhibit A" attached hereto.

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2. City shall, not later than sixty (60) days following the effective date of this Agreement, complete the preparation of said parking lots in a like manner as other City parking facilities and in accordance with all applicable laws and regulations.

3. City shall operate and maintain said parking lot U and parking lot V as public parking lots commencing immediately following the completion of the parking lots. City shall operate and maintain the parking lots in like manner as it operates and maintains its other city-operated downtown parking facilities and shall establish and collect rates and charges for parking thereon which do not exceed the rates and charges established and collected by the City for parking on the other permanent City parking facilities.

4. City shall pay all expenses arising in connection with its operation and maintenance of parking lot U and parking lot V, including cost of insuring against injury or death to persons or damages to property arising out of or during the preparation, operation and maintenance of the parking lots by the City pursuant hereto. City shall be reimbursed for these expenditures out of the gross revenues derived from the operation and maintenance of the parking lots. City will make and keep accurate records of the operating revenues and expenses of the parking lots.

5. City shall reimburse Agency in the amount paid by Agency to City for the preparation of parking lot U and parking lot V, pursuant to Paragraph 7 of this Agreement from that portion of the gross revenues derived from the operation and maintenance of parking lot U and parking lot V remaining over and above the amount paid to City pursuant to Paragraph 4 of this Agreement. Thereafter for so long as City operates and maintains parking lot U and parking lot V, one half of the revenue derived from the operation and maintenance of said lots shall go to City and one-half of the revenues shall go to Agency.

6. City shall pay, indemnify and save harmless the Agency, its agents and employees from all suits, actions, claims, demands, damages, losses, expenses and costs of every kind and description (except those caused by, resulting from and/or growing out of acts of commission or omission, negligence and/or fault of the Agency, its employees and/or agents) to which the Agency, or its agents or employees, may be subjected by reason of injury or death to persons or damage to property resulting from or caused by any act of commission or omission by City, its agents or employees, or its contractors or subcontractors in connection with or arising out of and during the preparation, operation and maintenance of the parking lots by the City pursuant hereto.

7. Agency shall pay the City an amount equal to the sum of the total cost of preparation of parking lot U, parking lot V

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and Agency lot pursuant to this Agreement; provided, however, that Agency's total liability under this Agreement shall not exceed ONE HUNDRED TEN THOUSAND DOLLARS (\$110,000.00).

8. Agency shall make payments to City monthly upon receipt from City of a copy of the statement submitted to City by contractor, showing work done by contractor in the preceding month, which statement shall be certified by City as showing work which has been completed to City's satisfaction.

9. This Agreement may be terminated by either party upon the giving of six (6) months written notice thereof to the other, providing such notice of termination from City to Agency shall be effective only if (a) City has completed the preparation of the parking lots, and (b) City has reimbursed Agency the entire amount Agency paid to City pursuant to Paragraph 7 of this Agreement.

10. City shall only be obligated to operate and maintain those portions of the parking lots which may lawfully be operated under applicable State and Federal law and regulations.

11. This Agreement shall be effective upon the execution by the parties hereto.

12. Notwithstanding anything herein contained to the contrary, this Agreement may be terminated, and the provisions of this Agreement may be altered, changed, or amended by mutual consent of the parties hereto.

CITY OF SACRAMENTO, a municipal corporation

By Walter J. Slize
City Manager

ATTEST:

Serraine Magan
City Clerk

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic

By William E. Selzer
Executive Director

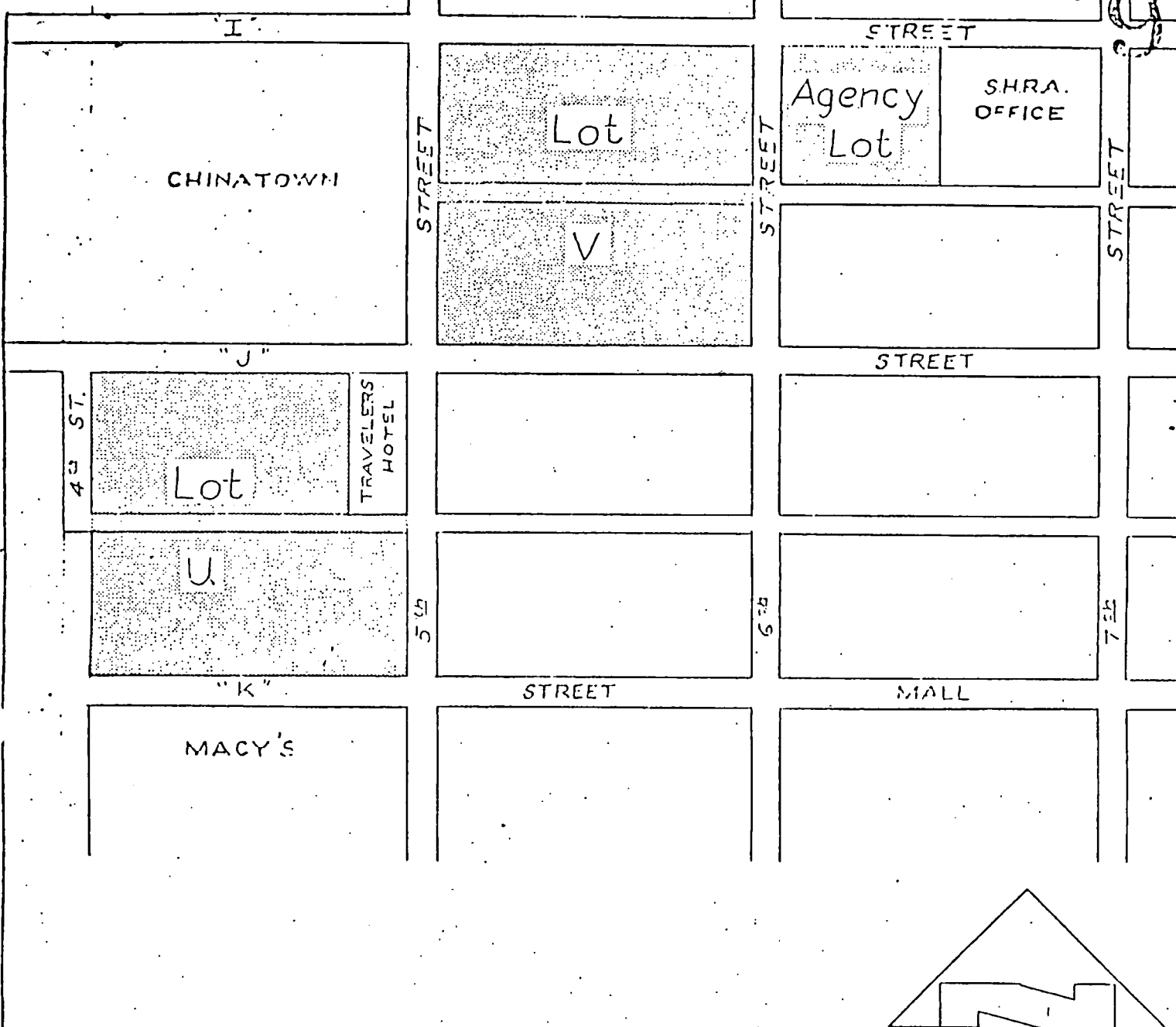


EXHIBIT - "A"

Sacramento Housing & Redevelopment Agency

Temporary Parking Lots

9-26-77

Arriola

Scale: None

EXHIBIT "A"

ORDINANCE NO. 3726 FOURTH SERIES

ORDINANCE APPROPRIATING \$110,000 FROM THE UNAPPROPRIATED SACRAMENTO HOUSING AND RE-DEVELOPMENT FUND BALANCE TO THE CITY ENGINEERING BUDGET FOR THE CONSTRUCTION OF TEMPORARY PARKING LOTS "U" AND "V" AND DECLARING THIS ORDINANCE TO BE AN EMERGENCY MEASURE EFFECTIVE IMMEDIATELY.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. Ordinance No. 3726, Fourth Series, is hereby amended by appropriating \$110,000 from the unappropriated Sacramento Housing and Redevelopment Fund balance to the City Engineering Budget No. 2-06-2600-6196-4820 and 2-06-2600-6197-4820 for the purpose of constructing temporary parking facilities on the blocks bound by 4th, 5th, J and K Streets (Lot "U") and 5th, 6th, I and J Streets (Lot "V") adjacent to the West End Commercial Area.

2. That this Ordinance is an emergency measure to take effect immediately; such emergency being the necessity to complete the project.

PASSED:

EFFECTIVE:

ATTEST:

MAYOR

CITY CLERK

APPROVED
BY THE CITY COUNCIL

OCT 4 - 1977

OFFICE OF THE
CITY CLERK

RESOLUTION No. 77-610

Adopted by The Sacramento City Council on date of

October 4, 1977

AUTHORIZING CITY MANAGER AND CITY CLERK TO EXECUTE AGREEMENT WITH THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO FOR THE CONSTRUCTION, OPERATION AND MAINTENANCE OF TEMPORARY PARKING LOTS "U" AND "V"

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

That the City Manager and City Clerk be authorized to execute an agreement with the Redevelopment Agency of the City of Sacramento for the construction, operation, and maintenance of temporary parking facilities on the blocks bounded by 4th, 5th, J and K Streets (Lot "U") and 5th, 6th, I and J Streets (Lot "V") adjacent to the West End Commercial Area.

PHILLIP L. ISENBERG

MAYOR

ATTEST:

LORRAINE MAGANA
CITY CLERK

CERTIFIED AS TRUE COPY
of Resolution No. 77-610

DEC 7 1977

DATE CERTIFIED
Lorraine Magana
CITY CLERK, CITY OF SACRAMENTO