

# Special Council Meeting

February 26, 2026

## FRESNO CITY COUNCIL



### Supplement Packet

#### ITEM(S)

RECEIVED  
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CITY OF FRESNO  
CITY CLERK'S OFFICE

#### OPEN SESSION (ID 26-272)

Approve an Amended and Restated Disposition and Development Agreement between the City of Fresno, the City of Fresno in its capacity as Housing Successor, and The Park Partners, LLC. for City-owned property located at 815 Fulton Street (APN: 468-28-23T; 0.6 Acres) and Redevelopment Agency owned properties located at 829 & 835 Fulton Street (APN(s): 468-282-05T (0.08 Acres) & 468-282-22T (0.09 Acres)), near the West corner of Fulton and Inyo (Council District 3)

**Contents of Supplement:** Staff Report, Amended DDA, and Original Agreement

#### Item(s)

#### **Supplemental Information:**

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

#### **Americans with Disabilities Act (ADA):**

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made one week prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible. If you need assistance with seating because of a disability, please see Security.

# REPORT TO THE CITY COUNCIL, THE CITY IN ITS CAPACITY AS HOUSING SUCCESSOR AND THE FRESNO REVITALIZATION CORPORATION

**FROM:** JENNIFER CLARK, Director  
Planning & Development Department

PHIL SKEI, Assistant Director  
Planning & Development Department

MARLENE MURPHEY, Executive Director  
Housing Successor Agency to the Redevelopment Agency

## SUBJECT

### ..Title

Approve an Amended and Restated Disposition and Development Agreement between the City of Fresno, the City of Fresno in its capacity as Housing Successor, and The Park Partners, LLC. for City-owned property located at 815 Fulton Street (APN: 468-28-23T; 0.6 Acres) and Redevelopment Agency owned properties located at 829 & 835 Fulton Street (APN(s): 468-282-05T (0.08 Acres) & 468-282-22T (0.09 Acres)), near the West corner of Fulton and Inyo (Council District 3)

### ..Body

## RECOMMENDATION

Staff recommends that the City Council approve the amended and restated Disposition and Development Agreement between the City of Fresno, the City of Fresno in its capacity as Housing Successor, and The Park Partners, LLC. for City-owned property located at 815 Fulton Street (APN: 468-28-23T; 0.6 Acres) and Redevelopment Agency owned properties located at 829 & 835 Fulton Street (APN(s): 468-282-05T (0.08 Acres) & 468-282-22T (0.09 Acres)), near the West corner of Fulton and Inyo.

## EXECUTIVE SUMMARY

On November 6, 2025 the City Council approved a Disposition and Development Agreement (DDA) with The Park Partners, LLC (Developer) to develop a 160-unit Affordable Housing Project at 815, 829, and 835 Fulton Street (Project), land owned by the City and Housing Successor Agency to the Redevelopment Agency.

In order to align with key timelines for the Project's financing, an amended and restated DDA is required, as allowed by the Fresno Municipal Code 4-204(d).

A summary of the amended changes to the DDA are as follows:

- The Project has increased the unit count from 160 units to 174 units;
- The Project has increased the number of income-restricted units from 64 units to 70 units in order to maintain compliance with the California Surplus Land Act Affordable Housing exemption requirement that 40% of the units be income-restricted;
- The Project has increased the number of market-rate units from 96 units to 104 units;
- The Project unit mix as follows:

- Forty (40) studio units (previously 13) at approximately 370-385 square feet (previously 360-394 square feet)
- One hundred twenty-six (126) two-bedroom units (previously 140) at approximately 722-813 square feet (previously 689-736 square feet)
- Seven (7) three-bedroom units (previously 6) at approximately 1,288 square feet (previously 1,200 square feet),
- One (1) studio unit designated for an on-site manager
- References to “students” have been replaced with “individuals” for compliance with the California Surplus Land Act Affordable Housing Exemption;
- The total development cost of the project has reduced from \$84,276,814 to \$81,225,000;
- Exhibit C reflects the following changes in the amount of funding by source:
  - Bond financing increased to \$69,498,000 from \$67,076,814
  - NOFA loan (now “NOFA - City of Fresno Revolving Loan”) is \$8,000,000
  - Sponsor Mezz Loan B (now “City of Fresno Loan”) is \$3,727,000
- Exhibit D reflects a new performance schedule to align with current bond financing requirements. Subsequent performance milestone dates have been adjusted accordingly.

Approval of the amended and restated DDA will enable the Developer to secure the necessary financing for the Project and the City and Housing Successor to the Redevelopment Agency to proceed with the sale of the properties to the Developer for an affordable housing development as set forth below.

## **BACKGROUND**

The Housing Successor of the Redevelopment Agency of the City of Fresno (Housing Successor) and the City of Fresno (City) have mutual interest in developing properties in the South Stadium district in downtown Fresno, into the Development known as “The Park @ South Stadium”

On April 3, 2014, a Request for Proposals (RFP) was issued by the Housing Successor for a mixed-use, multi-phase development, that included several properties located in the vicinity of Fulton and Inyo Streets. On October 30, 2014, the Council and Housing Successor selected the Noyan Frazier Capital, LLC, and the parties entered into an Exclusive Negotiating Agreement (ENA) to develop potential financing options and to negotiate the terms and conditions of a Development and Disposition Agreement (DDA).

On March 26, 2015, the City Council approved the Purchase and Sale Agreement (PSA) between the Housing Successor and the City for the sale of this property totaling approximately 0.60 acres near the corner of Inyo Street and Fulton (APN 468-282-23T), for a price of \$328,000. The property was required to be sold as part of the dissolution of the former Redevelopment Agency

On February 25, 2016, the City Council approved a PSA between the Housing Successor and the City for property located on 829 Fulton (APN 468-282-05T), 835 Fulton (APN 468-282-22T), and the Parking Lot on 815 Fulton Street (APN 468-282-23T) and the material terms of the DDA between the City and Noyan Frazier Capital, LLC for a proposed development that was generally conceived as a five-phase mixed-use residential, retail, and office development.

On June 22, 2018, the City and the Noyan Frazier Capital, LLC entered a First Amendment Agreement to the DDA to amend certain terms of the DDA.

On August 18, 2022, the City Council rejected a resolution Finding Good Cause and Public Benefit for Extension of the South Fulton Mixed Use Residential Rental Project regarding real property disposition of 815, 829 and 835 Fulton, and approved a consideration request from Noyan Frazier Capital L.P. for a Second Amendment to the Amended and Restated DDA, which extended the date to close of escrow and to meet conditions of the DDA. The terms of the aforementioned DDA have since expired.

On November 6, 2025 the City Council approved a Disposition and Development Agreement (DDA) with The Park Partners, LLC (Developer) to develop a 160-unit Affordable Housing Project at 815, 829, and 835 Fulton Street (Project), land owned by the City and Housing Successor Agency to the Redevelopment Agency.

The proposed development and affordability restrictions support the findings that the property qualifies as exempt from the California Surplus Land Act as stated in Government Code Section 37364(a): "...whenever the legislative body of a city determines that any real property or interest therein owned or to be purchased by the city can be used to provide housing affordable to persons and families of low or moderate income, as defined by Section 50093 of the Health and Safety Code or as defined by the United States Department of Housing and Urban Development or its successors, and that this use is in the city's best interests, the city may sell, lease, exchange, quitclaim, convey, or otherwise dispose of the real property or interest therein at less than fair market value, or purchase an interest in the real property, to provide that affordable housing under whatever terms and conditions the city deems best suited to the provision of such housing."

On October 22, 2025, the California Department of Housing and Community Development (HCD) concurred that a development of the type described herein is in compliance with the following requirements of Government Code section 37364:

- a) Minimum of 80% of the area of any parcel shall be used for development of housing (remaining 20% could be ancillary commercial or park/open space use); and
- b) Not less than 40% of the total number of housing units developed on any parcel pursuant to this section shall be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households (80% of area median income), and at least half of which (20% of the units) shall be affordable to very low-income households (50% of area median income); and
- c) Dwelling units shall be restricted by regulatory agreement to remain continually affordable to those persons and families for the longest feasible time, but not less than 30 years and shall be recorded against the property.

On February 18, 2026 HCD issued a Findings Letter confirming all the requirements under the SLA for the purposes of disposing of the Property have been met for Assessor's Parcel Numbers (APN) 468-282-05T and 468-282-022T.

On February 23, 2026 HCD issued a Findings Letter confirming all the requirements under the SLA for the purposes of disposing of the Property have been met for Assessor's Parcel Number (APN) 468-282-023T.

In order to align with key timelines for the Project's financing, an amended and restated DDA is required, as allowed by the Fresno Municipal Code 4-204(d).

The City Attorney's Office has reviewed and approved the attached amended and restated DDA as to form.

### **ENVIRONMENTAL FINDINGS**

This Project is subject to a zone clearance review under Chapter 15, Article 51 of the Fresno Municipal Code (FMC). FMC Section 15-4907 deems zone clearances to be ministerial actions. Therefore, this project is exempt from review under the California Environmental Quality Act (CEQA) pursuant to Section 15268 of the CEQA Guidelines as a ministerial project.

### **LOCAL PREFERENCE**

Local preference is not applicable, as this action does not involve a bid or award for construction or services contracts.

### **FISCAL IMPACT**

There is no impact on the City's General Fund as a result of this action. State and/or Federal funding may be utilized.

#### **Attachments:**

Amended and Restated Disposition and Development Agreement  
Original Agreement

RECORDED AT THE REQUEST OF  
AND WHEN RECORDED RETURN TO:

City of Fresno  
2600 Fresno Street  
Fresno, CA 93721  
Attention: City Manager

Housing Successor to the Redevelopment Agency of the City of Fresno  
848 M Street, Third Floor  
Fresno, CA 93721  
Attention: Executive Director

\_\_\_\_\_  
(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

This Agreement is recorded at the request and for the benefit of the City of Fresno and is exempt from the payment of a recording fee pursuant to Government Code Section 6103.

CITY OF FRESNO, in its capacity as  
corporation  
Housing Successor to the Redevelopment  
Agency of the City of Fresno

CITY OF FRESNO, a municipal

By: \_\_\_\_\_  
Georgeanne A. White,  
City Manager

By: \_\_\_\_\_  
Marlene Murphey,  
Executive Director

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT

By and Among

CITY OF FRESNO  
a municipal corporation

and

CITY OF FRESNO  
a municipal corporation, in its capacity as Housing Successor  
to the Redevelopment Agency of the City of Fresno

and

The Park Partners, LLC, a California limited liability company

South Fulton Street (APNS 468-282-23T, 468-282-005T, and 468-282-22T)  
Fresno, California 93721

AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT

By and Among

CITY OF FRESNO  
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a municipal corporation, in its capacity as Housing Successor  
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and

The Park Partners, LLC, a California limited liability company

South Fulton Street (APNS 468-282-23T, 468-282-005T, and 468-282-22T)  
Fresno, California 93721

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ATTACHMENTS

- Exhibit A Site Map
- Exhibit A-1 Legal Description
- Exhibit B Scope of Development and Basic Design
- Exhibit C Sources and Uses
- Exhibit D Performance Schedule
- Exhibit E Certificate of Completion
- Exhibit F Grant Deed (City Property)
- Exhibit F-1 Grant Deed (HSA Property)
- Exhibit G Regulatory Agreement and Declaration of Covenants and Restrictions

## AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT

This Amended and Restated Disposition and Development Agreement (DDA or Agreement) is entered into as of the Effective Date (defined below), between CITY OF FRESNO, a municipal corporation (City), the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno (HSA) and The Park Partners, LLC, a California limited liability company (the Developer). The City and HSA shall be collectively referred to herein as Owner.

### RECITALS

The parties enter this Agreement based on the following facts, understandings, and intentions:

A. This Agreement supersedes and replaces in its entirety the Disposition and Development Agreement by and between the City of Fresno, a municipal corporation, City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno and The Park Partners, LLC, a California limited liability company last dated on December 9, 2025, and recorded on December 11, 2025, as Document No. 2020-0118589 in the Office of the Fresno Recorder.

B. The City currently owns certain real property (APN 462-282-23T) (City Parcel) and HSA currently owns real property (APNs 468-282-05T and 468-282-22T) (HSA Parcels) generally located on the northwest corner of Fulton and Inyo Street in Fresno, California. Together the City Parcel and HSA Parcels, as more particularly described in **Exhibit A** (Site Map) and **Exhibit A-1** (legal description) to this Agreement shall be known as the Property.

C. The HSA Parcels were declared surplus land on May 25, 2023. The Notice of Availability was published on July 20, 2023. No responses were received within the sixty-day Notice of Availability, or anytime thereafter.

D. On November 6, 2025, the City approved Resolution Number 2025-316 declaring the Property to be exempt surplus pursuant to Government Code section 54221(f)(1)(A) because the City Parcel will be disposed for development based upon Government Code section 37364(a) which requires (1) minimum of 80% of the area of any parcel shall be used for the development of housing (remaining 20% could be ancillary commercial or park/open space use); not less than 40% of the total number of housing units developed on any parcel pursuant to this section shall be affordable to households whose incomes are equal to, or less than, 75% of the maximum income of lower income households (80% of area median income), and at least half of which (20% of the units) shall be affordable to very low-income households (50% of area median income; and (2) dwelling units shall be restricted by a regulatory agreement to remain continually affordable to those persons and families for the longest feasible time.

E. On October 22, 2025, California Department of Housing and Community Development (HCD) confirmed and approved the City's determination that the City Parcel qualified as exempt surplus land under Government Code section 54221(f)(1)(A).

F. Developer proposes to purchase the Property from Owner and develop it privately as a mixed-income rental housing development with affordable housing for

individuals and small households, as more particularly described in the Scope of Development, attached as **Exhibit B** (the Project). Developer proposes to offer the City an Option to purchase the Property at the end of Developer's bond repayment period, as set forth in this Agreement.

G. Developer agrees to undertake improvements in accordance with the combined Performance Schedule described in **Exhibit D** attached hereto and incorporated herein (the Performance Schedule).

H. This project is exempt from review under the California Environmental Quality Act (CEQA) pursuant to Article 18, Section 15268 of the CEQA Guidelines as a ministerial project.

## **AGREEMENT**

In consideration of the mutual promises and covenants and upon the terms and conditions set forth in this Agreement, the parties agree as follows:

1. Definitions. Besides definitions contained elsewhere in this Agreement, the following definitions will govern the construction, meaning, application and interpretation of the defined terms, as used in this Agreement. ADA. "ADA" means the Americans with Disabilities Act of 1990.

1.2 Agreement. "Agreement" means this Disposition and Development Agreement between Owner and Developer.

1.3 Budget. "Budget" means the Sources and Uses for the Project attached hereto and incorporated herein as **Exhibit C**. Owner has not committed any funding to the Project pursuant to this Agreement.

1.4 Certificate of Completion. "Certificate of Completion" means that Certificate issued in the form attached as **Exhibit E** to Developer by Owner evidencing completion of the Project for purposes of this Agreement.

1.5 City. "City" means the City of Fresno, a municipal corporation, having its offices at 2600 Fresno Street, Fresno, California 93721-3605, and operating through its Council and its various departments.

1.6 City Manager. "City Manager" means the City Manager for the City of Fresno and shall include the City Manager's authorized designees. Whenever consent, approval or other actions of the "City Manager" is required, such consent may be provided by the City Manager or her authorized designees.

1.7 Closing, Close or Close of Escrow. "Closing," "Close" or "Close of Escrow" means the closing of the escrow in which the City and HSA convey a fee interest in the Property to Developer.

1.8 Day. "Day," whether or not capitalized, means a calendar day, unless otherwise stated.

1.9 Default. "Default" means a party's failure to timely perform any action or covenant required by this Agreement following notice and opportunity to cure.

1.10 Developer. "Developer" means The Park Partners, LLC, a California limited liability company.

1.11 Effective Date. "Effective Date" means the date that Owner signs this Agreement, after Developer signs it.

1.12 Environmental Laws. "Environmental Laws" means any federal, state, or local law, statute, ordinance or regulation concerning environmental regulation, contamination or cleanup of any Hazardous Materials or Waste including, without limitation, any state or federal lien or "superlien" law, any environmental cleanup statute or regulation, or any governmentally required permit, approval, authorization, license, variance or permission.

1.13 Escrow. "Escrow" means the escrow opened with Escrow Holder for Owner to convey a fee interest in the Property to Developer.

1.14 Escrow Holder. "Escrow Holder" means Fidelity National Title, 7475 N. Palm Avenue, Suite 107, Fresno, CA 93711 (Attn: Valerie Budzik), or another title company mutually satisfactory to both parties.

1.15 Executive Director. "Executive Director" means the Executive Director for the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno and shall include the Executive Director's authorized designees. Whenever consent, approval or other actions of the "Executive Director" is required, such consent may be provided by the Executive Director or her authorized designees.

1.16 Hazardous Materials. "Hazardous Materials" means any substance, material, or waste, which is or becomes regulated by any local governmental authority, the State of California, or the United States Government including, without limitation, any material or substance, which is: (a) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25115, 25117, or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, (b) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, (c) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, (d) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, (e) petroleum, (f) friable asbestos, (g) polychlorinated biphenyl, (h) listed under Article 9 or defined as "hazardous" or "extremely hazardous" under Article 11 of Title 22, California Administrative Code, (i) designated as "hazardous substances" pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317), (j) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act (42 U.S.C. §6901 *et seq.*, or (k) defined as "hazardous substances" pursuant to Section of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §9601, *et seq.*); provided, however, hazardous materials shall not include: (1) construction materials, gardening materials, household

products, office supply products or janitorial supply products customarily used in the construction, maintenance, rehabilitation, or management of residential rental housing, mixed-use, or commercial developments or associated buildings or grounds, or typically used in household activities in a manner typical of other residential, mixed-use or commercial developments which are comparable to the Improvements; and (2) certain substances which may contain chemicals listed by the State of California pursuant to Health and Safety Code Section 25249, et seq., which substances are commonly used by a significant portion of the population living within the region of the Property, including, but not limited to, alcoholic beverages, aspirin, tobacco products, NutraSweet, and saccharine.

1.17 HSA. "HSA" means the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno, having its office located at 848 M Street, Third Floor, Fresno, CA 93721.

1.18 Improvements. "Improvements" means the construction of the Project on the Property as set forth in the Scope of Development in **Exhibit B**.

1.19 Outside Date. "Outside Date" means May 15, 2026, the last date on which the parties are willing to Close the Escrow.

1.20 Performance Schedule. "Performance Schedule" means the schedule attached as **Exhibit D**, setting forth the dates and times by which the parties must accomplish certain obligations under this Agreement. The parties may revise the Schedule from time to time on mutual written agreement of Developer and Owner, but any delay or extension of the completion date is subject to the requirements in this Agreement.

1.21 Phase. "Phase" means a stage or portion of the Project designated by Developer for construction. A Phase may not consist of less than an entire residential, mixed-use, or commercial structure.

1.22 Project. "Project" means the development that Developer is to complete on the Property and any off-site improvements, as generally described in the Scope of Development, attached as **Exhibit B**. The Project is a mixed-income rental housing development that includes an eight-story development featuring approximately 1,568 square feet of ground-floor retail space, approximately 5,000 square-feet of ground-floor community space, conference rooms and a fitness center and 174 fully-furnished apartments, all accessible via dual elevator banks. The Project may be developed and constructed in one or more Phases. Developer shall develop the Project substantially in the form and manner presented herein. Save and except the Project's approvals for Zone Clearance, Site Plan, and Building Permits which shall be considered by the City's Planning and Development Department, any changes, revisions, amendments, or alterations to the Project (including the number and type of residential units and amount of commercial space, and configuration or layout of the same) desired by Developer shall be subject to approval of the City Manager and

Executive Director, which approval shall not be unreasonably withheld. In such event, Developer shall provide City Manager and Executive Director with a written request for a change to the Project accompanied by any supporting documentation the Developer deems necessary. The City Manager and Executive Director shall respond to the written request within 15 business days. If no response is received from the City Manager and Executive Director within the fifteen day period, the request shall be deemed approved.

1.23 Project Completion Date. "Project Completion Date" means the date that the Owner shall have determined the Project has reached completion in accordance with the plans and specifications in the Development Schedule, as evidenced by Owner's issuance of a Certificate of Completion.

1.24 Property. "Property" means the real property described in **Exhibits A and A-1.**

1.25 Security Financing Interest. "Security Financing Interest" means a security interest, which Developer grants in its interest in the Property, before Owner issues and records a Release of Construction Covenants, to secure a debt, the proceeds of which Developer uses to construct the Project, or a refinancing thereof.

2. CONVEYANCE OF THE PROPERTY. City will convey the Property to Developer for the purchase price and on the conditions set forth herein.

2.1 Properties to be Conveyed, Purchase Price, and Initial Deposit. Developer will purchase the Property from Owner for a total purchase price of **\$727,800** (Purchase Price). Within three days following the Effective Date of the Agreement, Developer shall deposit with Escrow Holder the sum of **\$72,780** (Initial Deposit) which shall be applied to the Purchase Price at the Close of Escrow as defined in Section 2.10, as set forth below.

2.1.1 829 Fulton Street, APN 468-282-05T. Developer will purchase this parcel from HSA for a purchase price of \$78,400, which reflects the estimated fair market of the property. Developer shall deposit the sum of \$7,840 for this parcel, which shall be applied to the Purchase Price at the Close of Escrow as defined in Section 2.10 .

2.1.2 835 Fulton Street, APN 468-282-22T. Developer will purchase this parcel from HSA for a purchase price of \$78,400, which reflects the estimated fair market of the property. Developer shall deposit the sum of \$7,840 for this parcel, which shall be applied to the Purchase Price at the Close of Escrow as defined in Section 2.10.

2.1.3 Parking Lot at Inyo and Fulton Streets, APN 468-282-23T. Developer will purchase this parcel from the City for a purchase

price of \$571,000, which reflects the estimated fair market of the property. Developer shall deposit the sum of \$57,100 for this parcel, which shall be applied to the Purchase Price at the Close of Escrow as defined in Section 2.10.

2.2 Escrow. Within three days following the Effective Date of this Agreement, City and the Developer will open an Escrow with the Escrow Holder, and deposit a signed copy of this Agreement as their initial joint escrow instructions. City and the Developer will sign any supplemental escrow instructions, consistent with this Agreement that the Escrow Holder or either party hereto deems necessary or appropriate. This Agreement will control any inconsistency that may exist between this Agreement and the supplemental escrow instructions. The parties authorize the Escrow Holder to act under the escrow instructions and, after the Escrow Holder accepts the instructions in writing, it will carry out its duties as Escrow Holder under this Agreement.

2.3 Conditions Precedent to Closing Escrow. The following are conditions precedent to Owner's obligations to close the Escrow and convey the Property to the Developer and the Developer's obligation to purchase and accept conveyance of the Property from Owner. These conditions must be satisfied or waived by the time stated or, if no time is stated, then by the Outside Date set for the Closing.

2.3.1 Owner Conditions. The Closing is subject to the fulfillment of each of the conditions precedent described below, which are solely for the benefit of Owner and which shall be fulfilled consistent with the **Exhibit D** Performance Schedule, or waived prior to close of escrow:

A. Insurance. Developer has delivered to Owner, and Owner has approved the form and content of certificates of insurance for all insurance that this Agreement requires Developer to obtain and maintain.

B. Notice of Accepting Property Condition. Developer has given written notice to Owner that it has inspected the Property and accepts the Property in AS IS condition. If the Developer, after its inspection of the Property and review of any environmental reports, disapproves the Property's environmental or other condition, and Owner is either unwilling or unable to cure the condition to which the Developer objects, then the Developer or Owner may terminate this Agreement by written notice to the other party and without liability for breach or otherwise, and said Initial Deposit shall be refunded back to Developer with five (5) business days.

C. Agreements Related to Project. Developer has entered into and provided Owner copies of agreements with

any and all funding sources, and the general contractor's GMP Agreement for the Project will be completed and included as a condition to the marketing of the Preliminary Limited Offering Memorandum.. All such funding source agreements shall contain a provision whereby the party(ies) to such agreement, other than Developer, agree to make reasonable efforts to (1) notify Owner immediately of any event of default by Developer under such agreement; (ii) notify Owner immediately of termination or cancellation of such agreement; and (iii) provide Owner, upon Owner's request, an estoppel certificate certifying such agreement is in full force and effect and Developer is not in default under such agreement.

D. Evidence of Funding. Developer has submitted evidence that the combined monies from the funding sources are not less than the total development cost of \$81,225,000, as set forth in **Exhibit C** or the amount which the City and HSA determines is necessary to complete the Project, including evidence of a loan commitment or bond sale for such funding sources acceptable to the City and HSA.

E. Performance and Payment Bond. Developer has obtained a performance and payment bond acceptable to City, in the amount of 110% of the estimated Project costs as further described in Section 4.2.8.

F. No Default. Developer is not in default of this Agreement and all representations and warranties of Developer contained herein are true and correct in all material respects.

2.3.2 Developer Conditions. The Closing is subject to the fulfillment or waiver by the Developer of each of the conditions precedent described below, which are solely for the benefit of the Developer and which shall be fulfilled consistent with the **Exhibit D** Performance Schedule, or waived prior to close of escrow.

A. Condition of Title. Developer has approved the condition of title to the Property pursuant to this paragraph A. Owner shall obtain a preliminary title report and transmit a copy to Developer not later than fifteen days following the Effective Date. Developer shall notify Owner in writing within fifteen days after receipt of a copy of the preliminary title report whether it approves the condition of title. Developer's failure to give such notice within fifteen days will be deemed approval of the condition of title. If Developer notifies Owner that it disapproves any title exception, Owner may, but is not obligated to, remove that title exception within fifteen days after receipt of Developer's written notice. If Owner cannot or

does not elect to remove any disapproved title exception or give assurance of removal satisfactory to Developer within that period, Developer will have ten business days after the expiration of such fifteen-day period to either give Owner written notice that Developer elects to purchase the Property subject to the disapproved title exceptions or to terminate this Agreement. Developer hereby objects to all title defects, liens, encumbrances, and mortgages evidencing a monetary obligation, other than non-defaulted real property taxes and assessments. The exceptions to title approved by Developer as provided herein shall be referred to as the "Condition of Title." The Developer shall have the right to approve or disapprove any further exceptions reported by the title company after the Developer has approved the Condition of Title for the Property (which are not created by the Developer). The Owner shall not voluntarily create any new exceptions to title following the date of this Agreement and prior to the Closing.

B. Inspection. Because Owner will convey fee title of the Property to Developer "AS IS," with all faults, during a period of 60 days after the Effective Date of this Agreement (the Review Period), Developer or its designated representatives may conduct tests, investigations and inspections of the Property in all matters relating to the Property, including, but not limited to, the physical condition or state of the Property and improvements thereon, environmental conditions, including Phase I and Phase II environmental assessments, and all other matters relating to the Property or any improvements thereon or affecting Developer or the feasibility of the Property for the Project (Due Diligence Investigation). If, for any reason, Developer is dissatisfied, in Developer's sole and absolute discretion, with the results of the Due Diligence Investigation, Developer shall provide written notice of disapproval of the Due Diligence Investigation to the Owner and Escrow Holder. Such written notice of disapproval shall be provided prior to the expiration of the Review Period, and will constitute Developer's notice to terminate pursuant to Section 2.3.3, below.

Developer has the right to enter the Property to conduct the Due Diligence Investigation on the following conditions: (a) the tests, investigations and inspections are conducted by the Developer without cost or expense to Owner, (b) the tests, investigations and inspections do not unreasonably interfere with Owner's possession or use of the Property, and (c) Developer will assume responsibility for any loss or liability and for any damage to the Property to the

extent resulting from conducting the tests, investigations or inspections.

Within thirty days from the Effective Date, Owner shall deliver to Developer any and all then-existing plans, engineering reports, surveys, maps, soil or seismic reports, grading plans, environmental reports and assessments, and other studies, reports, correspondence or materials concerning the Property or any improvements thereon (the Materials). The Materials may include, without limitation, the following: (i) copies of any environmental reports or environmental site assessments or any other report relating to toxic or hazardous materials or the environmental condition of the Property or improvements; (ii) engineering studies, maps and cost reports (sewer, water, hydrology, storm drain, flood control, FEMA, utilities, traffic and noise); (iii) soils, geology and seismic reports; (iv) covenants, conditions and restrictions, if any, regarding the Property; (v) archaeological studies and reports; (vi) to the extent not described above, grading, erosion control, water, sewer, storm drain, street improvement, landscape and utility improvement plans; (vii) any other documents or materials which Owner possesses or which are reasonably available to Owner and which Developer requests in writing or Owner determines, in its reasonable judgment, are significant to the evaluation or use of the Property.

Owner makes no representation or warranty concerning, and will have no liability or responsibility for, the Materials or the information contained therein.

C. No Default. Owner shall not be in default of any provision of this Agreement and all representations and warranties of Owner contained herein are true and correct in all material aspects

D. No Litigation. There shall be no litigation pending with respect to this Agreement, any land use, zoning, development or building permits or entitlements for the development contemplated by this Agreement or encumbering title to the Property, the outcome of which could materially interfere with the development of the Property as set forth herein.

E. Financing. Developer has obtained financing for the Project in an amount and subject to terms reasonably acceptable to Developer.

2.3.3 Termination for Failure of Condition. In the event there is a failure of one or more conditions described in Section 2.3.1 or

2.3.2 that are not waived, the party for whose benefit the condition is established may terminate this Agreement by written notice to the other party prior to the Closing, in which event this Agreement shall terminate and no party shall have any further rights or liability to the other under this Agreement. In the event of such termination prior to January 31, 2026, any and all deposits paid by Developer shall be returned to Developer.

2.3.4 Failure to Give Notice of Termination or Cancellation. If Developer has not given notice of termination and cancellation on or before expiration of the Review Period (as defined in Section 2.3.2(B)) or January 31, 2026, whichever is later, then the Initial Deposit shall be non-refundable and released and paid over to Owner by Escrow Holder on the next business day immediately following the expiration of the Review Period without the need for further instructions, notice or demand from Owner to Developer. If, however, Developer, in its sole and absolute discretion, decides to terminate and cancel the Agreement by timely delivering a termination and cancellation notice on or before expiration of the Review Period or January 31, 2026, whichever is later, then the entire amount of the Initial Deposit, and any accrued interest thereon, shall be immediately refunded to Developer by Escrow Holder without the need for further instruction, notice or demand from or to Owner.

2.4 Escrow and Title Costs. The Developer and Owner shall each pay 50% of escrow fees, recording fees, and documentary stamp taxes, if any, to convey the Property to Developer. Owner shall pay the portion of the premium for an ALTA standard owner's policy of title insurance with coverage not exceeding the Purchase Price, insuring the title to the Property as described herein. The Developer shall pay the portion of the premium for an ALTA extended coverage owner's policy of title insurance or any special endorsements required by Developer and any ALTA extended coverage loan policy of title insurance and endorsements thereto as may be required by the terms of the financing for the Project. Any other costs associated with the Escrow shall be paid by Owner or the Developer according to the custom and practice in Fresno County, as declared by the Escrow Holder.

2.5 Prorations. The Escrow Holder will prorate all ad valorem taxes and assessments, if any, as of the Closing, between Owner and the Developer. If the then-current taxes and assessments are not ascertainable, the Escrow Agent will apportion the taxes and assessments based on the most recent statement of taxes and assessments. Escrow Holder will adjust the proration, if necessary, within thirty days after the actual taxes and assessments are available. Developer will be solely responsible for ad valorem taxes or assessments on the Property, or any taxes on this Agreement or any rights hereunder, which may be levied, assessed or imposed for any period after the Closing.

2.6 Form of Deed. Owner will convey the Property to the Developer by a Grant Deed, substantially in the form attached hereto as **Exhibits F and F-1**. The conveyance and Developer's title will be subject to all conditions, covenants, restrictions and requirements set forth in this Agreement, and the Grant Deed.

2.7 Nonmerger. Prior to the issuance of a Certificate of Completion, the provisions of this Agreement will not merge with the Grant Deed. The Grant Deed will not affect, impair or limit the provisions, covenants, conditions or agreements of this Agreement.

2.8 Possession. Owner will deliver exclusive possession of the Property to Developer at or immediately following the Closing.

2.9 Sale "AS IS" – No Warranties. Owner will convey the Property "AS IS" with all faults, including, without limitation, the conditions disclosed in any toxics reports delivered to Developer, any conditions disclosed in the files of the regulators such as, but not limited to, the Fresno County Health Department, and the Regional Water Quality Control Board, and any environmental or other physical conditions on or under the Property, buried debris or structures, and soil compaction, presence of Hazardous Materials or the condition of the soil, its geology, the presence of known or unknown seismic faults, and the suitability of the Property for the development purposes intended hereunder.

2.10 Close of Escrow. The Escrow will close within thirty days after the parties satisfy all the conditions precedent to Closing as set forth in this Agreement, but not later than the "Outside Date," unless the parties mutually agree to extend the time for Closing.

2.11 Authority of Escrow Holder. The parties authorize the Escrow Holder to, and the Escrow Holder will do the following:

A. Title Policy Premium. Pay and charge Owner and Developer, respectively, for the title insurance premiums described in Section 2.4 of this Agreement.

B. Pay Fees. Pay and charge the Developer and Owner equal 50% share of the escrow fees and closing costs, excluding any costs to correct title exceptions or cure property conditions. Owner and Developer must agree in separate writing or instructions to the Escrow Holder to the allocation of costs to cure title exceptions or property conditions; provided, however, that Owner shall, at its sole cost and expense, clear all liens evidencing monetary encumbrances (other than liens for non-delinquent property taxes).

C. Record Grant Deed and Disburse Funds. Disburse funds from the Purchase Price, and record and deliver the Grant Deed to the appropriate party when the conditions precedent to Closing are satisfied or waived.

D. Actions to Fulfill Obligations. Take any other action necessary to fulfill its obligations under this Agreement.

E. FIRPTA, and More. Direct the parties to deliver any instrument, or to perform any act, necessary to comply with FIRPTA or any similar state act and regulation promulgated thereunder. Owner will sign a Certificate of Non-foreign Status, or a Certification of Compliance with Real Estate Reporting Requirement of the 1986 Tax Reform Act as the Escrow Holder may require.

F. Closing and Other Statements. Prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including, without limitation, an IRS 1099-S form, and be responsible for withholding taxes, if the law so requires.

G. Closing Statements. Escrow Holder will forward to both Developer and Owner a separate accounting of all funds received and disbursed for each party, and copies of all signed and recorded documents deposited into Escrow, with the recording and filing date and information endorsed thereon.

H. Termination Without Close. If the Escrow is not in condition to close by the Outside Date, then any party that is not in default of this Agreement, may demand the return of money or property and terminate this Agreement and the Escrow. If either party makes a written demand for return of documents or properties, this Agreement will not terminate until five days after Escrow Holder has delivered copies of the demand to the other party at the respective addresses shown in this Agreement. If the other party objects within the five-day period, the parties authorize the Escrow Holder to hold all papers and documents until instructed by a court of competent jurisdiction or by mutual written instructions of the parties. Termination of this Agreement will be without prejudice to whatever legal rights either party may have against the other arising from this Agreement. If no party demands that the Escrow terminate, the Escrow Holder will proceed to Closing as soon as possible.

2.12 Owner's Authority to Sign Instructions and Documents. The City Manager and Executive Director, or designee is authorized to execute any supplemental escrow instructions for Owner that are not a material change hereto. The City Manager and Executive Director, or designee may make minor modifications, not constituting a material change, to this Agreement, exhibits and the documents referenced herein, to affect the opening and Close of the Escrow.

2.13 Access Prior to Conveyance. Prior to the conveyance of title from Owner, representatives of Developer shall have the right of access to the Property at all reasonable times for the purpose of obtaining data and making surveys and tests necessary to carry out this Agreement. The

Developer shall hold Owner harmless for any injury or damages arising out of any activity pursuant to this Section. The Developer shall have access to all data and information on the Property available to Owner, but without warranty or representation by Owner as to the completeness, correctness or validity of such data and information. Any preliminary work, other than work in connection with Developer's Due Diligence Investigation, undertaken on the Property by the Developer prior to conveyance of title thereto shall be done only after written consent of Owner, satisfaction of Owner imposed conditions including without limitation evidence of reasonably required insurance coverage(s), all at the sole expense of the Developer. The Developer shall save and protect Owner against any claims or liens resulting from such preliminary work, access or use of the Property. Copies of the data, surveys and tests obtained or made by the Developer on the Property shall be filed with Owner. Any preliminary work by the Developer shall be undertaken only after securing any necessary permits from the appropriate governmental agencies.

2.14 Developer's Reconveyance of Property and Owner's Option to Purchase Property. Upon Developer's full repayment of its Project financing, including bond repayments, Developer shall provide written notice to the Owner of Developer's offer to reconvey the Property on the terms set forth herein. Owner shall have the right, but not the obligation to repurchase the Property for One Dollar (\$1). Owner's Option to Purchase the Property shall be exercised within one year of Developer's written notice and offer to reconvey the Property (Option Window). If Owner does not exercise this option to purchase the Property within the Option Window, the Owner's Option rights will terminate, unless the Option Window is extended, in writing, by the parties.

This section shall survive termination or expiration of this Agreement and the potential recordation of the Grant Deeds.

### 3. PROJECT DEVELOPMENT

3.1 Private Development Project. Developer will complete the Project as described in the Scope of Development using contractors licensed to do business in California. Except as set forth in this Agreement, before Developer begins constructing the Improvements or undertakes any other work of improvements on the Property, Developer, at its own cost and expense, will independently secure all land use and other entitlements, permits, and approvals that City or any other governmental agency with jurisdiction over the Project requires for construction of the Project. Except as may be expressly provided herein, Developer shall not begin construction or perform any other work on the Property until after Closing.

3.2 Time for Completion of the Project. Owner will convey the Property to Developer for construction of the Project, and not for speculation in real estate. Therefore, the Developer will begin construction by the date provided in the Performance Schedule and will diligently complete the Project according to the Performance Schedule, or by any other date as the

parties may agree in a written extension signed by the parties and subject to any extension of time provided for in Section 3.3.

In the event Developer does not perform and complete work pursuant to the Performance Schedule as set forth in **Exhibit D** or is otherwise unable to deliver a completed project, the purchase and sale of the Property shall be rescinded and this Agreement shall be cancelled. As set forth in Sections 7.5 and 7.6 of the Agreement, the Property shall be re-conveyed to the Owner. All funds previously paid by Developer to Owner, less the nonrefundable Initial Deposit and any other fees for required land use entitlements, permits or other approvals related to this Agreement or the Project, shall concurrently be refunded to Developer such that the parties shall be restored to their original positions prior to the execution of this Agreement to the greatest extent possible.

### 3.3 Extension of Time for Completion – Events of Force Majeure.

In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts of another party; acts or the failure to act of any public or governmental agency or entity or any other causes beyond the control or without the fault of the party claiming an extension of time to perform (Events of Force Majeure). An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause. If, however, notice by the party claiming such extension is sent to the other party more than thirty days after the commencement of the cause, the period shall commence to run only thirty days prior to the giving of such notice. General economic conditions and Developer's own financial condition or inability to pay its monetary obligations shall not be deemed an Event of Force Majeure.

3.4 Certificate of Completion. After Developer has satisfactorily completed a Phase of the Project according to this Agreement and after the completion of the final Phase of the Project, Developer may ask Owner to record a Certificate of Completion indicating that a Phase or that all Phases are complete, substantially in the form attached as **Exhibit E**. For purposes of this section, Developer's submission of a "Safe to Occupy" Certificate or Certificate of Occupancy for the Improvements within the subject Phase of the Project shall be conclusive evidence that Developer has satisfactorily completed those Improvements. Subject to the satisfaction of the conditions to its issuance (see next subsection) and within ten days of such request, Owner shall provide an instrument certifying Developer's completion of the Project, or any Phase thereof, by preparing and recording the Certificate of Completion. This release, when recorded, will evidence

Owner's conclusive determination that Developer has satisfied the construction covenants in this Agreement as to the subject Phase of the Project. The release will not be evidence that Developer has complied with or satisfied any obligation to any person holding a deed of trust or Security Financing Interest. The release shall not terminate Developer's indemnification or other obligations, which by their nature are intended to survive Project completion. After the release is recorded in the Official Records of Fresno County, any party then owning or after that purchasing, leasing or otherwise acquiring any interest in the applicable portion of the Property shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under this Agreement regarding the construction requirements or Project development of the completed Project.

3.5 Conditions to Issuing the Certificate of Completion. The following are all conditions precedent to Owner issuing the Certificate of Completion for the Project, or any Phase thereof, and each submission will be in a form and substance satisfactory to Owner:

A. Evidence that all mechanics' liens or material men's liens and claims recorded against the Property, or any Phase thereof, and the Project Improvements that are the subject of the Certificate of Completion have been unconditionally and finally released or, if not released, sufficiently bonded against as required by law.

3.6 Liens and Stop Notices. If a claim of lien or bonded stop notice is recorded against the Property or any Project improvements, the Developer, within ninety-one days after that, or within five days after Owner's demand, whichever last occurs, will do the following:

- A. Pay or discharge the same; or
- B. Effect the release of it by recording and delivering to Owner a surety's release bond in sufficient form and amount, or otherwise; or
- C. Give Owner other assurance that Owner, in its sole discretion, deems satisfactory to protect Owner from the effect of the lien, claim or bonded stop notice.

3.7 Annual Proof of Insurance. Annually, beginning with commencement of construction of the Project, and continuing until the issuance of a Certificate of Completion for the Project, Developer shall submit proof of insurance as required by this Agreement.

3.8 Taxes and Assessments. The Developer will pay before delinquency all ad valorem real estate taxes and assessments on the Property, subject to the Developer's right to contest any taxes or assessments in good faith. The Developer will remove any levy or attachment on the Property or any part of it, or assure the satisfaction of the levy or attachment within a reasonable time. Except as to property in public

use and subject to the following sentence, Developer and those tenants/others holding or using the Property under Developer by lease or otherwise, shall not apply for or take advantage of or otherwise enable any exemption from property/possessory taxes. The Developer shall not allow a use, transfer or sale of the Property/portion thereof, whether prior to or following completion of the Improvements hereunder, to an entity that is exempt from property/possessory tax and/or which would allow a removal from the tax roll, absent prior notice to and written consent of Owner.

3.9 Compliance with Laws. In performing its obligations hereunder, Developer shall comply with all applicable laws, regulations, and rules of the governmental agencies having jurisdiction, including, without limitation, applicable federal and state labor standards and environmental laws and regulations. Developer, not Owner, is responsible for determining applicability of and compliance with all local, state and federal laws including, without limitation, the California Labor Code, Public Contract Code, Public Resources Code, Health & Safety Code, Government Code, the City Charter, and Fresno Municipal Code. Owner makes no representations regarding the applicability of any such laws to this Agreement, the Project, or the parties' respective rights or obligations hereunder including, without limitation, payment of prevailing wages, competitive bidding, subcontractor listing, or other matters. Owner shall not be liable or responsible, in law or equity, to any person for Developer's failure to comply with any such laws, whether Owner knew or should have known of the need for Developer to comply, or whether Owner failed to notify Developer of the need to comply.

3.10 Housing Affordability. Developer shall covenant and agree with the Owner that the Project will remain affordable to households with low and very-low income households for a duration of 55 years as set for in the Regulatory Agreement and Declaration of Covenants and Restrictions in **Exhibit G**. Developer shall be responsible for enforcing the affordability requirements as set forth in Exhibit G on the Property to all purchasers of the Property and their successors until the date that is 55 years.

#### 4. INDEMNITY; INSURANCE.

4.1 Indemnity. To the furthest extent allowed by law, Developer shall indemnify, hold harmless and defend, with qualified counsel of Developer's choice, the Owner, and each of its officers, officials, employees and agents from any loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability including, without limitation, personal injury, death at any time and property damage) incurred by the Owner, Developer or any other person, and from any claims, demands and actions in law or equity (including reasonable attorneys' fees, litigation and legal expenses incurred by the Owner or held to be the liability of the Owner, including plaintiff's or petitioner's attorney's fees if awarded, in connection with Owner's defense of its actions in any proceeding), arising or alleged to have arisen directly or indirectly out of performance or in any

way connected with: (i) the making of this Agreement; (ii) the performance of this Agreement; (iii) the installation of the work or Improvements by the Developer and Developer's employees, officers, agents, contractors or subcontractors; (iv) the design, installation, operation and removal or maintenance of the work and Improvements other than those portions of the Improvements that are dedicated to the Owner for public use; or (v) Owner's granting, issuing or approving use of this Agreement.

Developer's obligations under the preceding sentence shall apply regardless of whether Owner or any of its officers, officials, employees or agents are negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused solely by the gross negligence, or caused by the willful misconduct, of Owner or any of its officers, officials, employees, agents or authorized volunteers.

This indemnity shall also cover, without limitation, the following: (1) any act, error or omission of Developer as to Owner or any of its officers, employees, contractors, subcontractors, invitees, agents or representatives in connection with this Agreement, the Project or the Property; (ii) any use of the Property by Developer or any of its officers, employees, contractors, subcontractors, invitees, agents or representatives, successors or assigns; (iii) the design, construction, operation or maintenance of the Project, unless otherwise specifically excepted herein, or (iv) the failure of Developer or any of its officers, employees, contractors, subcontractors, invitees, agents or representatives to comply with any Federal, State or local law, code, ordinance or regulation applicable to this Agreement or the Project, including, but not limited to, claims based upon failure to comply fully with prevailing wage laws as may be determined by any court or agency of the State of California or United States Government; with respect to any and all claims related to prevailing wage, Developer, as provided herein and otherwise in this Agreement, assumes all responsibility for payment of prevailing wage and complying with prevailing wage laws, if required, and specifically waives any and all rights against the Owner, as well as Owner agents, employees, agencies, and consultants, pursuant to California Labor Code section 1726(c) and analogous federal law, if any, and agrees to defend and fully indemnify the Owner, as well as Owner agents, employees, agencies, and consultants, for any claims based upon failure to pay prevailing wage, including, without limitation, claims for damages, fines, penalties, litigation expenses, costs, attorneys' fees, and interest. Developer and/or Owner have the right to contest or challenge any finding that prevailing wage applies.

This section shall survive termination or expiration of this Agreement and the potential recordation of the Grant Deeds.

**4.1.1 Action Arising Out of Approval of This Agreement.** The Developer shall indemnify, defend and hold the Owner and each of their respective officers, officials, employees, agents, boards and volunteers harmless from any judicial action filed against the Owner

by any third party arising out of the Owner's approval of this Agreement or any permit, entitlement or other action required to implement this Agreement, including without limitation approvals under the Law, CEQA or the City's Municipal Code. The Owner will promptly notify the Developer of the action. Within fifteen days after receipt of the notice, the Developer shall take all steps necessary and appropriate to assume defense of the action. The Owner will cooperate with the Developer in the defense of the action (at no cost to the Owner). Neither the Developer nor the Owner will compromise the defense of such action or permit a default judgment to be taken against the Owner without the prior written approval of the other party(ies).

4.1.2 Survival of Indemnification Provisions. Except as otherwise specifically stated herein, the indemnification provisions in this subsection and every other indemnification in this Agreement will survive any termination of this Agreement, will survive any Closing, will survive the expiration of any covenant herein and will not merge with any other document evidencing an interest in real property.

4.2 Insurance. Prior to the commencement of the construction and until Owner issues the Certificate of Completion and records it in the Official Records of Fresno County, Developer shall pay for and maintain, or cause to be paid and maintained, in effect all insurance policies required hereunder with insurance companies either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A-VII" in Best's Insurance Rating Guide; or (ii) authorized by the City's Risk Manager. The following policies of insurance are required, and Developer will deliver proof of these policies before starting construction:

4.2.1 Commercial General Liability Insurance. Commercial general liability Insurance, which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01 and shall include insurance for bodily injury, property damage, and personal and advertising injury with coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, contractual liability (including indemnity obligations under this Agreement), with limits of liability of not less than \$5,000,000 per occurrence for bodily injury and property damage, \$1,000,000 per occurrence for personal and advertising injury and \$5,000,000 aggregate for products and completed operations, and \$10,000,000 general aggregate.

4.2.2 Commercial Automobile Liability Insurance. Commercial automobile liability insurance, which shall be at least as broad as the most current version of Insurance Services Office (ISO) Business Auto Coverage Form CA 00 01 (Section 1, subsection A.1

entitled "Any Auto"), with combined single limits of liability of not less than \$5,000,000 per accident for bodily injury and property damage.

4.2.3 Workers' Compensation Insurance. Workers' compensation insurance, as required under the California Labor Code.

4.2.4 Employer's Liability. Employer's liability coverage with minimum limits of liability of not less than \$1,000,000 each accident, \$1,000,000 disease policy limit and \$1,000,000 disease each employee.

4.2.5 Commercial Property Insurance. Fire and extended coverage insurance for at least the full replacement cost of the Developer Improvements on the Property, excluding foundations, footings and excavations and tenant improvements, fixtures and personal property.

4.2.6 Builders Risk Insurance. Builders risk insurance sufficient to cover 100% of the replacement value of all improvements made on the Property including, without limitation, terms of labor and materials in place or to be used as part of the permanent construction (including, without limitation, surplus miscellaneous materials and supplies incidental to the work, and scaffolding, staging, towers, forms and equipment not owned or rented by Developer, the cost of which is not included in the cost of work). Developer shall be responsible for payment of any deductibles contained in any insurance policies required hereunder and Developer shall also be responsible for payment of any self-insured retentions.

Contractor's Pollution Liability Insurance with coverage for bodily injury, property damage or pollution clean-up costs that could result from of pollution condition, both sudden and gradual. Including a discharge of pollutants brought to the work site, a release of pre-existing pollutants at the site, or other pollution conditions with limits of liability of not less than the following:

\$1,000,000 per occurrence

\$2,000,000 general aggregate per annual policy period

In the event the work involves any lead-based, mold or asbestos environmental hazard, either the Automobile Liability insurance policy or the Pollution Liability insurance policy shall be endorsed to include Transportation Pollution Liability insurance covering materials to be transported by the DEVELOPER pursuant to the Agreement.

In the event the work involves any lead-based environmental hazard (e.g., lead-based paint), the DEVELOPER's Pollution Liability insurance policy shall be endorsed to include coverage for lead

based environmental hazards. In the event the work involves any asbestos environmental hazard (e.g., asbestos remediation), the DEVELOPER's Pollution Liability insurance policy shall be endorsed to include coverage for asbestos environmental hazards. In the event the work involves any mold environmental hazard (e.g., mold remediation), the Pollution Liability insurance policy shall be endorsed to include coverage for mold environmental hazards and "microbial matter including mold" within the definition of "Pollution" under the policy.

In the event DEVELOPER purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies). In addition, such Umbrella or Excess insurance policy(ies) shall also apply on a primary and non-contributory basis for the benefit of the CITY, its officers, officials, employees, agents and volunteers.

DEVELOPER shall be responsible for payment of any deductibles contained in any insurance policy(ies) required herein and DEVELOPER shall also be responsible for payment of any self-insured retentions.

The above-described policies of insurance shall be endorsed to provide an unrestricted thirty calendar day's written notice in favor of the City and HSA, of policy cancellation, change or reduction of coverage, except the Workers' Compensation policy that shall provide a ten-calendar day written notice of such cancellation, change or reduction of coverage. If any policy is due to expire during the term of this Agreement, Developer shall provide a new certificate evidencing policy renewal not less than fifteen calendar days before the expiration date of the policy. When an insurer, broker, or agent issues a notice of cancellation, change or reduction in coverage, Developer shall immediately obtain and file a certified copy of a new or renewal policy and certificates for such policy with the City and HSA.

The General Liability, Pollution Liability, and Automobile Liability insurance policies shall be written on an occurrence form and shall name the City, HSA and the officers, officials, agents and employees as an additional insured. Additional Insured status under the General Liability and Pollution Liability policies shall cover ongoing and completed operations. The General Liability, Pollution Liability, and Automobile Liability policies shall be or endorsed to provide that Developer's insurance is primary and no contribution is required of the City and HSA. All policies shall contain a waiver of subrogation in favor of City and HSA, its officers, officials, agents, employees, and volunteers. Developer shall furnish the City and HSA with copies

of the actual policies upon the request of its designee, or the City's Risk Manager.

The Builders Risk (Course of Construction) insurance policy shall be endorsed to name the CITY as loss payee.

The coverage shall contain no special limitations on the scope of protection afforded to the CITY, its officers, officials, employees, agents, and volunteers.

If the DEVELOPER maintains higher limits of liability than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits of liability maintained by the DEVELOPER.

The fact that insurance is obtained by Developer or its subcontractors shall not be deemed to release or diminish the liability of Developer or its subcontractors including without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify the City and HSA, and their officers, officials, agents, employees and volunteers, shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Developer or its subcontractors, except that any payment from an insurance policy paid towards Developer's indemnity obligation shall be applied towards Developer's total indemnity obligation for the particular claim for which the insurance policy has made such payment. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Developer, its principals, officers, agents, employees, persons under the supervision of Developer, vendors, suppliers, invitees, subcontractors, consultants or anyone employed directly or indirectly by any of them.

The DEVELOPER shall furnish the CITY with all certificate(s) and applicable endorsements effecting coverage required hereunder. All certificates and applicable endorsements are to be received and approved by the CITY's Risk Manager or his/her designee before work commences. Upon request of the CITY, the DEVELOPER shall immediately furnish the CITY with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement.

In the event of a partial or total destruction by the perils insured against of any or all of the work and/or materials herein provided for at any time prior to the final completion of the Agreement and the final acceptance by the CITY of the work or materials to be performed or supplied thereunder, the DEVELOPER shall promptly reconstruct,

repair, replace, or restore all work or materials so destroyed or injured at his/her sole cost and expense. Nothing herein provided for shall in any way excuse the DEVELOPER or his/her insurance company from the obligation of furnishing all the required materials and completing the work in full compliance with the terms of this Agreement.

If Developer fails to maintain the required insurance in full force and effect, Developer shall immediately discontinue all work under this Agreement, and take all necessary actions to secure the work site to insure that public health and safety is protected, until the City and HAS receive notice that the required insurance has been restored to full effect and that the premiums for the insurance have been paid for a period satisfactory to City and HSA. Developer's failure to maintain any required insurance shall be sufficient cause for the City and HSA to terminate this Agreement after notice and the right to cure as provided in Section 7.4.

**SUBCONTRACTORS** - If Developer subcontracts any or all of the services to be performed under this Agreement, Developer shall require, at the discretion of the City's Risk Manager or designee, subcontractor(s) to enter into a separate Side Agreement with the City and HSA to provide required indemnification and insurance protection. Any required Side Agreement(s) and associated insurance documents for the subcontractor must be reviewed and preapproved by City's Risk Manager or designee. If no Side Agreement is required, Developer will be solely responsible for ensuring that its subcontractors maintain insurance coverage at levels no less than those required by applicable law and is customary in the relevant industry.

4.2.7 Insurance for Project Design Work. Developer shall maintain for its Project design work, or if Developer subcontracts any of the Project design work Developer shall require each design subcontractor to maintain, professional liability insurance (errors and omissions) with a limit of not less than one million dollars (\$1,000,000) per occurrence, two million dollars (\$2,000,000). If claims made forms are used for any Professional Liability Coverage, either (i) the policy shall be endorsed to provide not less than a five-year discovery period, or (ii) the coverage shall be maintained for a minimum of five years after the Release of Construction Covenants is recorded. The requirements of this section relating to such coverage shall survive termination or expiration of this Agreement.

4.2.8 Performance and Payment Bonds. Developer will obtain and deliver labor and material bonds, payment, and performance bonds, issued by an insurance company meeting the criteria for Developer's other insurance under this Agreement. The bonds will each contain a penal sum at least equal to 100% of

Developer's estimated construction costs of any particular Phase of the Project then under construction and shall remain in full force until the issuance of a "Safe to Occupy" Certificate or Certificate of Occupancy, or the recording of a Certificate of Completion for that Phase, whichever is earlier. The bonds will name the Bond Trustee, City and HSA as co-obligees. The Bond Trustee shall be the primary payee of the Bonds. Instead of requiring performance and payment bonds, City may consider and accept other evidence of Developer's ability to complete the Project.

5. SECURITY FINANCING INTERESTS AND RIGHTS OF HOLDERS.

5.1 Prohibition Against Transfer of Property, the Buildings or Structures Thereon and Assignment of Agreement. After conveyance of title and prior to the issuance by Owner of a Certificate of Completion for the Project, the Developer shall not, except as expressly permitted by this Agreement, sell, transfer, convey, assign, or lease the whole or any part of the Property or the buildings or improvements thereon without the prior written approval of Owner. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property or to prohibit or restrict the leasing of any part or parts of a building or structure when said improvements are completed. The restrictions contained in this Section 5.1 shall terminate on the date that a Certificate of Completion is issued for the Project.

5.1.1 Permitted Transfers. Notwithstanding the foregoing, the following events (Permitted Transfers) shall not be deemed a transfer for the purposes of requiring Owner's consent:

- A. Creation of Security Financing Interests;
- B. A sale, conveyance, or transfer of the Property at foreclosure (or a deed in lieu of foreclosure) resulting from a Security Financing Interest;
- C. The conveyance or dedication of parts of the Property to the Owner or the grant of easements or permits solely to facilitate the development of the Property before the Certificate of Completion is recorded;
- D. Sale or rental of Project units/space in accordance with this Agreement;
- E. Sale or Assignment to a Non-Profit Partner to facilitate tax-exempt bond financing for Project. Developer shall be required to (1) be the sole Developer for construction of Project; and (2) upon Project completion, and during the operational phase of Project, Developer shall provide additional Asset Management services to the Project pursuant to Developer and Non-Profit Partnership Agreement, a copy which shall be provided to Owner. Nevertheless, Developer

shall remain fully liable for the performance and completion of the Project under this Agreement;

F. Assignments resulting from the death or mental or physical incapacity of an individual;

G. Assignments in trust for the benefit of a partner's spouse, children, grandchildren or other family members.

5.2 Approval or Consent of Owner. When a request for transfer or assignment is submitted to City Manager and Executive Director, on behalf of the Owner, for consideration, approval will be conditioned on the following:

A. Financial Strength and Business Experience. The proposed transferee will demonstrate to Owner's reasonable satisfaction that the proposed transferee has sufficient financial strength and the business experience in planning, financing, development, ownership, and operation of similar projects to complete the Project, or portion thereof, competently.

B. Assumption Agreement. Any transferee, by recordable instrument acceptable to Owner, shall expressly assume all the unfulfilled or ongoing obligations of the Developer under this Agreement, and agree to be subject to all the conditions and restrictions to which the Developer is subject with respect to the Property or applicable portion thereof.

C. Transfer Documents. The Developer or its successors shall submit all documents, proposed to affect any transfer or assignment, to Owner for review and approval.

D. Other Information. Developer or its successors shall deliver all information to Owner that Owner may reasonably request to enable it to evaluate the proposed transfer or assignment. City Manager and Executive Director, on behalf of the Owner, shall approve, conditionally approve, or disapprove a request for assignment within fifteen days after receiving the request and all supporting documentation.

E. Developer's Release. Owner's approval of any transfer, assignment, or sale will not relieve the Developer or any successor from any unfulfilled or ongoing obligations of Developer under this Agreement with respect to any portion of the Property not transferred. The provisions of this subsection are intended to discourage land speculation, and these provisions shall be liberally interpreted to accomplish that end.

5.3 Security Financing; Rights of Holders.

5.3.1 No Encumbrances Except Mortgages, Deeds of Trust, Sales and Lease-Back or Other Financing for Development. Notwithstanding Section 5.1 of this Agreement, mortgages, deeds of

trust, sales and leases-back or any other form of conveyance required for any reasonable method of financing are permitted before issuance of a Certificate of Completion but only for the purpose of securing loans of funds to be used for financing the acquisition of the Property, the construction of improvements on the Property and any other expenditures necessary and appropriate to develop the Property under this Agreement (including costs of the loan, funding of reserve funds, capitalized interest and working capital as may be deemed appropriate by the Developer and its lenders or bondholders) and the refinancing of such debt. To this end, if the Developer and the Developer's construction lender provide a written request to the Manager and Executive Director for the Owner to subordinate its interests in this Agreement to the interests of the construction lender, and the lender provides a written proposed subordination agreement, then the City Manager and Executive Director, or designee, shall consider and approve the subordination agreement if the following conditions are met: (1) the lender states in writing a necessity for the requested subordination; (2) the terms of the requested subordination are commercially reasonable under the circumstances; (3) the Developer provides to the City Manager and Executive Director a statement of all material terms of the sources of equity and loans for construction of the project and that information demonstrates continued financial viability of the project through completion of construction; (4) the funds disbursed from each construction loan shall be used only for costs and charges associated with the loan and construction of the Improvements; (5) the interest on each construction loan shall be at a reasonable rate based on all the facts and circumstances; (6) Developer shall provide Owner with evidence of Developer's ability to satisfy any equity requirements of each construction loan; and (7) the City Attorney approves the subordination as to form. Any requested subordination shall deemed approved by the City Manager and Executive Director if the above conditions have been met and the City Manager and Executive Director or designee has not approved or rejected the terms of the subordination within thirty days of the conditions having been met. The Developer shall promptly notify Owner of any mortgage, deed of trust, sale and lease-back or other financing conveyance, encumbrance or lien that has been created or attached thereto prior to completion of the construction of the improvements on the Property whether by voluntary act of the Developer or otherwise. The words "mortgage" and "deed of trust," as used herein, include all other appropriate modes of financing real estate acquisition, construction and land development.

5.3.2 Holder Not Obligated To Construct Improvements.

The holder of any mortgage, deed of trust or other security interest authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the

improvements or to guarantee such construction or completion, nor shall any covenant or any other provision in the grant deed for the Property be construed so to obligate such holder. Nothing in this Agreement shall be deemed to construe, permit or authorize any such holder to devote the Property to any uses or to construct any improvements thereon other than those uses or improvements provided for or authorized by this Agreement.

**5.3.3 Notice of Default to Mortgage, Deed of Trust, or Other Security Interest Holders; Right to Cure.** Whenever Owner shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in completion of construction of the Improvements, Owner shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage, deed of trust, or other security interest authorized by this Agreement who has previously made a written request to Owner therefor default of the Developer under this Section 5.3.3. No notice by Owner to Developer under this Agreement shall be deemed to have been served unless and until a copy thereof shall have been served upon each holder of record of any mortgage, deed of trust or other security interest as set forth herein. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect the Improvements or construction already made) without first having expressly assumed the Developer's obligations to Owner by written agreement reasonably satisfactory to Owner. The holder in that event must agree to complete, in the manner provided in this Agreement, the Improvements to which the lien or title of such holder relates and submit evidence reasonably satisfactory to Owner that it has the qualifications and financial responsibility necessary to perform such obligations. Any such holder properly completing such Improvements shall be entitled, upon written request made to Owner, to a Certificate of Completion from Owner.

**5.3.4 Failure of Holder to Complete Improvements.** In any case where, six months after default by the Developer in completion of construction of Improvements under this Agreement, the holder of any mortgage, deed of trust, or other security interest creating a lien or encumbrance upon the Property has not exercised the option to construct, or if it has exercised the option and has not proceeded diligently with construction, Owner may purchase the mortgage, deed of trust, or other security interest by payment to the holder of the amount of the unpaid debt, plus any accrued and unpaid interest. If the ownership of the Property has vested in the holder, Owner, if it so desires, shall be entitled to a conveyance of the Property from the holder to Owner upon payment to the holder of an amount equal to the sum of the following:

- A. The unpaid mortgage, deed of trust, or other security interest debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);
- B. All expenses with respect to foreclosure;
- C. The net expenses, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent management of the Property;
- D. The costs of any authorized improvements made by such holder; and
- E. An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by Owner.

5.3.5 Right of Owner to Cure Mortgage, Deed of Trust or Other Security Interest Default. In the event of a default or breach by the Developer on a mortgage, deed of trust or other security interest with respect to the Property prior to the completion of the Project, and the holder has not exercised its option to complete the Project, Owner may cure the default prior to completion of any foreclosure. In any such event, Owner shall be entitled to reimbursement from Developer of all costs and expenses incurred by Owner in curing the default. Owner shall also be entitled to a lien upon the Property to the extent of such costs and disbursements. Any such lien shall be subject to mortgages, deeds of trust or other security interests executed for the sole purpose of obtaining funds to purchase and develop the Property as authorized herein.

6. REPRESENTATIONS AND WARRANTIES.

6.1 Developer Representations and Warranties.

A. Representations and Warranties of Developer. Developer represents and warrants that:

1. Developer is a California limited liability company duly formed and existing under the laws of the State of California, in good standing, and authorized to do business in the State of California, County of Fresno, and City of Fresno.

2. Developer has all requisite power and authority to carry out its business as now and hereafter conducted and to enter and perform its obligations under this Agreement.

3. The person or persons signing this Agreement for Developer have been duly authorized to execute and deliver this Agreement and to legally bind Developer to its terms and conditions.

4. Developer's execution and performance of this Agreement does not violate any provision of any other agreement to which Developer is a party.

5. Except as may be specifically set forth in this Agreement, no approvals or consents not heretofore obtained by Developer are necessary to Developer's execution of this Agreement.

6. Developer has or will have sufficient funds available to fund the Project and to pay all costs assumed by Developer hereunder.

7. This Agreement is valid, binding, and enforceable against Developer in accordance with its terms, except as such enforceability may be limited by principals of public policy and subject to the laws of general application relating to bankruptcy, insolvency and the relief of debtors, and rules of law governing specific performance, injunctive relief or other equitable remedies.

6.2 Survival of Representations and Warranties. The parties are relying upon the above representations and warranties in entering this DDA. The foregoing representations are and shall be continuing in nature and shall remain in full force and effect until all obligations under this DDA are met or this DDA is terminated in a manner provided herein.

7. DEFAULT, REMEDIES AND TERMINATION.

7.1 Default. Failure or delay by either party to perform any term of this Agreement shall be a default under this Agreement if not cured within the time set forth herein. Any failure or delay by a party in asserting any right or remedy will not constitute a waiver, and will not deprive the party of its right to institute and maintain any action or proceeding necessary to protect or enforce any right or remedy.

7.2 Legal Actions. A party may institute a legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purposes of this Agreement. Such legal action shall be brought in the Fresno County Courts, or the Fresno Division of the Federal District Court for the Eastern District of California.

7.3 Rights and Remedies are Cumulative. Except as may be expressly stated otherwise in this Agreement, the rights and remedies of the parties are cumulative. The exercise by either party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or a

different time, of any other rights or remedies for the same default or any other default. In addition to the specific rights and remedies herein, the parties may resort to any other rights or remedies available at law or in equity, including, without limitation, specific performance.

**7.4 Notice and Cure Periods.** If either party fails to perform under any provision of this Agreement including documents incorporated herein, the non-defaulting party shall serve written notice of the default on the defaulting party, describing the default, and the actions necessary to cure the default. A defaulting party will have thirty days from the date of the notice to cure the breach or failure unless a different time period is provided in this Agreement in which case the latter shall apply. If the default is not susceptible to cure within the thirty days, the defaulting party shall begin to cure the default within the thirty days and after that diligently prosecute the cure to completion. Failure of the defaulting party to cure within these times shall entitle the non-defaulting party to enforce any right or remedy provided in this Agreement, at law, or in equity. This provision is not intended to modify or extend any other notice or cure period specifically provided for in this Agreement. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

**7.5 Right of Re-entry (Power of Termination) and Reverter.** Owner may reenter and take possession of the Property, or part of it, and terminate the estate conveyed to Developer by the Grant Deed and revest the estate if Owner, after the Closing, but before recording a Certificate of Completion, if any of the following occurs:

7.5.1 Developer does not begin and complete construction of the Project within the time specified in the Performance Schedule or this Agreement unless otherwise extended by the terms herein; or

7.5.2 Developer abandons or substantially suspends construction of the Project for more than 30 consecutive days and Developer fails to continue such construction of the Project within 30 days after Owner gives written notice of the abandonment or suspension to Developer; or

7.5.3 Developer assigns or transfers, or suffers an involuntary transfer of, any rights or obligations under this Agreement, or in the Property, in violation of the assignment provision of this Agreement.

**7.6 Effect on Security Holders.** Owner's right to reenter, repossess, terminate and revest shall be secured by the provisions of the Grant Deed attached hereto as **Exhibit F and F-1**. Such right to reenter, repossess, terminate and revest shall be subject to, limited by, and shall not defeat, render invalid, release, terminate or limit: (i) any Security Financing Interest permitted by this Agreement; or (ii) any provision of this Agreement protecting the holder's Security Financing Interest

The provisions of Section 7.5 and 7.6 shall automatically terminate on the recordation of a Certificate of Completion for the Project (or applicable phase.)

8. GENERAL PROVISIONS.

8.1 Notice, Demands and Communication. All notices, elections, requests, acceptances, demands, instructions or other communications (notice or notices) to be given to any party under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if personally served on the party to whom notice is to be given; (ii) within forty-eight hours after mailing, if mailed to the party to whom notice is to be given, by first class mail which is either registered or certified, postage prepaid, return receipt requested; (iii) within twenty-four hours after being deposited with a recognized private courier service (e.g., Federal Express), if delivered by a private courier service to the party to whom notice is to be given, all charges prepaid; or (iv) when sent, if given by electronic format that provides verification of successful transmission. All notices shall be properly addressed to the party receiving notice as follows:

**CITY:**

City of Fresno  
Attention: City Manager  
2600 Fresno Street  
Fresno, CA 93721

**HSA:**

Housing Successor to the Redevelopment Agency of the City  
of Fresno  
Attention: Executive Director  
848 M Street, Third Floor  
Fresno, CA 93721

**WITH COPIES TO:**

City Attorney  
2600 Fresno Street  
Fresno CA 93721-3602  
Facsimile No.: (559) 498-1815

**DEVELOPERS**

Mehmet Noyan  
The Park Partners LLC  
685 W. Alluvial, Ste 101  
Fresno, CA 993711

Jeff Isenstadt  
The Park Partners LLC  
2029 Century Park E. Ste 400

Los Angeles, CA 90067

A party may change its address by notice given according to this subsection.

**8.2 Conflict of Interests.** No member, official, officer or employee of the Developer or Owner shall have any direct or indirect interest in this Agreement, or shall participate in any decision relating to this Agreement where such interest or participation is prohibited by law. No officer, employee, or agent of Owner who exercises any function or responsibility concerning the planning and carrying out of the Project, or any other person who exercises any function or responsibility concerning any aspect of this Agreement or the Project, shall have any personal financial interest, direct or indirect, in this Agreement or the Project. Developer represents and warrants that it has not paid or given, and will not pay or give, to any third party any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, consultants, engineers and attorneys.

**8.2.1** No contractor, subcontractor, mechanic, material man, laborer, vendor or other person hired or retained by Developer shall be, nor shall any of them be deemed to be, third-party beneficiaries of this Agreement, rather each such person shall be deemed to have agreed (a) that they shall look to Developer as their sole source of recovery if not paid; and (b) except as otherwise agreed to by Owner and any such person in writing, they may not enter any claim or bring any such action against Owner under any circumstances. Except as provided by law, or as otherwise agreed to in writing between Owner and any such person, each such person shall be deemed to have waived in writing all right to seek redress from Owner under any circumstances whatsoever.

**8.3 Nonliability of Officials, Employees and Agents.** No member, official, officer, employee or agent of Owner shall be personally liable to the Developer, or any successor in interest, for any default or breach by Owner.

**8.4 Counterparts.** This Agreement may be executed in counterparts, and together each executed counterpart shall constitute one Agreement.

**8.5 Waiver.** A party's waiver of the other's breach of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or a different provision of this Agreement. No provision of this Agreement may be waived except in a writing signed by all the parties. Waiver of any one provision shall not be deemed to be a waiver of any other provision herein.

**8.6 Attorneys' Fees.** If a party initiates or defends litigation or any legal proceeding regarding the enforcement of this Agreement, the prevailing party in such litigation or proceeding, in addition to any other relief

that may be granted, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal. A party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating the action, retaining expert witnesses, taking depositions and discovery, and all other necessary costs incurred with respect to the action. All such fees shall be deemed to have accrued on commencement of the action and shall be enforceable whether or not such action is prosecuted to judgment.

8.7 Governing Law. This Agreement shall be interpreted and enforced, and the rights and duties of the parties under this Agreement (both procedural and substantive) shall be determined according to California law.

8.8 Further Assurances. Each party will take any further acts and will sign and deliver any further instruments required to carry out the intent and purposes of this Agreement.

8.9 Entire Understanding of the Parties. The exhibits referenced as attached are by such references incorporated into this Agreement. This Agreement, including exhibits, is the entire understanding and agreement of the parties. All prior discussions, understandings, and written agreements are superseded by this Agreement. This Agreement shall not be modified except by written instrument duly approved as required by law and executed by authorized representatives of the parties. Should the terms of any exhibit conflict with the body of this Agreement, the body of this Agreement shall govern.

8.10 Consent, Reasonableness. Unless this Agreement specifically authorizes a party to withhold its approval, consent or satisfaction in its sole discretion, any consent, or approval, or satisfaction to be requested or required of a party, shall not be unreasonably withheld, conditioned or delayed.

8.11 Partial Invalidity. If any part of this Agreement is held to be invalid, void or unenforceable in any legal, equitable or arbitration proceeding, the remainder of the Agreement shall continue in effect, unless not giving effect to the invalid or unenforceable part would prevent affecting the purposes of the Project and this Agreement.

8.12 Ambiguity. This Agreement is the result of the combined efforts of the parties. Should any provision of this Agreement be found ambiguous, the ambiguity shall not be resolved by construing this Agreement in favor of or against any party, but by construing the terms according to their generally accepted meaning, considering the objective of the Agreement.

8.13 Number and Gender. Masculine, feminine or neuter gender terms and singular or plural numbers will include others when the context so indicates.

8.14 Headings. All headings are for convenience only, are not a part of this Agreement, and are not to be used in construing this Agreement.

8.15 Binding Upon Successors. This Agreement shall bind and inure to the benefit of the successors in interest, personal representatives, and assigns of each party, subject to the limitation on transfer and assignment contained in this Agreement. Any reference in this Agreement to a specifically named party shall be deemed to apply to any successor, heir, administrator, executor, representative, or assign of the party who has acquired an interest in compliance with the terms of this Agreement, or under law.

8.16 Relationship of the Parties. Nothing in this Agreement, the Grant Deed, or any other document executed in connection with this Agreement shall be construed as creating a partnership, joint venture, agency, employment relationship, or similar relationship between Owner and the Developer or any of the Developer's contractors, subcontractors, employees, agents, representatives, transferees, successors-in-interest or assigns. Nothing in this Agreement establishes a principal and agent relationship between the parties.

8.17 Nature of the Project. The Project is a private undertaking of the Developer. After Owner conveys title or possession of the property to Developer, the Developer shall have exclusive control over the Property, subject to the terms of this Agreement and all applicable Federal, State and local laws, ordinances, codes, regulations, standards and policies.

8.18 Time of Essence. Time is of the essence of each term, condition, and covenant contained in this Agreement.

8.19 Survival of Provisions. Those provisions expressly surviving expiration or earlier termination, including each indemnification provision, shall survive the Closing and expiration or earlier termination of this Agreement, and shall not merge with the Grant Deed or other document evidencing any interest in real property.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement at Fresno, California, on the day and year first above written.

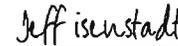
CITY OF FRESNO,  
A California municipal corporation

THE PARK PARTNERS, LLC  
A California limited liability company

By: \_\_\_\_\_  
Georgeanne A. White,  
City Manager

By:  \_\_\_\_\_  
Name: Mehmet Noyan  
Title: Manager

CITY OF FRESNO, in its capacity  
as Housing Successor to the  
Redevelopment Agency of the City  
of Fresno

By:  \_\_\_\_\_  
Name: Jeff Isenstadt  
Title: Manager

By: \_\_\_\_\_  
Marlene Murphey,  
Executive Director

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

By:  \_\_\_\_\_  
Tracy N. Parvanian  
Assistant City Attorney

ATTEST:  
AMY K. ALLER  
Interim City Clerk

By: \_\_\_\_\_  
Deputy

# EXHIBIT A SITE MAP



PARCEL MAP

THE NOYAN COMPANY | JCI DEVELOPMENT, INC. | **DLR**GROUP

## EXHIBIT A-1

### LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**APN 468-282-23T:**

LOT 10 AND THE NORTHWEST 8 1/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 12 AND 13 AND THE SOUTHEASTERLY 16-2/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 14, 15 AND 16 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

**APN 468-282-22T:**

PARCEL B OF PARCEL MAP 70-52 AS PER MAP RECORDED OCTOBER 14, 1970 IN BOOK 2 OF PARCEL MAPS AT PAGE 30, FRESNO COUNTY RECORDS

**APN 468-282-05T:**

LOT 9 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

## EXHIBIT B

### SCOPE OF DEVELOPMENT AND BASIC DESIGN

#### The Park at South Stadium Apartments

The Park at South Stadium Apartments will fulfill the goals of the General Plan and the One Fresno Housing Strategy by developing a 0.80-acre, urban infill site owned by City of Fresno (APN: 468-282-23T) and the Housing Successor to the Redevelopment Agency (APNs: 468-282-05T and 468-282-22T), located on the northwest corner of Fulton Street and Inyo Street, Fresno, CA.

The Park at South Stadium Apartments will be developed on land purchased by the Developer from both the City of Fresno and Housing Successor to the Redevelopment Agency under the Surplus Land Act affordable housing exemption, ensuring long-term affordability and stability for individuals and small households. This mixed-income housing development will provide its future occupants 35 units at a 50% of Area Median Income (AMI), 35 units at 80% of AMI, and another 104 market-rate units all within a pedestrian-oriented neighborhood with access to transportation, job centers, retail, entertainment, schools, and community services.

This eight-story development will be prominently positioned behind Chukchansi Park in the heart of downtown Fresno's Brewery District, featuring 1,568 square-feet of ground-floor retail space, 5,000 square-feet of ground-floor community space, conference rooms, and a fitness center, and 174 apartments, all accessible via dual elevator banks. The unit mix consists of forty-one (41) studio units (approximately 370-385 square feet), one hundred and twenty-six (126) two-bedroom units (approximately 722-813 square feet), and seven (7) three-bedroom units (approximately 1,288 square feet), with one studio unit designated for an on-site manager. The unit mix was carefully planned based on input from the overall development team, and its Market Research consultants, The Scion Group and The Concord Group.

The development's ground-floor community space will incorporate large moment-frame windows and an attractive contemporary façade. Residents will have access to a pantry, conference rooms, private phone pods, a focus lounge, fitness room all supporting the ground-floors main feature, the Community Space. The development will also provide approximately 45 gated parking spaces, including handicap-accessible spaces. Additional parking will be leased pursuant to the City's Master Fee Schedule from the City's available parking infrastructure for up to 400 parking spaces pursuant to negotiated agreements between Developer and Owner.

Each apartment unit will be fully furnished and will also feature modern amenities, including a range, frost-free refrigerator, dishwasher, garbage disposal, central heating and air conditioning, closets, window coverings, laminate flooring, full bathrooms and CAT 5 wiring. All units will be designed for energy efficiency and equipped with energy-efficient appliances, as well as have access to in-unit laundry services for the ground floor units and designated on-site laundry facilities on floors 2 through 7.

*\*\*\*Except as set forth in this Agreement, before Developer begins constructing the Improvements or undertakes any other work of improvements on the Property, Developer, at its own cost and expense, will independently secure all land use and other entitlements,*

*permits, and approvals that City or any other governmental agency with jurisdiction over the Project requires for construction of the Project.*

## EXHIBIT C

### Sources and Uses

Deal Level Sources & Uses		
<b><u>SOURCES</u></b>	<b><u>At Close</u></b>	<b><u>Total at Closing</u></b>
City of Fresno Loan	\$3,727,000	\$3,727,000
NOFA - City of Fresno Revolving Loan	\$8,000,000	\$8,000,000
Series A & B Bond Proceeds	\$69,498,000	\$69,498,000
<b>Total Sources</b>	<b>\$81,225,000</b>	<b>\$81,225,000</b>
<b><u>USES</u></b>		
A&E	\$1,602,000	\$1,602,000
Developer Fee	\$4,000,000	\$4,000,000
FF&E	\$1,960,000	\$1,960,000
Hard Costs + Land	\$44,210,738	\$44,210,738
Owners Construction Contingency	\$2,174,147	\$2,174,147
Other Fees	\$4,288,832	\$4,288,832
Pre-Development Reimbursables	\$1,375,000	\$1,375,000
Capitalized Interest	\$12,009,438	\$12,009,438
Debt Service Reserve Fund	\$5,743,500	\$5,743,500
Extraordinary Expense Fund	\$250,000	\$250,000
Operating / Property Tax Reserve	\$350,000	\$350,000
Cost of Issuance / Underwriter Discount	\$3,258,288	\$3,258,288
Other Uses of Funds	\$3,058	\$3,058
<b>Total Uses</b>	<b>\$81,225,000</b>	<b>\$81,225,000</b>

**EXHIBIT D  
PERFORMANCE SCHEDULE**

<u>Items Completed</u>	<u>Time for Performance</u>	<u>Outside Date for Performance</u>	<u>Responsible Party</u>
City of Fresno City Council consideration of 'Resolutions' for all Municipal Funding along with TEFRA Hearing Approvals.		February 26, 2026	City
Publish Preliminary Limited Offering Memorandum (PLOM)	April 2, 2026	April 15, 2026	Developer - Bond Issuer
Provide evidence of commitment on all proposed and conditional funding	April 20, 2026	April 30, 2026	Developer
Complete All Bond and Municipal Loan Agreements	April 30, 2026	May 15, 2026	Developer, Non-Profit Partner, Bond Holder, City & HSA
Developer & Non Profit Partnership Agreement Vesting	May 4, 2026	May 15, 2026	Developer and Non-Profit Partner
Escrow Closing (Land and Project Funding)	May 4, 2026	May 15, 2026	City, HSA, and Developer
Grade Permitting	July 2026	August 31, 2026	Developer and City
Foundation Permits	September 2026	September 30, 2026	Developer and City
Building Permits	November 2026	December 31, 2026	Developer and City

<p>Completion of Construction of Developer's Improvements. The Developer shall complete construction of the improvements to be constructed on the Project Site.</p>	<p>June 2028</p>	<p>June 30, 2028</p>	<p>Developer</p>
<p>Issuance – Certificate of Completion. City shall furnish the Developer with a Certificate of Completion on the Project.</p>	<p>July 2028</p>	<p>July 31, 2028</p>	<p>City and HSA</p>
<p>Grand Opening</p>	<p>July 2028</p>	<p>July 31, 2028</p>	<p>Developer</p>
<p><sup>^</sup>Start of Lease Stabilization</p>	<p>July 2028</p>	<p>November 30, 2028</p>	<p>Developer</p>

\*Lease Stabilization can take up to a 12-month period.

**EXHIBIT E  
CERTIFICATE OF COMPLETION**

RECORDED AT THE REQUEST  
OF AND WHEN RECORDED  
RETURN TO:

City of Fresno  
Attention: City Manager  
2600 Fresno Street  
Fresno, CA 93721

No Fee-Govt. Code Sections 6103-  
27383

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

APNs: \_\_\_\_\_

This **Release of Construction Covenants and Certificate of Completion** are recorded at the request and for the benefit of the City of Fresno.

- A. As agreed in a Disposition and Development Agreement including covenants, conditions and restrictions, (DDA) dated \_\_\_\_\_, 20\_\_\_, entered by the City of Fresno, a municipal corporation, (CITY), City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno (HSA), and The Park Partners, LLC, a California limited liability company (DEVELOPER), CITY conveyed certain real property to DEVELOPER under a Grant Deed, dated \_\_\_\_\_, 20\_\_\_, recorded in the Official Records of Fresno County on \_\_\_\_\_, 20\_\_\_, as Document No. \_\_\_\_\_ (City DEED) and HSA conveyed certain real property to DEVELOPER under a Grant Deed, dated \_\_\_\_\_, 20\_\_\_, recorded in the Official Records of Fresno County on \_\_\_\_\_, 20\_\_\_, as Document No. \_\_\_\_\_ (HSA DEED), and the DEVELOPER agreed to complete/cause the completion of the of construction of certain improvements described therein (the Project) upon the premises described therein as the "Property" according to the terms and conditions of the DDA and the documents and instruments referenced therein, incorporated herein.
- B. The DDA or a memorandum of it was recorded \_\_\_\_\_, 20\_\_\_, as Instrument No. \_\_\_\_\_ in the Official Records of Fresno County, California.
- C. Under the terms of the DDA, after DEVELOPER completes/causes completion of construction of the Project on the Property DEVELOPER may ask CITY and HSA to record an instrument certifying that DEVELOPER has completed the required improvements for such development in the form of a Release of Construction Covenants and Certificate of Completion.
- D. DEVELOPER has asked CITY and HSA to furnish DEVELOPER with a recordable Release of Construction Covenants and Certificate of Completion of the development for the Project.
- E. CITY and HSA'S issuance of this Release of Construction Covenants and Certificate of Completion is conclusive evidence that DEVELOPER has completed

the construction on a Phase of development of the Property to terminate and release DEVELOPER from the construction/improvement covenants in the DDA pertaining to such Phase.

NOW THEREFORE:

1. As provided in Section 3.4 of the DDA, the City and HSA does hereby certify that construction of all of the improvements required by the DDA on the portion of the Property described in Attachment A, attached hereto and incorporated herein by this reference, has been satisfactorily completed.
2. The DDA is therefore of no further force and effect as to such Phase of Development of the Property (as to the construction requirements for the Project on the Property), and all rights, duties, obligations and liabilities of the Agency and the Developer thereunder with respect to such Phase of Development (with respect to the construction of the Project shall cease to exist. Any continuing and existing rights, duties, obligations and liabilities of the Agency and the Developer (and its successors) pertaining such Phase of the Project are provided in the Grant Deed conveying the Property from the Agency to the Developer.
3. This Release of Construction Covenants and Certificate of Completion shall not be deemed or construed to constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the construction of the improvements on the Property. This Release of Construction Covenants and Certificate of Completion, is not a notice of completion as referred to in Section 3093 of the California Civil Code.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, AGENCY has executed this Release of Construction Covenants and Certificate of Completion as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CITY OF FRESNO,  
A California municipal corporation

By: \_\_\_\_\_  
Georgianne A. White,  
City Manager

CITY OF FRESNO,  
in its capacity as Housing Successor to the  
Redevelopment Agency of the City of  
Fresno

By: \_\_\_\_\_  
Marlene Murphey,  
Executive Director

Owner hereby consents to recording this Certificate of Completion against the Property described herein.

Dated: \_\_\_\_\_, 20\_\_

The Park Partners, LLC, a California limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE ABOVE PARTIES ARE TO SIGN THIS INSTRUMENT BEFORE A NOTARY PUBLIC.

ATTEST:  
AMY K. ALLER  
Interim City Clerk

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

By: \_\_\_\_\_  
Deputy

By: \_\_\_\_\_  
Tracy N. Parvanian  
Assistant City Attorney

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

## EXHIBIT F

FREE RECORDING REQUESTED BY AND  
AFTER RECORDATION RETURN TO:

City of Fresno  
Attention: City Manager  
2600 Fresno Street  
Fresno, CA 93721

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(Space Above This Line For Recorder's Office Use Only)

### GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

CITY OF FRESNO, a municipal corporation (Grantor), hereby grants to The Park Partners, LLC, a California limited liability company (Grantee), the real property (Property) legally described in **Attachment No. 1** attached hereto and incorporated herein by this reference.

Consistent with the Disposition and Development Agreement including covenants, conditions and restrictions, (DDA) dated \_\_\_\_\_, 20\_\_\_, entered by Grantor and Grantee, all incorporated herein by this reference, the Grantee herein covenants by and for itself and its successors, transferees, vendees, administrators, and assigns, and all persons claiming under or through it that:

1. There shall be no discrimination against or segregation of, any person or group of persons on account of any bases listed in subdivision (a) or (d) of Section 12995 of the Government Code, as those bases are defined in Section 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Developer or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property.

a. Grantee will take all commercially reasonable precautions to prevent the release into the environment of any Hazardous Materials (as defined in the DDA) in, on or under the Property. Grantee will comply with all governmental requirements with respect to Hazardous Materials.

b. Until a Certificate of Completion is recorded as to the Property/portion thereof, Grantee will notify Grantor and give Grantor a copy or copies of all environmental permits, disclosures, applications, entitlements or inquiries relating to the Property including, without limitation, notices of violation, notices to comply, citations, inquiries, clean-up or abatement orders, cease and desist orders, reports filed pursuant to self-reporting requirements, and reports

filed or applications made pursuant to any governmental requirement relating to Hazardous Materials and underground tanks. Immediately after each incident, Grantee will report any unusual or potentially important incidents respecting the environmental condition of the Property to Grantor.

c. If a release of any Hazardous Materials into the environment occurs, Grantee will, as soon as possible after the release, furnish Grantor with a copy of any reports relating thereto and copies of all correspondence with governmental agencies relating to the release. Upon request, Grantee will furnish Grantor with a copy of any other environmental entitlements or inquiries relating to or affecting the Property, including, without limitation, all permit applications, permits and reports, including reports and other matters, which may be characterized as confidential.

d. Grantee will indemnify, defend, and hold Grantor harmless from any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage or expense (including, without limitation, attorneys' fees), arising out of (i) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about the Property, or the transportation of any Hazardous Materials to or from the Property, or (ii) the violation, or alleged violation of any statute, ordinance, order, rule, regulation, permit judgment or license relating to any use, generation, release, discharge, storage, disposal, or transportation of Hazardous Materials on, under, in or about, to or from the Property. This indemnity will include, without limitation, any damage, liability, fine, penalty, parallel or cross indemnity occurring after conveyance, cost or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease or death) tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, contamination, spill, release or other adverse effect on the environment. The indemnity covers, without limitation, (a) all foreseeable and unforeseeable consequential damages, (b) the cost of any required or necessary repair, clean-up, or detoxification and the preparation of any closure or other required plans, and (c) costs of legal proceedings and attorneys' fees.

e. Grantee releases Grantor from all claims Grantee may have against, resulting from, or connected with the environmental condition of the Property. Such claims include, without limitation, all claims Grantee may have against Grantor under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), or any other federal, state or local law, whether statutory or common law, ordinance, or regulation concerning the release of Hazardous Materials or substances into the environment from or at the Property, and the presence of such materials in, on, under or about the Property. Grantee expressly waives the benefits of Civil Code section 1542, which reads as follows:

**A general release does not extend to claims which the creditor does not know or expect to exist in his favor at the time of executing the release which if**

**known by him must have materially affected  
settlement with the debtor.**

2. Grantor is the beneficiary of the covenants running with the land for itself and for protecting the interest of the community and other parties, public or private, in whose favor and for whose benefit the covenants are provided, without regard to whether Grantor has been, remains, or is in ownership of any land on the Property/portion thereof. Grantor may exercise all rights and remedies, and maintain any actions or suits at law or in equity or other proceedings to enforce the covenants for itself or any other beneficiaries. The provisions of the DDA which by their terms or nature are intended to survive completion of the Project are fully enforceable under and shall not merge with this Deed.

3. If a conflict exists or arises between the provisions of this Deed and the DDA, the DDA shall control.

The obligations of the Grantee hereunder are covenants or conditions running with the land enforceable by Grantor through a reserved right to re-entry and reverter.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed on its behalf by its respective officers thereunto duly authorized, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

“GRANTOR”

CITY OF FRESNO,  
A California municipal corporation

By: \_\_\_\_\_  
Georgeanne A. White,  
City Manager

Date: \_\_\_\_\_



**ATTACHMENT NO. 1 GRANT DEED (City Parcel)  
LEGAL DESCRIPTION OF THE PROPERTIES**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**APN 468-282-23T:**

LOT 10 AND THE NORTHWEST 8 1/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 12 AND 13 AND THE SOUTHEASTERLY 16-2/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 14, 15 AND 16 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

## EXHIBIT F-1

FREE RECORDING REQUESTED BY AND  
AFTER RECORDATION RETURN TO:

Housing Successor to the Redevelopment Agency of the City of Fresno  
848 M Street, Third Floor  
Fresno, CA 93721  
Attention: Executive Director

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(Space Above This Line For Recorder's Office Use Only)

### GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

CITY OF FRESNO, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno (Grantor), hereby grants to The Park Partners, LLC, a California limited liability company (Grantee), the real property (Property) legally described in **Attachment No. 1** attached hereto and incorporated herein by this reference.

Consistent with the Disposition and Development Agreement including covenants, conditions and restrictions, (DDA) dated \_\_\_\_\_, 20\_\_\_\_, entered by Grantor and Grantee, all incorporated herein by this reference, the Grantee herein covenants by and for itself and its successors, transferees, vendees, administrators, and assigns, and all persons claiming under or through it that:

1. There shall be no discrimination against or segregation of, any person or group of persons on account of any bases listed in subdivision (a) or (d) of Section 12995 of the Government Code, as those bases are defined in Section 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Developer or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property.

a. Grantee will take all commercially reasonable precautions to prevent the release into the environment of any Hazardous Materials (as defined in the DDA) in, on or under the Property. Grantee will comply with all governmental requirements with respect to Hazardous Materials.

b. Until a Certificate of Completion is recorded as to the Property/portion thereof, Grantee will notify Grantor and give Grantor a copy or copies of all environmental permits, disclosures, applications, entitlements or inquiries relating to the Property including, without limitation, notices of violation, notices to comply, citations, inquiries, clean-up or abatement orders, cease and

desist orders, reports filed pursuant to self-reporting requirements, and reports filed or applications made pursuant to any governmental requirement relating to Hazardous Materials and underground tanks. Immediately after each incident, Grantee will report any unusual or potentially important incidents respecting the environmental condition of the Property to Grantor.

c. If a release of any Hazardous Materials into the environment occurs, Grantee will, as soon as possible after the release, furnish Grantor with a copy of any reports relating thereto and copies of all correspondence with governmental agencies relating to the release. Upon request, Grantee will furnish Grantor with a copy of any other environmental entitlements or inquiries relating to or affecting the Property, including, without limitation, all permit applications, permits and reports, including reports and other matters, which may be characterized as confidential.

d. Grantee will indemnify, defend, and hold Grantor harmless from any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage or expense (including, without limitation, attorneys' fees), arising out of (i) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about the Property, or the transportation of any Hazardous Materials to or from the Property, or (ii) the violation, or alleged violation of any statute, ordinance, order, rule, regulation, permit judgment or license relating to any use, generation, release, discharge, storage, disposal, or transportation of Hazardous Materials on, under, in or about, to or from the Property. This indemnity will include, without limitation, any damage, liability, fine, penalty, parallel or cross indemnity occurring after conveyance, cost or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease or death) tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, contamination lease, spill, release or other adverse effect on the environment. The indemnity covers, without limitation, (a) all foreseeable and unforeseeable consequential damages, (b) the cost of any required or necessary repair, clean-up, or detoxification and the preparation of any closure or other required plans, and (c) costs of legal proceedings and attorneys' fees.

e. Grantee releases Grantor from all claims Grantee may have against, resulting from, or connected with the environmental condition of the Property. Such claims include, without limitation, all claims Grantee may have against Grantor under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), or any other federal, state or local law, whether statutory or common law, ordinance, or regulation concerning the release of Hazardous Materials or substances into the environment from or at the Property, and the presence of such materials in, on, under or about the Property. Grantee expressly waives the benefits of Civil Code section 1542, which reads as follows:

**A general release does not extend to claims which the creditor does not know or expect to exist in his**

**favor at the time of executing the release which if known by him must have materially affected settlement with the debtor.**

2. Grantor is the beneficiary of the covenants running with the land for itself and for protecting the interest of the community and other parties, public or private, in whose favor and for whose benefit the covenants are provided, without regard to whether Grantor has been, remains, or is in ownership of any land on the Property/portion thereof. Grantor may exercise all rights and remedies, and maintain any actions or suits at law or in equity or other proceedings to enforce the covenants for itself or any other beneficiaries. The provisions of the DDA which by their terms or nature are intended to survive completion of the Project are fully enforceable under and shall not merge with this Deed.

3. If a conflict exists or arises between the provisions of this Deed and the DDA, the DDA shall control.

The obligations of the Grantee hereunder are covenants or conditions running with the land enforceable by Grantor through a reserved right to re-entry and reverter.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed on its behalf by its respective officers thereunto duly authorized, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

“GRANTOR”

CITY OF FRESNO,  
in its capacity as Housing Successor to the  
Redevelopment Agency of the City of  
Fresno

By: \_\_\_\_\_  
Marlene Murphey,  
Executive Director

Date: \_\_\_\_\_

**ATTACHMENT NO. 1 GRANT DEED (HSA PARCEL)  
LEGAL DESCRIPTION OF THE PROPERTIES**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FRESNO,  
COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**APN 468-282-22T:**

PARCEL B OF PARCEL MAP 70-52 AS PER MAP RECORDED OCTOBER 14, 1970 IN  
BOOK 2 OF PARCEL MAPS AT PAGE 30, FRESNO COUNTY RECORDS

**APN 468-282-05T:**

LOT 9 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, IN THE CITY OF  
FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE  
MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY  
RECORDS.

**EXHIBIT G  
EXEMPLAR REGULATORY AGREEMENT AND DECLARATION OF  
COVENANTS AND RESTRICTIONS**

Recorded at the Request of  
and When Recorded Return to:

City of Fresno  
Planning and Development Dept.  
Housing and Community Development  
Division  
2600 Fresno Street, Room 3065  
Fresno, CA 93721-3605

Housing Successor to the Redevelopment  
Agency of the City of Fresno  
848 M Street, Third Floor  
Fresno, CA 93721  
Attention: Executive Director

(SPACE ABOVE THIS LINE FOR RECORDER'S USE  
ONLY)

*The document is exempt from the payment of a recording fee in accordance with Government Code Sections 6103 and 27383.*

APN: 468-282-23T; 468-282-22T; 468-282-05T\_

**REGULATORY AGREEMENT AND  
DECLARATION OF COVENANTS AND RESTRICTIONS**

THIS REGULATORY AGREEMENT AND DECLARATION OF COVENANTS AND RESTRICTIONS (Agreement) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the CITY OF FRESNO, a municipal corporation (City), the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno (HSA), and The Park Partners, LLC, a California limited liability company (Developer). The City and HSA shall be collectively referred to herein as Owner.

**RECITALS:**

A. Pursuant to a Disposition and Development Agreement by and between the Owner and Developer dated \_\_\_\_\_, 20\_\_ (the DDA), Owner agrees to sell the real property to Developer for the purpose of developing a mixed-income rental housing development with affordable housing units for individuals and small households on that certain real property located in the City of Fresno, County of Fresno, State of California, more particularly described in Exhibit "1" attached hereto and incorporated herein by reference (the Property).

B. Pursuant to the DDA, Developer has agreed to construct and maintain a mixed-income rental housing development with affordable housing units for individuals and small households consisting of 174 total residential units on the Property (the Project). The Project is also referred to in the DDA as the "Project," and is further described in the Scope of Development and Project Design attached to the DDA.

C. The Property, or a portion thereof, was declared surplus exempt, pursuant to the Surplus Land Act under Government Code Section 37364 which imposes requirements on the minimum number of affordable housing units on the Property to remain affordable to low- and very low-income households that shall be restricted by a regulatory agreement recorded against the Property to remain continually affordable for the longest feasible time, but not less than 30 years. A portion of the Property was also declared surplus property requiring a 55-year affordability period if rental housing was constructed on the Property.

D. Owner and Developer now desire to place restrictions upon the use and operation of the Project, in order to ensure that the Project shall be operated continuously as a mixed-income rental housing development project with 70 Affordable Units (35 at 50% AMI and 35 at 80% AMI) available for rent to low and very-low income households (Affordable Units) for the term of this Agreement and in compliance with the Surplus Land Act and approved exemption under Government Code Section 37364.

#### AGREEMENT:

NOW, THEREFORE, the Developer and Owner declare, covenant and agree, by and for themselves, their heirs, executors, administrators and assigns, and all persons claiming under or through them, that the Property shall be held, transferred, encumbered, used, sold, conveyed, leased and occupied, subject to the covenants and restrictions hereinafter set forth, all of which are declared to be in furtherance of a common plan for the improvement and sale of the Property, and are established expressly and exclusively for the use and benefit of the Owner, the residents of the City of Fresno, and every person renting a dwelling unit on the Property.

#### AFFORDABILITY RESTRICTIONS RUNNING WITH LAND

In addition to the covenants and conditions contained in the DDA, the following affordability requirements shall be imposed upon the 70 Affordable Units (35 at 50% AMI and 35 at 80% AMI) on the Property under the Agreement and shall bind the Developer and all purchasers of the Property and their successors until the date that is 55 years following recordation of the City's Certificate of Completion as defined in the DDA (Affordability Period).

The Affordable Units on the Property are held and will be held, transferred, encumbered, used, sold, conveyed, and occupied subject to the covenants, restrictions, and limitations set forth in this Agreement, all of which are in furtherance of the Project. All of the restrictions, covenants and limitations will run with the land and will be binding on all parties having or acquiring any right, title or interest in the Affordable Units upon the Property or any part thereof, will inure to the benefit of the City, and will be enforceable by it. Any purchaser under a contract of sale or other transferee of an interest covering by it. Any purchaser under a contract of sale or other transferee of an interest covering any right, title or interest in any part of the Affordable Units upon the Property, by

accepting a deed or a contract of sale or agreement of purchase, accepts the document subject to, and agrees to be bound by, any and all restrictions, covenants, and limitations set forth in this Agreement until the date that is 55 years following recordation of the Owner's Certificate of Completion.

This property has been declared surplus exempt, pursuant to the Surplus Land Act (Government Code Section 54220, et seq.) and was specifically exempted under Government Code Section 37364 which requires: (1) Minimum of 80% of the area of any parcel shall be used for development of housing ; (2) Not less than 40% of the total number of housing units developed on any parcel pursuant to this section shall be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households (80% of area median income), and at least half of which (20% of the units) shall be affordable to very low-income households (50% of area median income); and (3) Dwelling units shall be restricted by regulatory agreement to remain continually affordable to those persons and families for the longest feasible time, but not less than 30 years and shall be recorded against the property.

1. Restrictions. The following covenants and restrictions (Restrictions) on the use and enjoyment of the Affordable Units upon the Property shall be in addition to any other covenants and restrictions affecting the Property, and all such covenants and restrictions are for the benefit and protection of the Owner and shall run with the Affordable Units upon the Property and be binding on any future owners of the Property and inure to the benefit of and be enforceable by Owner. These covenants and restrictions are as follows:

a. From the date of recordation of this Agreement until the expiration of the Affordability Period, seventy (70) Affordable Units (35 Affordable Units at or below 80% AMI and 35 Units at or below 50% AMI) under the DDA are to be used as Affordable Housing as provided for in the DDA and this Agreement. Developer agrees to file a recordable document setting forth the Project Completion Date and the Affordability Period as and when determined by the Owner. Unless otherwise provided in the Agreement, the term "Affordable Housing" shall include without limitation compliance with the following requirements:

Nondiscrimination. There shall be no discrimination against nor segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, ancestry, or handicap in the sale, transfer, use, occupancy, tenure, or enjoyment of any of the Property, nor shall owner or any person claiming under the owner, establish or permit any practice of discrimination or segregation with reference to the selection, location, number, use or occupancy of owners or vendees of the Property.

Principal Residence. Each of the Affordable Units upon the Property shall be sold only to natural persons, who shall occupy such as a principal residence.

Income Requirements. Seventy Affordable Units constituting low and very-low income Affordable Housing upon the Property may be sold only to (a) natural person(s). Of the total 174 units, not less than 40% (70 units) of the total number of housing units developed on any parcel pursuant to this

section shall be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households (80% of area median income), and at least half of which (20% or 35 units) shall be affordable to very low-income households (50% of area median income) of the most recent annual median income calculated and published by HUD for the Fresno Metropolitan Statistical Area applicable to such household's size, as defined by Section 50093 of the Health and Safety Code or as defined by the United States Department of Housing and Urban Development or its successors. The income requirements referenced in this paragraph shall be referred to collectively as the "Low-Income Requirements."

2. Enforcement of Restrictions. Without waiver or limitation, the Owner shall be entitled to injunctive or other equitable relief against any violation or attempted violation of this Agreement, including the Restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof.

3. Acceptance and Ratification. All present and future owners of the Property and other persons claiming by, through, or under them shall be subject to and shall comply with the above Restrictions. The acceptance of a deed of conveyance to the Property shall constitute an agreement that the Restrictions, as such may be amended or supplemented from time to time, is accepted and ratified by such future owners, tenant or occupant, and such Restrictions shall be a covenant running with the land and shall bind any person having at any time any interest or estate in the Property, all as though such Restrictions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

4. Benefit. This Agreement and the Restrictions herein shall run with and bind the Property for a term commencing on the date this Agreement is recorded in the Office of the Recorder of the County of Fresno, State of California, and expiring upon the expiration of the Affordability Period. The failure or delay at any time of Owner and/or any other person entitled to enforce these Restrictions shall in no event be deemed a waiver of the same, or of the right to enforce the same at any time or from time to time thereafter, or an estoppel against the enforcement thereof.

5. Costs and Attorney's Fees. In any proceeding arising because of failure of Developer or any future owner of the Property to comply with the Restrictions required by this Agreement, as may be amended from time to time, City shall be entitled to recover its respective costs and reasonable attorney's fees incurred in connection with such default or failure.

6. Waiver. Neither Developer nor any future owner of the Property may exempt itself from liability for failure to comply with the Restrictions required in this Agreement.

7. Severability. The invalidity of the Restrictions or any other covenant, restriction, condition, limitation, or other provision of this Agreement shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Agreement and each shall be enforceable to the greatest extent permitted by law.

8. Pronouns. Any reference in this Agreement and the Restrictions herein to the

masculine, feminine, or neuter gender herein shall, unless the context clearly requires the contrary, be deemed to refer to and include all genders. Words in the singular shall include and refer to the plural, and vice versa, as appropriate.

9. Interpretation. The captions and titles of the various articles, sections, subsections, paragraphs, and subparagraphs of this Agreement are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Agreement or any provision hereof.

10. Capitalized Terms. All capitalized terms used in this Agreement, unless otherwise defined herein, shall have the meanings assigned to such terms in the DDA.

11. Amendments. This Agreement shall be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the real property records of the County of Fresno.

12. Notice. Any notice required to be given hereunder shall be made in writing and shall be given by personal delivery, or by certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto:

City: City of Fresno  
2600 Fresno Street  
Fresno, CA 93721  
Attn: City Manager

HSA: City of Fresno as Housing Successor  
848 M Street, 3rd Floor  
Fresno, CA 93721  
Attn: Executive Director

Copy to: City Attorney  
Fresno City Hall  
2600 Fresno Street  
Fresno, CA 92612

Developer: The Park Partners, LLC  
Mehmet Noyan  
The Park Partners LLC  
685 W. Alluvial, Ste 101  
Fresno, CA 99371

Jeff Isenstadt  
The Park Partners LLC  
2029 Century Park E. Ste 400  
Los Angeles, CA 90067

Copy to: McCormick Barstow, LLP  
Attn: David L. Emerzian

7647 N. Fresno St.  
Fresno, CA 93720

The notice shall be deemed given three business days after the date of mailing, or, if personally delivered, when received.

13. GOVERNING LAW. This Agreement shall be governed by the laws of the State of California.

14. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall constitute one original and all of which shall be one and the same instrument.

15. FURTHER ASSURANCES. The parties will execute such other and further documents, and will take any other steps, necessary, helpful, or appropriate to carry out the provisions of this Agreement.

16. DECLARANT LIABILITY. The DECLARANT shall not have any personal liability for the obligations under this Declaration. The sole recourse of the City shall be exercising of its rights against the Property.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Owner and Developer have executed this Regulatory Agreement and Declaration of Covenants and Restrictions by duly authorized representatives on the date first written hereinabove.

CITY OF FRESNO,  
a municipal corporation in its capacity as  
Housing Successor to the Redevelopment  
Agency of the City of Fresno

The Park Partners, LLC, a California limited  
liability company

By: \_\_\_\_\_  
Marlene Murphey  
Executive Director

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
(If corporation or LLC., Board Chair, Pres.  
or Vice Pres.)

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
(If corporation or LLC., Board Chair, Pres.  
or Vice Pres.)

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

By: \_\_\_\_\_  
Tracy N. Parvanian      Date  
Assistant City Attorney

ATTEST:  
AMY K. ALLER  
Interim City Clerk

By: \_\_\_\_\_  
Deputy

[END OF SIGNATURES]

Attachments:  
Exhibit 1:    Legal Description of Property

**EXHIBIT "1" to REGULATORY AGREEMENT**

**LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**APN 468-282-23T:**

LOT 10 AND THE NORTHWEST 8 1/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 12 AND 13 AND THE SOUTHEASTERLY 16-2/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 14, 15 AND 16 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

**APN 468-282-22T:**

PARCEL B OF PARCEL MAP 70-52 AS PER MAP RECORDED OCTOBER 14, 1970 IN BOOK 2 OF PARCEL MAPS AT PAGE 30, FRESNO COUNTY RECORDS

**APN 468-282-05T:**

LOT 9 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

**2025-0118589**

FRESNO County Recorder  
Paul Dictos, CPA

Thursday, Dec 11, 2025 01:54:09 PM

**CONFORMED COPY**

Copy of document recorded.  
Has not been compared with original.

RECORDED AT THE REQUEST OF  
AND WHEN RECORDED RETURN TO:

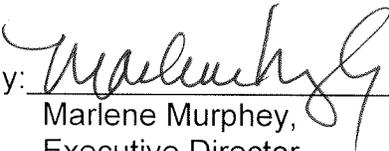
City of Fresno  
2600 Fresno Street  
Fresno, CA 93721  
Attention: City Manager

Housing Successor to the Redevelopment Agency of the City of Fresno  
848 M Street, Third Floor  
Fresno, CA 93721  
Attention: Executive Director

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

This Agreement is recorded at the request and for the benefit of the City of Fresno and is exempt from the payment of a recording fee pursuant to Government Code Section 6103.

CITY OF FRESNO, in its capacity as  
Housing Successor to the Redevelopment  
Agency of the City of Fresno

By:   
Marlene Murphey,  
Executive Director

Dated: 11/26/2025

CITY OF FRESNO, a municipal corporation

By:   
Georgeanne A. White,  
City Manager

Dated: 12/9/25

DISPOSITION AND DEVELOPMENT AGREEMENT

By and Among

CITY OF FRESNO  
a municipal corporation

and

CITY OF FRESNO  
a municipal corporation, in its capacity as Housing Successor  
to the Redevelopment Agency of the City of Fresno

and

The Park Partners, LLC, a California limited liability company

South Fulton Street (APNS 468-282-23T, 468-282-005T, and 468-282-22T)  
Fresno, California 93721

DISPOSITION AND DEVELOPMENT AGREEMENT

By and Among

CITY OF FRESNO  
a municipal corporation

and

CITY OF FRESNO  
a municipal corporation, in its capacity as Housing Successor  
to the Redevelopment Agency of the City of Fresno

and

The Park Partners, LLC, a California limited liability company

South Fulton Street (APNS 468-282-23T, 468-282-005T, and 468-282-22T)  
Fresno, California 93721

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ATTACHMENTS

- Exhibit A Site Map
- Exhibit A-1 Legal Description
- Exhibit B Scope of Development and Basic Design
- Exhibit C Sources and Uses
- Exhibit D Performance Schedule
- Exhibit E Certificate of Completion
- Exhibit F Grant Deed (City Property)
- Exhibit F-1 Grant Deed (HSA Property)
- Exhibit G Regulatory Agreement and Declaration of Covenants and Restrictions

## DISPOSITION AND DEVELOPMENT AGREEMENT

This Disposition and Development Agreement (DDA or Agreement) is entered into as of the Effective Date (defined below), between CITY OF FRESNO, a municipal corporation (City), the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno (HSA) and The Park Partners, LLC, a California limited liability company (the Developer). The City and HSA shall be collectively referred to herein as Owner.

### RECITALS

The parties enter this Agreement based on the following facts, understandings, and intentions:

A. The City currently owns certain real property (APN 468-282-05T) (City Parcel) and HSA currently owns real property (APNs 468-282-05T and 468-282-22T) (HSA Parcels) generally located on the northwest corner of Fulton and Inyo Street in Fresno, California. Together the City Parcel and HSA Parcels, as more particularly described in **Exhibit A** (Site Map) and **Exhibit A-1** (legal description) to this Agreement shall be known as the Property.

B. The HSA Parcels were declared surplus land on May 25, 2023. The Notice of Availability was published on July 20, 2023. No responses were received within the sixty-day Notice of Availability, or anytime thereafter.

C. On November 6, 2025, the City approved Resolution Number 2025-316 declaring the Property to be exempt surplus pursuant to Government Code section 54221(f)(1)(A) because the City Parcel will be disposed for development based upon Government Code section 37364(a) which requires (1) minimum of 80% of the area of any parcel shall be used for the development of housing (remaining 20% could be ancillary commercial or park/open space use); not less than 40% of the total number of housing units developed on any parcel pursuant to this section shall be affordable to households whose incomes are equal to, or less than, 75% of the maximum income of lower income households (80% of area median income), and at least half of which (20% of the units) shall be affordable to very low-income households (50% of area median income; and (2) dwelling units shall be restricted by a regulatory agreement to remain continually affordable to those persons and families for the longest feasible time.

D. On October 22, 2025, California Department of Housing and Community Development (HCD) confirmed and approved the City's determination that the City Parcel qualified as exempt surplus land under Government Code section 54221(f)(1)(A).

E. Developer proposes to purchase the Property from Owner and develop it privately as a mixed-income rental housing development with affordable housing for students and small households, as more particularly described in the Scope of Development, attached as **Exhibit B** (the Project). Developer proposes to offer the City an Option to purchase the Property at the end of Developer's bond repayment period, as set forth in this Agreement.

F. Developer agrees to undertake improvements in accordance with the combined Performance Schedule described in **Exhibit D** attached hereto and incorporated herein (the Performance Schedule).

G. This project is exempt from review under the California Environmental Quality Act (CEQA) pursuant to Article 18, Section 15268 of the CEQA Guidelines as a ministerial project.

## **AGREEMENT**

In consideration of the mutual promises and covenants and upon the terms and conditions set forth in this Agreement, the parties agree as follows:

1. Definitions. Besides definitions contained elsewhere in this Agreement, the following definitions will govern the construction, meaning, application and interpretation of the defined terms, as used in this Agreement. ADA. "ADA" means the Americans with Disabilities Act of 1990.

1.2 Agreement. "Agreement" means this Disposition and Development Agreement between Owner and Developer.

1.3 Budget. "Budget" means the Sources and Uses for the Project attached hereto and incorporated herein as **Exhibit C**. Owner has not committed any funding to the Project pursuant to this Agreement.

1.4 Certificate of Completion. "Certificate of Completion" means that Certificate issued in the form attached as **Exhibit E** to Developer by Owner evidencing completion of the Project for purposes of this Agreement.

1.5 City. "City" means the City of Fresno, a municipal corporation, having its offices at 2600 Fresno Street, Fresno, California 93721-3605, and operating through its Council and its various departments.

1.6 City Manager. "City Manager" means the City Manager for the City of Fresno and shall include the City Manager's authorized designees. Whenever consent, approval or other actions of the "City Manager" is required, such consent may be provided by the City Manager or her authorized designees.

1.7 Closing, Close or Close of Escrow. "Closing," "Close" or "Close of Escrow" means the closing of the escrow in which the City and HSA convey a fee interest in the Property to Developer.

1.8 Day. "Day," whether or not capitalized, means a calendar day, unless otherwise stated.

1.9 Default. "Default" means a party's failure to timely perform any action or covenant required by this Agreement following notice and opportunity to cure.

1.10 Developer. "Developer" means The Park Partners, LLC, a California limited liability company.

1.11 Effective Date. “Effective Date” means the date that Owner signs this Agreement, after Developer signs it.

1.12 Environmental Laws. “Environmental Laws” means any federal, state, or local law, statute, ordinance or regulation concerning environmental regulation, contamination or cleanup of any Hazardous Materials or Waste including, without limitation, any state or federal lien or “superlien” law, any environmental cleanup statute or regulation, or any governmentally required permit, approval, authorization, license, variance or permission.

1.13 Escrow. “Escrow” means the escrow opened with Escrow Holder for Owner to convey a fee interest in the Property to Developer.

1.14 Escrow Holder. “Escrow Holder” means Fidelity National Title, 7475 N. Palm Avenue, Suite 107, Fresno, CA 93711 (Attn: Valerie Budzik), or another title company mutually satisfactory to both parties.

1.15 Executive Director. “Executive Director” means the Executive Director for the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno and shall include the Executive Director’s authorized designees. Whenever consent, approval or other actions of the “Executive Director” is required, such consent may be provided by the Executive Director or her authorized designees.

1.16 Hazardous Materials. “Hazardous Materials” means any substance, material, or waste, which is or becomes regulated by any local governmental authority, the State of California, or the United States Government including, without limitation, any material or substance, which is: (a) defined as a “hazardous waste,” “extremely hazardous waste,” or “restricted hazardous waste” under Sections 25115, 25117, or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, (b) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, (c) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Section 25501 of the California Health and Safety Code, (d) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code, (e) petroleum, (f) friable asbestos, (g) polychlorinated biphenyl, (h) listed under Article 9 or defined as “hazardous” or “extremely hazardous” under Article 11 of Title 22, California Administrative Code, (i) designated as “hazardous substances” pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317), (j) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act (42 U.S.C. §6901 *et seq.*, or (k) defined as “hazardous substances” pursuant to Section of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §9601, *et seq.*); provided, however, hazardous materials shall not include: (1) construction materials, gardening materials, household products, office supply products or janitorial supply products customarily used in the construction, maintenance, rehabilitation, or management of residential rental housing, mixed-use, or commercial developments or associated buildings or

grounds, or typically used in household activities in a manner typical of other residential, mixed-use or commercial developments which are comparable to the Improvements; and (2) certain substances which may contain chemicals listed by the State of California pursuant to Health and Safety Code Section 25249, et seq., which substances are commonly used by a significant portion of the population living within the region of the Property, including, but not limited to, alcoholic beverages, aspirin, tobacco products, NutraSweet, and saccharine.

1.17 HSA. “HSA” means the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno, having its office located at 848 M Street, Third Floor, Fresno, CA 93721.

1.18 Improvements. “Improvements” means the construction of the Project on the Property as set forth in the Scope of Development in **Exhibit B**.

1.19 Outside Date. “Outside Date” means February 28, 2026, the last date on which the parties are willing to Close the Escrow.

1.20 Performance Schedule. “Performance Schedule” means the schedule attached as **Exhibit D**, setting forth the dates and times by which the parties must accomplish certain obligations under this Agreement. The parties may revise the Schedule from time to time on mutual written agreement of Developer and Owner, but any delay or extension of the completion date is subject to the requirements in this Agreement.

1.21 Phase. “Phase” means a stage or portion of the Project designated by Developer for construction. A Phase may not consist of less than an entire residential, mixed-use, or commercial structure.

1.22 Project. “Project” means the development that Developer is to complete on the Property and any off-site improvements, as generally described in the Scope of Development, attached as **Exhibit B**. The Project is a mixed-income rental housing development that includes an eight-story development featuring approximately 1,568 square feet of ground-floor retail space, approximately 5,000 square-feet of ground-floor community space, conference rooms and a fitness center and 160 fully-furnished apartments providing housing for up to 621 students, all accessible via dual elevator banks. The Project may be developed and constructed in one or more Phases. Developer shall develop the Project substantially in the form and manner presented herein. Save and except the Project’s approvals for Zone Clearance, Site Plan, and Building Permits which shall be considered by the City’s Planning and Development Department, any changes, revisions, amendments, or alterations to the Project (including the number and type of residential units and amount of commercial space, and configuration or layout of the same) desired by Developer shall be subject to approval of the City Manager and Executive Director, which approval shall not be unreasonably withheld. In such event, Developer shall provide City Manager and Executive Director with a written request for a change to the Project

accompanied by any supporting documentation the Developer deems necessary. The City Manager and Executive Director shall respond to the written request within 15 business days. If no response is received from the City Manager and Executive Director within the fifteen day period, the request shall be deemed approved.

1.23 Project Completion Date. "Project Completion Date" means the date that the Owner shall have determined the Project has reached completion in accordance with the plans and specifications in the Development Schedule, as evidenced by Owner's issuance of a Certificate of Completion.

1.24 Property. "Property" means the real property described in **Exhibits A and A-1.**

1.25 Security Financing Interest. "Security Financing Interest" means a security interest, which Developer grants in its interest in the Property, before Owner issues and records a Release of Construction Covenants, to secure a debt, the proceeds of which Developer uses to construct the Project, or a refinancing thereof.

2. CONVEYANCE OF THE PROPERTY. City will convey the Property to Developer for the purchase price and on the conditions set forth herein.

2.1 Properties to be Conveyed, Purchase Price, and Initial Deposit. Developer will purchase the Property from Owner for a total purchase price of **\$727,800** (Purchase Price). Within three days following the Effective Date of the Agreement, Developer shall deposit with Escrow Holder the sum of **\$72,780** (Initial Deposit) which shall be applied to the Purchase Price at the Close of Escrow as defined in Section 2.10, as set forth below.

2.1.1 829 Fulton Street, APN 468-282-05T. Developer will purchase this parcel from HSA for a purchase price of \$78,400, which reflects the estimated fair market of the property. Developer shall deposit the sum of \$7,840 for this parcel, which shall be applied to the Purchase Price at the Close of Escrow as defined in Section 2.10 .

2.1.2 835 Fulton Street, APN 468-282-22T. Developer will purchase this parcel from HSA for a purchase price of \$78,400, which reflects the estimated fair market of the property. Developer shall deposit the sum of \$7,840 for this parcel, which shall be applied to the Purchase Price at the Close of Escrow as defined in Section 2.10.

2.1.3 Parking Lot at Inyo and Fulton Streets, APN 468-282-23T. Developer will purchase this parcel from the City for a purchase price of \$571,000, which reflects the estimated fair market of the property. Developer shall deposit the sum of \$57,100 for this parcel, which shall be applied to the Purchase Price at the Close of Escrow as defined in Section 2.10.

2.2 Escrow. Within three days following the Effective Date of this Agreement, City and the Developer will open an Escrow with the Escrow

Holder, and deposit a signed copy of this Agreement as their initial joint escrow instructions. City and the Developer will sign any supplemental escrow instructions, consistent with this Agreement that the Escrow Holder or either party hereto deems necessary or appropriate. This Agreement will control any inconsistency that may exist between this Agreement and the supplemental escrow instructions. The parties authorize the Escrow Holder to act under the escrow instructions and, after the Escrow Holder accepts the instructions in writing, it will carry out its duties as Escrow Holder under this Agreement.

2.3 Conditions Precedent to Closing Escrow. The following are conditions precedent to Owner's obligations to close the Escrow and convey the Property to the Developer and the Developer's obligation to purchase and accept conveyance of the Property from Owner. These conditions must be satisfied or waived by the time stated or, if no time is stated, then by the Outside Date set for the Closing.

2.3.1 Owner Conditions. The Closing is subject to the fulfillment of each of the conditions precedent described below, which are solely for the benefit of Owner and which shall be fulfilled consistent with the **Exhibit D** Performance Schedule, or waived prior to close of escrow:

A. Insurance. Developer has delivered to Owner, and Owner has approved the form and content of certificates of insurance for all insurance that this Agreement requires Developer to obtain and maintain.

B. Notice of Accepting Property Condition. Developer has given written notice to Owner that it has inspected the Property and accepts the Property in AS IS condition. If the Developer, after its inspection of the Property and review of any environmental reports, disapproves the Property's environmental or other condition, and Owner is either unwilling or unable to cure the condition to which the Developer objects, then the Developer or Owner may terminate this Agreement by written notice to the other party and without liability for breach or otherwise, and said Initial Deposit shall be refunded back to Developer with five (5) business days.

C. Agreements Related to Project. Developer has entered into and provided Owner copies of agreements with any and all funding sources, and the general contractor's GMP Agreement for the Project will be completed and included as a condition to the marketing of the Preliminary Limited Offering Memorandum.. All such funding source agreements shall contain a provision whereby the party(ies) to such agreement, other than Developer, agree to make reasonable efforts to (1) notify Owner immediately of any event of default by Developer under such agreement; (ii) notify Owner immediately of

termination or cancellation of such agreement; and (iii) provide Owner, upon Owner's request, an estoppel certificate certifying such agreement is in full force and effect and Developer is not in default under such agreement.

D. Evidence of Funding. Developer has submitted evidence that the combined monies from the funding sources are not less than the total development cost of \$84,276,814, as set forth in **Exhibit C** or the amount which the City and HSA determines is necessary to complete the Project, including evidence of a loan commitment or bond sale for such funding sources acceptable to the City and HSA.

E. Performance and Payment Bond. Developer has obtained a performance and payment bond acceptable to City, in the amount of 110% of the estimated Project costs as further described in Section 4.2.8.

F. No Default. Developer is not in default of this Agreement and all representations and warranties of Developer contained herein are true and correct in all material respects.

2.3.2 Developer Conditions. The Closing is subject to the fulfillment or waiver by the Developer of each of the conditions precedent described below, which are solely for the benefit of the Developer and which shall be fulfilled consistent with the **Exhibit D** Performance Schedule, or waived prior to close of escrow.

A. Condition of Title. Developer has approved the condition of title to the Property pursuant to this paragraph A. Owner shall obtain a preliminary title report and transmit a copy to Developer not later than fifteen days following the Effective Date. Developer shall notify Owner in writing within fifteen days after receipt of a copy of the preliminary title report whether it approves the condition of title. Developer's failure to give such notice within fifteen days will be deemed approval of the condition of title. If Developer notifies Owner that it disapproves any title exception, Owner may, but is not obligated to, remove that title exception within fifteen days after receipt of Developer's written notice. If Owner cannot or does not elect to remove any disapproved title exception or give assurance of removal satisfactory to Developer within that period, Developer will have ten business days after the expiration of such fifteen-day period to either give Owner written notice that Developer elects to purchase the Property subject to the disapproved title exceptions or to terminate this Agreement. Developer hereby objects to all title defects, liens, encumbrances, and mortgages evidencing a monetary obligation, other than non-defaulted real property taxes and

assessments. The exceptions to title approved by Developer as provided herein shall be referred to as the "Condition of Title." The Developer shall have the right to approve or disapprove any further exceptions reported by the title company after the Developer has approved the Condition of Title for the Property (which are not created by the Developer). The Owner shall not voluntarily create any new exceptions to title following the date of this Agreement and prior to the Closing.

B. Inspection. Because Owner will convey fee title of the Property to Developer "AS IS," with all faults, during a period of 60 days after the Effective Date of this Agreement (the Review Period), Developer or its designated representatives may conduct tests, investigations and inspections of the Property in all matters relating to the Property, including, but not limited to, the physical condition or state of the Property and improvements thereon, environmental conditions, including Phase I and Phase II environmental assessments, and all other matters relating to the Property or any improvements thereon or affecting Developer or the feasibility of the Property for the Project (Due Diligence Investigation). If, for any reason, Developer is dissatisfied, in Developer's sole and absolute discretion, with the results of the Due Diligence Investigation, Developer shall provide written notice of disapproval of the Due Diligence Investigation to the Owner and Escrow Holder. Such written notice of disapproval shall be provided prior to the expiration of the Review Period, and will constitute Developer's notice to terminate pursuant to Section 2.3.3, below.

Developer has the right to enter the Property to conduct the Due Diligence Investigation on the following conditions: (a) the tests, investigations and inspections are conducted by the Developer without cost or expense to Owner, (b) the tests, investigations and inspections do not unreasonably interfere with Owner's possession or use of the Property, and (c) Developer will assume responsibility for any loss or liability and for any damage to the Property to the extent resulting from conducting the tests, investigations or inspections.

Within thirty days from the Effective Date, Owner shall deliver to Developer any and all then-existing plans, engineering reports, surveys, maps, soil or seismic reports, grading plans, environmental reports and assessments, and other studies, reports, correspondence or materials concerning the Property or any improvements thereon (the Materials). The Materials may include, without limitation, the following: (i)

copies of any environmental reports or environmental site assessments or any other report relating to toxic or hazardous materials or the environmental condition of the Property or improvements; (ii) engineering studies, maps and cost reports (sewer, water, hydrology, storm drain, flood control, FEMA, utilities, traffic and noise); (iii) soils, geology and seismic reports; (iv) covenants, conditions and restrictions, if any, regarding the Property; (v) archaeological studies and reports; (vi) to the extent not described above, grading, erosion control, water, sewer, storm drain, street improvement, landscape and utility improvement plans; (vii) any other documents or materials which Owner possesses or which are reasonably available to Owner and which Developer requests in writing or Owner determines, in its reasonable judgment, are significant to the evaluation or use of the Property.

Owner makes no representation or warranty concerning, and will have no liability or responsibility for, the Materials or the information contained therein.

C. No Default. Owner shall not be in default of any provision of this Agreement and all representations and warranties of Owner contained herein are true and correct in all material aspects

D. No Litigation. There shall be no litigation pending with respect to this Agreement, any land use, zoning, development or building permits or entitlements for the development contemplated by this Agreement or encumbering title to the Property, the outcome of which could materially interfere with the development of the Property as set forth herein.

E. Financing. Developer has obtained financing for the Project in an amount and subject to terms reasonably acceptable to Developer.

2.3.3 Termination for Failure of Condition. In the event there is a failure of one or more conditions described in Section 2.3.1 or 2.3.2 that are not waived, the party for whose benefit the condition is established may terminate this Agreement by written notice to the other party prior to the Closing, in which event this Agreement shall terminate and no party shall have any further rights or liability to the other under this Agreement. In the event of such termination prior to January 31, 2026, any and all deposits paid by Developer shall be returned to Developer.

2.3.4 Failure to Give Notice of Termination or Cancellation. If Developer has not given notice of termination and cancellation on or before expiration of the Review Period (as defined in Section 2.3.2(B))

or January 31, 2026, whichever is later, then the Initial Deposit shall be non-refundable and released and paid over to Owner by Escrow Holder on the next business day immediately following the expiration of the Review Period without the need for further instructions, notice or demand from Owner to Developer. If, however, Developer, in its sole and absolute discretion, decides to terminate and cancel the Agreement by timely delivering a termination and cancellation notice on or before expiration of the Review Period or January 31, 2026, whichever is later, then the entire amount of the Initial Deposit, and any accrued interest thereon, shall be immediately refunded to Developer by Escrow Holder without the need for further instruction, notice or demand from or to Owner.

2.4 Escrow and Title Costs. The Developer and Owner shall each pay 50% of escrow fees, recording fees, and documentary stamp taxes, if any, to convey the Property to Developer. Owner shall pay the portion of the premium for an ALTA standard owner's policy of title insurance with coverage not exceeding the Purchase Price, insuring the title to the Property as described herein. The Developer shall pay the portion of the premium for an ALTA extended coverage owner's policy of title insurance or any special endorsements required by Developer and any ALTA extended coverage loan policy of title insurance and endorsements thereto as may be required by the terms of the financing for the Project. Any other costs associated with the Escrow shall be paid by Owner or the Developer according to the custom and practice in Fresno County, as declared by the Escrow Holder.

2.5 Prorations. The Escrow Holder will prorate all ad valorem taxes and assessments, if any, as of the Closing, between Owner and the Developer. If the then-current taxes and assessments are not ascertainable, the Escrow Agent will apportion the taxes and assessments based on the most recent statement of taxes and assessments. Escrow Holder will adjust the proration, if necessary, within thirty days after the actual taxes and assessments are available. Developer will be solely responsible for ad valorem taxes or assessments on the Property, or any taxes on this Agreement or any rights hereunder, which may be levied, assessed or imposed for any period after the Closing.

2.6 Form of Deed. Owner will convey the Property to the Developer by a Grant Deed, substantially in the form attached hereto as **Exhibits F and F-1**. The conveyance and Developer's title will be subject to all conditions, covenants, restrictions and requirements set forth in this Agreement, and the Grant Deed.

2.7 Nonmerger. Prior to the issuance of a Certificate of Completion, the provisions of this Agreement will not merge with the Grant Deed. The Grant Deed will not affect, impair or limit the provisions, covenants, conditions or agreements of this Agreement.

2.8 Possession. Owner will deliver exclusive possession of the Property to Developer at or immediately following the Closing.

2.9 Sale "AS IS" – No Warranties. Owner will convey the Property "AS IS" with all faults, including, without limitation, the conditions disclosed in any toxics reports delivered to Developer, any conditions disclosed in the files of the regulators such as, but not limited to, the Fresno County Health Department, and the Regional Water Quality Control Board, and any environmental or other physical conditions on or under the Property, buried debris or structures, and soil compaction, presence of Hazardous Materials or the condition of the soil, its geology, the presence of known or unknown seismic faults, and the suitability of the Property for the development purposes intended hereunder.

2.10 Close of Escrow. The Escrow will close within thirty days after the parties satisfy all the conditions precedent to Closing as set forth in this Agreement, but not later than the "Outside Date," unless the parties mutually agree to extend the time for Closing.

2.11 Authority of Escrow Holder. The parties authorize the Escrow Holder to, and the Escrow Holder will do the following:

A. Title Policy Premium. Pay and charge Owner and Developer, respectively, for the title insurance premiums described in Section 2.4 of this Agreement.

B. Pay Fees. Pay and charge the Developer and Owner equal 50% share of the escrow fees and closing costs, excluding any costs to correct title exceptions or cure property conditions. Owner and Developer must agree in separate writing or instructions to the Escrow Holder to the allocation of costs to cure title exceptions or property conditions; provided, however, that Owner shall, at its sole cost and expense, clear all liens evidencing monetary encumbrances (other than liens for non-delinquent property taxes).

C. Record Grant Deed and Disburse Funds. Disburse funds from the Purchase Price, and record and deliver the Grant Deed to the appropriate party when the conditions precedent to Closing are satisfied or waived.

D. Actions to Fulfill Obligations. Take any other action necessary to fulfill its obligations under this Agreement.

E. FIRPTA, and More. Direct the parties to deliver any instrument, or to perform any act, necessary to comply with FIRPTA or any similar state act and regulation promulgated thereunder. Owner will sign a Certificate of Non-foreign Status, or a Certification of Compliance with Real Estate Reporting Requirement of the 1986 Tax Reform Act as the Escrow Holder may require.

F. Closing and Other Statements. Prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including, without

limitation, an IRS 1099-S form, and be responsible for withholding taxes, if the law so requires.

G. Closing Statements. Escrow Holder will forward to both Developer and Owner a separate accounting of all funds received and disbursed for each party, and copies of all signed and recorded documents deposited into Escrow, with the recording and filing date and information endorsed thereon.

H. Termination Without Close. If the Escrow is not in condition to close by the Outside Date, then any party that is not in default of this Agreement, may demand the return of money or property and terminate this Agreement and the Escrow. If either party makes a written demand for return of documents or properties, this Agreement will not terminate until five days after Escrow Holder has delivered copies of the demand to the other party at the respective addresses shown in this Agreement. If the other party objects within the five-day period, the parties authorize the Escrow Holder to hold all papers and documents until instructed by a court of competent jurisdiction or by mutual written instructions of the parties. Termination of this Agreement will be without prejudice to whatever legal rights either party may have against the other arising from this Agreement. If no party demands that the Escrow terminate, the Escrow Holder will proceed to Closing as soon as possible.

2.12 Owner's Authority to Sign Instructions and Documents. The City Manager and Executive Director, or designee is authorized to execute any supplemental escrow instructions for Owner that are not a material change hereto. The City Manager and Executive Director, or designee may make minor modifications, not constituting a material change, to this Agreement, exhibits and the documents referenced herein, to affect the opening and Close of the Escrow.

2.13 Access Prior to Conveyance. Prior to the conveyance of title from Owner, representatives of Developer shall have the right of access to the Property at all reasonable times for the purpose of obtaining data and making surveys and tests necessary to carry out this Agreement. The Developer shall hold Owner harmless for any injury or damages arising out of any activity pursuant to this Section. The Developer shall have access to all data and information on the Property available to Owner, but without warranty or representation by Owner as to the completeness, correctness or validity of such data and information. Any preliminary work, other than work in connection with Developer's Due Diligence Investigation, undertaken on the Property by the Developer prior to conveyance of title thereto shall be done only after written consent of Owner, satisfaction of Owner imposed conditions including without limitation evidence of reasonably required insurance coverage(s), all at the sole expense of the Developer. The Developer shall save and protect Owner against any claims or liens resulting from such preliminary work, access or use of the Property. Copies of the

data, surveys and tests obtained or made by the Developer on the Property shall be filed with Owner. Any preliminary work by the Developer shall be undertaken only after securing any necessary permits from the appropriate governmental agencies.

2.14 Developer's Reconveyance of Property and Owner's Option to Purchase Property. Upon Developer's full repayment of its Project financing, including bond repayments, Developer shall provide written notice to the Owner of Developer's offer to reconvey the Property on the terms set forth herein. Owner shall have the right, but not the obligation to repurchase the Property for One Dollar (\$1). Owner's Option to Purchase the Property shall be exercised within one year of Developer's written notice and offer to reconvey the Property (Option Window). If Owner does not exercise this option to purchase the Property within the Option Window, the Owner's Option rights will terminate, unless the Option Window is extended, in writing, by the parties.

This section shall survive termination or expiration of this Agreement and the potential recordation of the Grant Deeds.

### 3. PROJECT DEVELOPMENT

3.1 Private Development Project. Developer will complete the Project as described in the Scope of Development using contractors licensed to do business in California. Except as set forth in this Agreement, before Developer begins constructing the Improvements or undertakes any other work of improvements on the Property, Developer, at its own cost and expense, will independently secure all land use and other entitlements, permits, and approvals that City or any other governmental agency with jurisdiction over the Project requires for construction of the Project. Except as may be expressly provided herein, Developer shall not begin construction or perform any other work on the Property until after Closing.

3.2 Time for Completion of the Project. Owner will convey the Property to Developer for construction of the Project, and not for speculation in real estate. Therefore, the Developer will begin construction by the date provided in the Performance Schedule and will diligently complete the Project according to the Performance Schedule, or by any other date as the parties may agree in a written extension signed by the parties and subject to any extension of time provided for in Section 3.3.

In the event Developer does not perform and complete work pursuant to the Performance Schedule as set forth in **Exhibit D** or is otherwise unable to deliver a completed project, the purchase and sale of the Property shall be rescinded and this Agreement shall be cancelled. As set forth in Sections 7.5 and 7.6 of the Agreement, the Property shall be re-conveyed to the Owner. All funds previously paid by Developer to Owner, less the nonrefundable Initial Deposit and any other fees for required land use entitlements, permits or other approvals related to this Agreement or the Project, shall concurrently be refunded to Developer such that the parties shall be restored to their

original positions prior to the execution of this Agreement to the greatest extent possible.

3.3 Extension of Time for Completion – Events of Force Majeure. In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts of another party; acts or the failure to act of any public or governmental agency or entity or any other causes beyond the control or without the fault of the party claiming an extension of time to perform (Events of Force Majeure). An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause. If, however, notice by the party claiming such extension is sent to the other party more than thirty days after the commencement of the cause, the period shall commence to run only thirty days prior to the giving of such notice. General economic conditions and Developer's own financial condition or inability to pay its monetary obligations shall not be deemed an Event of Force Majeure.

3.4 Certificate of Completion. After Developer has satisfactorily completed a Phase of the Project according to this Agreement and after the completion of the final Phase of the Project, Developer may ask Owner to record a Certificate of Completion indicating that a Phase or that all Phases are complete, substantially in the form attached as **Exhibit E**. For purposes of this section, Developer's submission of a "Safe to Occupy" Certificate or Certificate of Occupancy for the Improvements within the subject Phase of the Project shall be conclusive evidence that Developer has satisfactorily completed those Improvements. Subject to the satisfaction of the conditions to its issuance (see next subsection) and within ten days of such request, Owner shall provide an instrument certifying Developer's completion of the Project, or any Phase thereof, by preparing and recording the Certificate of Completion. This release, when recorded, will evidence Owner's conclusive determination that Developer has satisfied the construction covenants in this Agreement as to the subject Phase of the Project. The release will not be evidence that Developer has complied with or satisfied any obligation to any person holding a deed of trust or Security Financing Interest. The release shall not terminate Developer's indemnification or other obligations, which by their nature are intended to survive Project completion. After the release is recorded in the Official Records of Fresno County, any party then owning or after that purchasing, leasing or otherwise acquiring any interest in the applicable portion of the Property shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under this

Agreement regarding the construction requirements or Project development of the completed Project.

3.5 Conditions to Issuing the Certificate of Completion. The following are all conditions precedent to Owner issuing the Certificate of Completion for the Project, or any Phase thereof, and each submission will be in a form and substance satisfactory to Owner:

A. Evidence that all mechanics' liens or material men's liens and claims recorded against the Property, or any Phase thereof, and the Project Improvements that are the subject of the Certificate of Completion have been unconditionally and finally released or, if not released, sufficiently bonded against as required by law.

3.6 Liens and Stop Notices. If a claim of lien or bonded stop notice is recorded against the Property or any Project improvements, the Developer, within ninety-one days after that, or within five days after Owner's demand, whichever last occurs, will do the following:

A. Pay or discharge the same; or

B. Effect the release of it by recording and delivering to Owner a surety's release bond in sufficient form and amount, or otherwise; or

C. Give Owner other assurance that Owner, in its sole discretion, deems satisfactory to protect Owner from the effect of the lien, claim or bonded stop notice.

3.7 Annual Proof of Insurance. Annually, beginning with commencement of construction of the Project, and continuing until the issuance of a Certificate of Completion for the Project, Developer shall submit proof of insurance as required by this Agreement.

3.8 Taxes and Assessments. The Developer will pay before delinquency all ad valorem real estate taxes and assessments on the Property, subject to the Developer's right to contest any taxes or assessments in good faith. The Developer will remove any levy or attachment on the Property or any part of it, or assure the satisfaction of the levy or attachment within a reasonable time. Except as to property in public use and subject to the following sentence, Developer and those tenants/others holding or using the Property under Developer by lease or otherwise, shall not apply for or take advantage of or otherwise enable any exemption from property/possessory taxes. The Developer shall not allow a use, transfer or sale of the Property/portion thereof, whether prior to or following completion of the Improvements hereunder, to an entity that is exempt from property/possessory tax and/or which would allow a removal from the tax roll, absent prior notice to and written consent of Owner.

3.9 Compliance with Laws. In performing its obligations hereunder, Developer shall comply with all applicable laws, regulations, and rules of the governmental agencies having jurisdiction, including, without limitation,

applicable federal and state labor standards and environmental laws and regulations. Developer, not Owner, is responsible for determining applicability of and compliance with all local, state and federal laws including, without limitation, the California Labor Code, Public Contract Code, Public Resources Code, Health & Safety Code, Government Code, the City Charter, and Fresno Municipal Code. Owner makes no representations regarding the applicability of any such laws to this Agreement, the Project, or the parties' respective rights or obligations hereunder including, without limitation, payment of prevailing wages, competitive bidding, subcontractor listing, or other matters. Owner shall not be liable or responsible, in law or equity, to any person for Developer's failure to comply with any such laws, whether Owner knew or should have known of the need for Developer to comply, or whether Owner failed to notify Developer of the need to comply.

3.10 Housing Affordability. Developer shall covenant and agree with the Owner that the Project will remain affordable to households with low and very-low income households for a duration of 55 years as set for in the Regulatory Agreement and Declaration of Covenants and Restrictions in **Exhibit G**.

#### 4. INDEMNITY; INSURANCE.

4.1 Indemnity. To the furthest extent allowed by law, Developer shall indemnify, hold harmless and defend, with qualified counsel of Developer's choice, the Owner, and each of its officers, officials, employees and agents from any loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability including, without limitation, personal injury, death at any time and property damage) incurred by the Owner, Developer or any other person, and from any claims, demands and actions in law or equity (including reasonable attorneys' fees, litigation and legal expenses incurred by the Owner or held to be the liability of the Owner, including plaintiff's or petitioner's attorney's fees if awarded, in connection with Owner's defense of its actions in any proceeding), arising or alleged to have arisen directly or indirectly out of performance or in any way connected with: (i) the making of this Agreement; (ii) the performance of this Agreement; (iii) the installation of the work or Improvements by the Developer and Developer's employees, officers, agents, contractors or subcontractors; (iv) the design, installation, operation and removal or maintenance of the work and Improvements other than those portions of the Improvements that are dedicated to the Owner for public use; or (v) Owner's granting, issuing or approving use of this Agreement.

Developer's obligations under the preceding sentence shall apply regardless of whether Owner or any of its officers, officials, employees or agents are negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused solely by the gross negligence, or caused by the willful misconduct, of Owner or any of its officers, officials, employees, agents or authorized volunteers.

This indemnity shall also cover, without limitation, the following: (1) any act, error or omission of Developer as to Owner or any of its officers, employees, contractors, subcontractors, invitees, agents or representatives in connection with this Agreement, the Project or the Property; (ii) any use of the Property by Developer or any of its officers, employees, contractors, subcontractors, invitees, agents or representatives, successors or assigns; (iii) the design, construction, operation or maintenance of the Project, unless otherwise specifically excepted herein, or (iv) the failure of Developer or any of its officers, employees, contractors, subcontractors, invitees, agents or representatives to comply with any Federal, State or local law, code, ordinance or regulation applicable to this Agreement or the Project, including, but not limited to, claims based upon failure to comply fully with prevailing wage laws as may be determined by any court or agency of the State of California or United States Government; with respect to any and all claims related to prevailing wage, Developer, as provided herein and otherwise in this Agreement, assumes all responsibility for payment of prevailing wage and complying with prevailing wage laws, if required, and specifically waives any and all rights against the Owner, as well as Owner agents, employees, agencies, and consultants, pursuant to California Labor Code section 1726(c) and analogous federal law, if any, and agrees to defend and fully indemnify the Owner, as well as Owner agents, employees, agencies, and consultants, for any claims based upon failure to pay prevailing wage, including, without limitation, claims for damages, fines, penalties, litigation expenses, costs, attorneys' fees, and interest. Developer and/or Owner have the right to contest or challenge any finding that prevailing wage applies.

This section shall survive termination or expiration of this Agreement and the potential recordation of the Grant Deeds.

4.1.1 Action Arising Out of Approval of This Agreement. The Developer shall indemnify, defend and hold the Owner and each of their respective officers, officials, employees, agents, boards and volunteers harmless from any judicial action filed against the Owner by any third party arising out of the Owner's approval of this Agreement or any permit, entitlement or other action required to implement this Agreement, including without limitation approvals under the Law, CEQA or the City's Municipal Code. The Owner will promptly notify the Developer of the action. Within fifteen days after receipt of the notice, the Developer shall take all steps necessary and appropriate to assume defense of the action. The Owner will cooperate with the Developer in the defense of the action (at no cost to the Owner). Neither the Developer nor the Owner will compromise the defense of such action or permit a default judgment to be taken against the Owner without the prior written approval of the other party(ies).

4.1.2 Survival of Indemnification Provisions. Except as otherwise specifically stated herein, the indemnification provisions in

this subsection and every other indemnification in this Agreement will survive any termination of this Agreement, will survive any Closing, will survive the expiration of any covenant herein and will not merge with any other document evidencing an interest in real property.

4.2 Insurance. Prior to the commencement of the construction and until Owner issues the Certificate of Completion and records it in the Official Records of Fresno County, Developer shall pay for and maintain, or cause to be paid and maintained, in effect all insurance policies required hereunder with insurance companies either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A-VII" in Best's Insurance Rating Guide; or (ii) authorized by the City's Risk Manager. The following policies of insurance are required, and Developer will deliver proof of these policies before starting construction:

4.2.1 Commercial General Liability Insurance. Commercial general liability Insurance, which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01 and shall include insurance for bodily injury, property damage, and personal and advertising injury with coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, contractual liability (including indemnity obligations under this Agreement), with limits of liability of not less than \$5,000,000 per occurrence for bodily injury and property damage, \$1,000,000 per occurrence for personal and advertising injury and \$5,000,000 aggregate for products and completed operations, and \$10,000,000 general aggregate.

4.2.2 Commercial Automobile Liability Insurance. Commercial automobile liability insurance, which shall be at least as broad as the most current version of Insurance Services Office (ISO) Business Auto Coverage Form CA 00 01 (Section 1, subsection A.1 entitled "Any Auto"), with combined single limits of liability of not less than \$5,000,000 per accident for bodily injury and property damage.

4.2.3 Workers' Compensation Insurance. Workers' compensation insurance, as required under the California Labor Code.

4.2.4 Employer's Liability. Employer's liability coverage with minimum limits of liability of not less than \$1,000,000 each accident, \$1,000,000 disease policy limit and \$1,000,000 disease each employee.

4.2.5 Commercial Property Insurance. Fire and extended coverage insurance for at least the full replacement cost of the Developer Improvements on the Property, excluding foundations, footings and excavations and tenant improvements, fixtures and personal property.

4.2.6 Builders Risk Insurance. Builders risk insurance sufficient to cover 100% of the replacement value of all improvements made on the Property including, without limitation, terms of labor and materials in place or to be used as part of the permanent construction (including, without limitation, surplus miscellaneous materials and supplies incidental to the work, and scaffolding, staging, towers, forms and equipment not owned or rented by Developer, the cost of which is not included in the cost of work). Developer shall be responsible for payment of any deductibles contained in any insurance policies required hereunder and Developer shall also be responsible for payment of any self-insured retentions.

4.2.7 Contractor's Pollution Liability Insurance with coverage for bodily injury, property damage or pollution clean-up costs that could result from of pollution condition, both sudden and gradual. Including a discharge of pollutants brought to the work site, a release of pre-existing pollutants at the site, or other pollution conditions with limits of liability of not less than the following:

\$1,000,000 per occurrence

\$2,000,000 general aggregate per annual policy period

In the event the work involves any lead-based, mold or asbestos environmental hazard, either the Automobile Liability insurance policy or the Pollution Liability insurance policy shall be endorsed to include Transportation Pollution Liability insurance covering materials to be transported by the DEVELOPER pursuant to the Agreement.

In the event the work involves any lead-based environmental hazard (e.g., lead-based paint), the DEVELOPER's Pollution Liability insurance policy shall be endorsed to include coverage for lead based environmental hazards. In the event the work involves any asbestos environmental hazard (e.g., asbestos remediation), the DEVELOPER's Pollution Liability insurance policy shall be endorsed to include coverage for asbestos environmental hazards. In the event the work involves any mold environmental hazard (e.g., mold remediation), the Pollution Liability insurance policy shall be endorsed to include coverage for mold environmental hazards and "microbial matter including mold" within the definition of "Pollution" under the policy.

In the event DEVELOPER purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies). In addition, such Umbrella or Excess insurance policy(ies) shall also apply on a primary and non-contributory basis for the benefit of the CITY, its officers, officials, employees, agents and volunteers.

DEVELOPER shall be responsible for payment of any deductibles contained in any insurance policy(ies) required herein and DEVELOPER shall also be responsible for payment of any self-insured retentions.

The above-described policies of insurance shall be endorsed to provide an unrestricted thirty calendar day's written notice in favor of the City and HSA, of policy cancellation, change or reduction of coverage, except the Workers' Compensation policy that shall provide a ten-calendar day written notice of such cancellation, change or reduction of coverage. If any policy is due to expire during the term of this Agreement, Developer shall provide a new certificate evidencing policy renewal not less than fifteen calendar days before the expiration date of the policy. When an insurer, broker, or agent issues a notice of cancellation, change or reduction in coverage, Developer shall immediately obtain and file a certified copy of a new or renewal policy and certificates for such policy with the City and HSA.

The General Liability, Pollution Liability, and Automobile Liability insurance policies shall be written on an occurrence form and shall name the City, HSA and the officers, officials, agents and employees as an additional insured. Additional Insured status under the General Liability and Pollution Liability policies shall cover ongoing and completed operations. The General Liability, Pollution Liability, and Automobile Liability policies shall be or endorsed to provide that Developer's insurance is primary and no contribution is required of the City and HSA. All policies shall contain a waiver of subrogation in favor of City and HSA, its officers, officials, agents, employees, and volunteers. Developer shall furnish the City and HSA with copies of the actual policies upon the request of its designee, or the City's Risk Manager.

The Builders Risk (Course of Construction) insurance policy shall be endorsed to name the CITY as loss payee.

The coverage shall contain no special limitations on the scope of protection afforded to the CITY, its officers, officials, employees, agents, and volunteers.

If the DEVELOPER maintains higher limits of liability than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits of liability maintained by the DEVELOPER.

The fact that insurance is obtained by Developer or its subcontractors shall not be deemed to release or diminish the liability of Developer or its subcontractors including without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify the City and HSA, and their officers, officials, agents, employees and volunteers, shall apply to all claims and liability regardless of whether

any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Developer or its subcontractors, except that any payment from an insurance policy paid towards Developer's indemnity obligation shall be applied towards Developer's total indemnity obligation for the particular claim for which the insurance policy has made such payment. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Developer, its principals, officers, agents, employees, persons under the supervision of Developer, vendors, suppliers, invitees, subcontractors, consultants or anyone employed directly or indirectly by any of them.

The DEVELOPER shall furnish the CITY with all certificate(s) and applicable endorsements effecting coverage required hereunder. All certificates and applicable endorsements are to be received and approved by the CITY's Risk Manager or his/her designee before work commences. Upon request of the CITY, the DEVELOPER shall immediately furnish the CITY with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement.

In the event of a partial or total destruction by the perils insured against of any or all of the work and/or materials herein provided for at any time prior to the final completion of the Agreement and the final acceptance by the CITY of the work or materials to be performed or supplied thereunder, the DEVELOPER shall promptly reconstruct, repair, replace, or restore all work or materials so destroyed or injured at his/her sole cost and expense. Nothing herein provided for shall in any way excuse the DEVELOPER or his/her insurance company from the obligation of furnishing all the required materials and completing the work in full compliance with the terms of this Agreement.

If Developer fails to maintain the required insurance in full force and effect, Developer shall immediately discontinue all work under this Agreement, and take all necessary actions to secure the work site to insure that public health and safety is protected, until the City and HAS receive notice that the required insurance has been restored to full effect and that the premiums for the insurance have been paid for a period satisfactory to City and HSA. Developer's failure to maintain any required insurance shall be sufficient cause for the City and HSA to terminate this Agreement after notice and the right to cure as provided in Section 7.4.

**SUBCONTRACTORS** - If Developer subcontracts any or all of the services to be performed under this Agreement, Developer shall require, at the discretion of the City's Risk Manager or designee,

subcontractor(s) to enter into a separate Side Agreement with the City and HSA to provide required indemnification and insurance protection. Any required Side Agreement(s) and associated insurance documents for the subcontractor must be reviewed and preapproved by City's Risk Manager or designee. If no Side Agreement is required, Developer will be solely responsible for ensuring that its subcontractors maintain insurance coverage at levels no less than those required by applicable law and is customary in the relevant industry.

4.2.7 Insurance for Project Design Work. Developer shall maintain for its Project design work, or if Developer subcontracts any of the Project design work Developer shall require each design subcontractor to maintain, professional liability insurance (errors and omissions) with a limit of not less than one million dollars (\$1,000,000) per occurrence, two million dollars (\$2,000,000). If claims made forms are used for any Professional Liability Coverage, either (i) the policy shall be endorsed to provide not less than a five-year discovery period, or (ii) the coverage shall be maintained for a minimum of five years after the Release of Construction Covenants is recorded. The requirements of this section relating to such coverage shall survive termination or expiration of this Agreement.

4.2.8 Performance and Payment Bonds. Developer will obtain and deliver labor and material bonds, payment, and performance bonds, issued by an insurance company meeting the criteria for Developer's other insurance under this Agreement. The bonds will each contain a penal sum at least equal to 100% of Developer's estimated construction costs of any particular Phase of the Project then under construction and shall remain in full force until the issuance of a "Safe to Occupy" Certificate or Certificate of Occupancy, or the recording of a Certificate of Completion for that Phase, whichever is earlier. The bonds will name the Bond Trustee, City and HSA as co-obligees. The Bond Trustee shall be the primary payee of the Bonds. Instead of requiring performance and payment bonds, City may consider and accept other evidence of Developer's ability to complete the Project.

## 5. SECURITY FINANCING INTERESTS AND RIGHTS OF HOLDERS.

5.1 Prohibition Against Transfer of Property, the Buildings or Structures Thereon and Assignment of Agreement. After conveyance of title and prior to the issuance by Owner of a Certificate of Completion for the Project, the Developer shall not, except as expressly permitted by this Agreement, sell, transfer, convey, assign, or lease the whole or any part of the Property or the buildings or improvements thereon without the prior written approval of Owner. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property or to prohibit or restrict the leasing of any part or parts of a building

or structure when said improvements are completed. The restrictions contained in this Section 5.1 shall terminate on the date that a Certificate of Completion is issued for the Project.

5.1.1 Permitted Transfers. Notwithstanding the foregoing, the following events (Permitted Transfers) shall not be deemed a transfer for the purposes of requiring Owner's consent:

- A. Creation of Security Financing Interests;
- B. A sale, conveyance, or transfer of the Property at foreclosure (or a deed in lieu of foreclosure) resulting from a Security Financing Interest;
- C. The conveyance or dedication of parts of the Property to the Owner or the grant of easements or permits solely to facilitate the development of the Property before the Certificate of Completion is recorded;
- D. Sale or rental of Project units/space in accordance with this Agreement;
- E. Sale or Assignment to a Non-Profit Partner to facilitate tax-exempt bond financing for Project. Developer shall be required to (1) be the sole Developer for construction of Project; and (2) upon Project completion, and during the operational phase of Project, Developer shall provide additional Asset Management services to the Project pursuant to Developer and Non-Profit Partnership Agreement, a copy which shall be provided to Owner. Nevertheless, Developer shall remain fully liable for the performance and completion of the Project under this Agreement;
- F. Assignments resulting from the death or mental or physical incapacity of an individual;
- G. Assignments in trust for the benefit of a partner's spouse, children, grandchildren or other family members.

5.2 Approval or Consent of Owner. When a request for transfer or assignment is submitted to City Manager and Executive Director, on behalf of the Owner, for consideration, approval will be conditioned on the following:

- A. Financial Strength and Business Experience. The proposed transferee will demonstrate to Owner's reasonable satisfaction that the proposed transferee has sufficient financial strength and the business experience in planning, financing, development, ownership, and operation of similar projects to complete the Project, or portion thereof, competently.
- B. Assumption Agreement. Any transferee, by recordable instrument acceptable to Owner, shall expressly assume all the

unfulfilled or ongoing obligations of the Developer under this Agreement, and agree to be subject to all the conditions and restrictions to which the Developer is subject with respect to the Property or applicable portion thereof.

C. Transfer Documents. The Developer or its successors shall submit all documents, proposed to affect any transfer or assignment, to Owner for review and approval.

D. Other Information. Developer or its successors shall deliver all information to Owner that Owner may reasonably request to enable it to evaluate the proposed transfer or assignment. City Manager and Executive Director, on behalf of the Owner, shall approve, conditionally approve, or disapprove a request for assignment within fifteen days after receiving the request and all supporting documentation.

E. Developer's Release. Owner's approval of any transfer, assignment, or sale will not relieve the Developer or any successor from any unfulfilled or ongoing obligations of Developer under this Agreement with respect to any portion of the Property not transferred. The provisions of this subsection are intended to discourage land speculation, and these provisions shall be liberally interpreted to accomplish that end.

### 5.3 Security Financing; Rights of Holders.

5.3.1 No Encumbrances Except Mortgages, Deeds of Trust, Sales and Lease-Back or Other Financing for Development. Notwithstanding Section 5.1 of this Agreement, mortgages, deeds of trust, sales and leases-back or any other form of conveyance required for any reasonable method of financing are permitted before issuance of a Certificate of Completion but only for the purpose of securing loans of funds to be used for financing the acquisition of the Property, the construction of improvements on the Property and any other expenditures necessary and appropriate to develop the Property under this Agreement (including costs of the loan, funding of reserve funds, capitalized interest and working capital as may be deemed appropriate by the Developer and its lenders or bondholders) and the refinancing of such debt. To this end, if the Developer and the Developer's construction lender provide a written request to the Manager and Executive Director for the Owner to subordinate its interests in this Agreement to the interests of the construction lender, and the lender provides a written proposed subordination agreement, then the City Manager and Executive Director, or designee, shall consider and approve the subordination agreement if the following conditions are met: (1) the lender states in writing a necessity for the requested subordination; (2) the terms of the requested subordination are commercially reasonable under the circumstances; (3) the Developer provides to the City Manager and Executive Director a

statement of all material terms of the sources of equity and loans for construction of the project and that information demonstrates continued financial viability of the project through completion of construction; (4) the funds disbursed from each construction loan shall be used only for costs and charges associated with the loan and construction of the Improvements; (5) the interest on each construction loan shall be at a reasonable rate based on all the facts and circumstances; (6) Developer shall provide Owner with evidence of Developer's ability to satisfy any equity requirements of each construction loan; and (7) the City Attorney approves the subordination as to form. Any requested subordination shall be deemed approved by the City Manager and Executive Director if the above conditions have been met and the City Manager and Executive Director or designee has not approved or rejected the terms of the subordination within thirty days of the conditions having been met. The Developer shall promptly notify Owner of any mortgage, deed of trust, sale and lease-back or other financing conveyance, encumbrance or lien that has been created or attached thereto prior to completion of the construction of the improvements on the Property whether by voluntary act of the Developer or otherwise. The words "mortgage" and "deed of trust," as used herein, include all other appropriate modes of financing real estate acquisition, construction and land development.

5.3.2 Holder Not Obligated To Construct Improvements. The holder of any mortgage, deed of trust or other security interest authorized by this Agreement shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion, nor shall any covenant or any other provision in the grant deed for the Property be construed so to obligate such holder. Nothing in this Agreement shall be deemed to construe, permit or authorize any such holder to devote the Property to any uses or to construct any improvements thereon other than those uses or improvements provided for or authorized by this Agreement.

5.3.3 Notice of Default to Mortgage, Deed of Trust, or Other Security Interest Holders; Right to Cure. Whenever Owner shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in completion of construction of the Improvements, Owner shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage, deed of trust, or other security interest authorized by this Agreement who has previously made a written request to Owner therefor default of the Developer under this Section 5.3.3. No notice by Owner to Developer under this Agreement shall be deemed to have been served unless and until a copy thereof shall have been served upon each holder of record of any mortgage, deed of trust or other security interest as set

forth herein. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect the Improvements or construction already made) without first having expressly assumed the Developer's obligations to Owner by written agreement reasonably satisfactory to Owner. The holder in that event must agree to complete, in the manner provided in this Agreement, the Improvements to which the lien or title of such holder relates and submit evidence reasonably satisfactory to Owner that it has the qualifications and financial responsibility necessary to perform such obligations. Any such holder properly completing such Improvements shall be entitled, upon written request made to Owner, to a Certificate of Completion from Owner.

5.3.4 Failure of Holder to Complete Improvements. In any case where, six months after default by the Developer in completion of construction of Improvements under this Agreement, the holder of any mortgage, deed of trust, or other security interest creating a lien or encumbrance upon the Property has not exercised the option to construct, or if it has exercised the option and has not proceeded diligently with construction, Owner may purchase the mortgage, deed of trust, or other security interest by payment to the holder of the amount of the unpaid debt, plus any accrued and unpaid interest. If the ownership of the Property has vested in the holder, Owner, if it so desires, shall be entitled to a conveyance of the Property from the holder to Owner upon payment to the holder of an amount equal to the sum of the following:

A. The unpaid mortgage, deed of trust, or other security interest debt at the time title became vested in the holder (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings);

B. All expenses with respect to foreclosure;

C. The net expenses, if any (exclusive of general overhead), incurred by the holder as a direct result of the subsequent management of the Property;

D. The costs of any authorized improvements made by such holder; and

E. An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage or deed of trust debt and such debt had continued in existence to the date of payment by Owner.

5.3.5 Right of Owner to Cure Mortgage, Deed of Trust or Other Security Interest Default. In the event of a default or breach by

the Developer on a mortgage, deed of trust or other security interest with respect to the Property prior to the completion of the Project, and the holder has not exercised its option to complete the Project, Owner may cure the default prior to completion of any foreclosure. In any such event, Owner shall be entitled to reimbursement from Developer of all costs and expenses incurred by Owner in curing the default. Owner shall also be entitled to a lien upon the Property to the extent of such costs and disbursements. Any such lien shall be subject to mortgages, deeds of trust or other security interests executed for the sole purpose of obtaining funds to purchase and develop the Property as authorized herein.

6. REPRESENTATIONS AND WARRANTIES.

6.1 Developer Representations and Warranties.

A. Representations and Warranties of Developer.  
Developer represents and warrants that:

1. Developer is a California limited liability company duly formed and existing under the laws of the State of California, in good standing, and authorized to do business in the State of California, County of Fresno, and City of Fresno.

2. Developer has all requisite power and authority to carry out its business as now and hereafter conducted and to enter and perform its obligations under this Agreement.

3. The person or persons signing this Agreement for Developer have been duly authorized to execute and deliver this Agreement and to legally bind Developer to its terms and conditions.

4. Developer's execution and performance of this Agreement does not violate any provision of any other agreement to which Developer is a party.

5. Except as may be specifically set forth in this Agreement, no approvals or consents not heretofore obtained by Developer are necessary to Developer's execution of this Agreement.

6. Developer has or will have sufficient funds available to fund the Project and to pay all costs assumed by Developer hereunder.

7. This Agreement is valid, binding, and enforceable against Developer in accordance with its terms, except as such enforceability may be limited by principals of public policy and subject to the laws of general application relating to bankruptcy, insolvency and the relief of debtors, and rules of

law governing specific performance, injunctive relief or other equitable remedies.

6.2 Survival of Representations and Warranties. The parties are relying upon the above representations and warranties in entering this DDA. The foregoing representations are and shall be continuing in nature and shall remain in full force and effect until all obligations under this DDA are met or this DDA is terminated in a manner provided herein.

## 7. DEFAULT, REMEDIES AND TERMINATION.

7.1 Default. Failure or delay by either party to perform any term of this Agreement shall be a default under this Agreement if not cured within the time set forth herein. Any failure or delay by a party in asserting any right or remedy will not constitute a waiver, and will not deprive the party of its right to institute and maintain any action or proceeding necessary to protect or enforce any right or remedy.

7.2 Legal Actions. A party may institute a legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purposes of this Agreement. Such legal action shall be brought in the Fresno County Courts, or the Fresno Division of the Federal District Court for the Eastern District of California.

7.3 Rights and Remedies are Cumulative. Except as may be expressly stated otherwise in this Agreement, the rights and remedies of the parties are cumulative. The exercise by either party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or a different time, of any other rights or remedies for the same default or any other default. In addition to the specific rights and remedies herein, the parties may resort to any other rights or remedies available at law or in equity, including, without limitation, specific performance.

7.4 Notice and Cure Periods. If either party fails to perform under any provision of this Agreement including documents incorporated herein, the non-defaulting party shall serve written notice of the default on the defaulting party, describing the default, and the actions necessary to cure the default. A defaulting party will have thirty days from the date of the notice to cure the breach or failure unless a different time period is provided in this Agreement in which case the latter shall apply. If the default is not susceptible to cure within the thirty days, the defaulting party shall begin to cure the default within the thirty days and after that diligently prosecute the cure to completion. Failure of the defaulting party to cure within these times shall entitle the non-defaulting party to enforce any right or remedy provided in this Agreement, at law, or in equity. This provision is not intended to modify or extend any other notice or cure period specifically provided for in this Agreement. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

7.5 Right of Re-entry (Power of Termination) and Reverter. Owner may reenter and take possession of the Property, or part of it, and terminate the estate conveyed to Developer by the Grant Deed and revest the estate if Owner, after the Closing, but before recording a Certificate of Completion, if any of the following occurs:

7.5.1 Developer does not begin and complete construction of the Project within the time specified in the Performance Schedule or this Agreement unless otherwise extended by the terms herein; or

7.5.2 Developer abandons or substantially suspends construction of the Project for more than 30 consecutive days and Developer fails to continue such construction of the Project within 30 days after Owner gives written notice of the abandonment or suspension to Developer; or

7.5.3 Developer assigns or transfers, or suffers an involuntary transfer of, any rights or obligations under this Agreement, or in the Property, in violation of the assignment provision of this Agreement.

7.6 Effect on Security Holders. Owner's right to reenter, repossess, terminate and revest shall be secured by the provisions of the Grant Deed attached hereto as **Exhibit F and F-1**. Such right to reenter, repossess, terminate and revest shall be subject to, limited by, and shall not defeat, render invalid, release, terminate or limit: (i) any Security Financing Interest permitted by this Agreement; or (ii) any provision of this Agreement protecting the holder's Security Financing Interest

The provisions of Section 7.5 and 7.6 shall automatically terminate on the recordation of a Certificate of Completion for the Project (or applicable phase.)

## 8. GENERAL PROVISIONS.

8.1 Notice, Demands and Communication. All notices, elections, requests, acceptances, demands, instructions or other communications (notice or notices) to be given to any party under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if personally served on the party to whom notice is to be given; (ii) within forty-eight hours after mailing, if mailed to the party to whom notice is to be given, by first class mail which is either registered or certified, postage prepaid, return receipt requested; (iii) within twenty-four hours after being deposited with a recognized private courier service (e.g., Federal Express), if delivered by a private courier service to the party to whom notice is to be given, all charges prepaid; or (iv) when sent, if given by electronic format that provides verification of successful transmission. All notices shall be properly addressed to the party receiving notice as follows:

**CITY:**  
City of Fresno  
Attention: City Manager

2600 Fresno Street  
Fresno, CA 93721

**HSA:**

Housing Successor to the Redevelopment Agency of the City  
of Fresno  
Attention: Executive Director  
848 M Street, Third Floor  
Fresno, CA 93721

**WITH COPIES TO:**

City Attorney  
2600 Fresno Street  
Fresno CA 93721-3602  
Facsimile No.: (559) 498-1815

**DEVELOPERS**

Mehmet Noyan  
The Park Partners LLC  
685 W. Alluvial, Ste 101  
Fresno, CA 993711

Jeff Isenstadt  
The Park Partners LLC  
2029 Century Park E. Ste 400  
Los Angeles, CA 90067

A party may change its address by notice given according to this subsection.

8.2 Conflict of Interests. No member, official, officer or employee of the Developer or Owner shall have any direct or indirect interest in this Agreement, or shall participate in any decision relating to this Agreement where such interest or participation is prohibited by law. No officer, employee, or agent of Owner who exercises any function or responsibility concerning the planning and carrying out of the Project, or any other person who exercises any function or responsibility concerning any aspect of this Agreement or the Project, shall have any personal financial interest, direct or indirect, in this Agreement or the Project. Developer represents and warrants that it has not paid or given, and will not pay or give, to any third party any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, consultants, engineers and attorneys.

8.2.1 No contractor, subcontractor, mechanic, material man, laborer, vendor or other person hired or retained by Developer shall be, nor shall any of them be deemed to be, third-party beneficiaries of this Agreement, rather each such person shall be deemed to have agreed (a) that they shall look to Developer as their sole source of

recovery if not paid; and (b) except as otherwise agreed to by Owner and any such person in writing, they may not enter any claim or bring any such action against Owner under any circumstances. Except as provided by law, or as otherwise agreed to in writing between Owner and any such person, each such person shall be deemed to have waived in writing all right to seek redress from Owner under any circumstances whatsoever.

8.3 Nonliability of Officials, Employees and Agents. No member, official, officer, employee or agent of Owner shall be personally liable to the Developer, or any successor in interest, for any default or breach by Owner.

8.4 Counterparts. This Agreement may be executed in counterparts, and together each executed counterpart shall constitute one Agreement.

8.5 Waiver. A party's waiver of the other's breach of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or a different provision of this Agreement. No provision of this Agreement may be waived except in a writing signed by all the parties. Waiver of any one provision shall not be deemed to be a waiver of any other provision herein.

8.6 Attorneys' Fees. If a party initiates or defends litigation or any legal proceeding regarding the enforcement of this Agreement, the prevailing party in such litigation or proceeding, in addition to any other relief that may be granted, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal. A party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating the action, retaining expert witnesses, taking depositions and discovery, and all other necessary costs incurred with respect to the action. All such fees shall be deemed to have accrued on commencement of the action and shall be enforceable whether or not such action is prosecuted to judgment.

8.7 Governing Law. This Agreement shall be interpreted and enforced, and the rights and duties of the parties under this Agreement (both procedural and substantive) shall be determined according to California law.

8.8 Further Assurances. Each party will take any further acts and will sign and deliver any further instruments required to carry out the intent and purposes of this Agreement.

8.9 Entire Understanding of the Parties. The exhibits referenced as attached are by such references incorporated into this Agreement. This Agreement, including exhibits, is the entire understanding and agreement of the parties. All prior discussions, understandings, and written agreements are superseded by this Agreement. This Agreement shall not be modified except by written instrument duly approved as required by law and executed by authorized representatives of the parties. Should the terms of any exhibit conflict with the body of this Agreement, the body of this Agreement shall govern.

8.10 Consent, Reasonableness. Unless this Agreement specifically authorizes a party to withhold its approval, consent or satisfaction in its sole discretion, any consent, or approval, or satisfaction to be requested or required of a party, shall not be unreasonably withheld, conditioned or delayed.

8.11 Partial Invalidity. If any part of this Agreement is held to be invalid, void or unenforceable in any legal, equitable or arbitration proceeding, the remainder of the Agreement shall continue in effect, unless not giving effect to the invalid or unenforceable part would prevent affecting the purposes of the Project and this Agreement.

8.12 Ambiguity. This Agreement is the result of the combined efforts of the parties. Should any provision of this Agreement be found ambiguous, the ambiguity shall not be resolved by construing this Agreement in favor of or against any party, but by construing the terms according to their generally accepted meaning, considering the objective of the Agreement.

8.13 Number and Gender. Masculine, feminine or neuter gender terms and singular or plural numbers will include others when the context so indicates.

8.14 Headings. All headings are for convenience only, are not a part of this Agreement, and are not to be used in construing this Agreement.

8.15 Binding Upon Successors. This Agreement shall bind and inure to the benefit of the successors in interest, personal representatives, and assigns of each party, subject to the limitation on transfer and assignment contained in this Agreement. Any reference in this Agreement to a specifically named party shall be deemed to apply to any successor, heir, administrator, executor, representative, or assign of the party who has acquired an interest in compliance with the terms of this Agreement, or under law.

8.16 Relationship of the Parties. Nothing in this Agreement, the Grant Deed, or any other document executed in connection with this Agreement shall be construed as creating a partnership, joint venture, agency, employment relationship, or similar relationship between Owner and the Developer or any of the Developer's contractors, subcontractors, employees, agents, representatives, transferees, successors-in-interest or assigns. Nothing in this Agreement establishes a principal and agent relationship between the parties.

8.17 Nature of the Project. The Project is a private undertaking of the Developer. After Owner conveys title or possession of the property to Developer, the Developer shall have exclusive control over the Property, subject to the terms of this Agreement and all applicable Federal, State and local laws, ordinances, codes, regulations, standards and policies.

8.18 Time of Essence. Time is of the essence of each term, condition, and covenant contained in this Agreement.

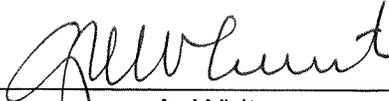
8.19 Survival of Provisions. Those provisions expressly surviving expiration or earlier termination, including each indemnification provision, shall survive the Closing and expiration or earlier termination of this Agreement, and shall not merge with the Grant Deed or other document evidencing any interest in real property.

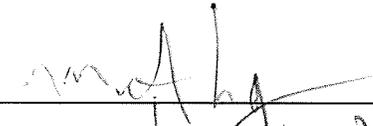
[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement at Fresno, California, on the day and year first above written.

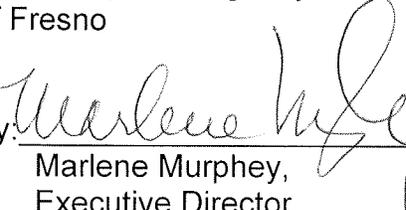
CITY OF FRESNO,  
A California municipal corporation

THE PARK PARTNERS, LLC  
A California limited liability company

By:   
Georgeanne A. White,  
City Manager

By:   
\* Name: Mehmet Noyan  
Title: Partner  
(If corporation or LLC., Board Chair, Pres. or Vice Pres.)

CITY OF FRESNO, in its capacity  
as Housing Successor to the  
Redevelopment Agency of the City  
of Fresno

By:   
Marlene Murphey,  
Executive Director

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
(If corporation or LLC., CFO, Treasurer,  
Secretary or Assistant Secretary)

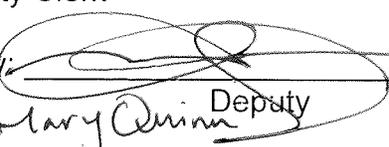
APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

*Signed in Counterpart*

By:  Date \_\_\_\_\_  
Tracy N. Parvanian  
Assistant City Attorney

\* Mehmet Noyan  
Partner

ATTEST:  
TODD STERMER, MMC  
City Clerk

By:  12/10/2025  
Mary Quinn Deputy

ACKNOWLEDGMENT

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

STATE OF California )SS  
COUNTY OF Fresno )

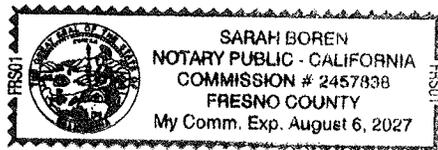
On December 9, 2025, before me, Sarah Boren,  
Notary Public, personally appeared Georgianne White

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

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

WITNESS my hand and official seal.

Signature Sarah Boren



This area for official notarial seal

ACKNOWLEDGMENT

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

STATE OF California )SS  
COUNTY OF FRESNO )

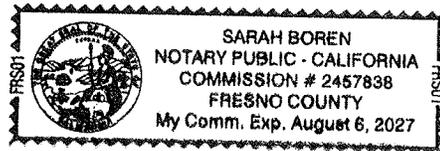
On November 24 2025, before me, Sarah Boren,  
Notary Public, personally appeared Martene Murphy

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

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

WITNESS my hand and official seal.

Signature Sarah Boren



This area for official notarial seal

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

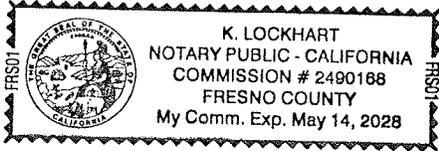
State of California )  
County of Fresno )

On November 21, 2025, before me, K. Lockhart, Notary Public, personally appeared Mehmet Noyan, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature



IN WITNESS WHEREOF, the parties have executed this Agreement at Fresno, California, on the day and year first above written.

CITY OF FRESNO,  
A California municipal corporation

THE PARK PARTNERS, LLC  
A California limited liability company

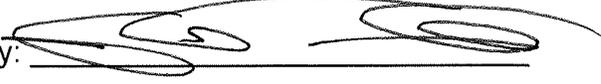
By: \_\_\_\_\_  
Georgeanne A. White,  
City Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

CITY OF FRESNO, in its capacity  
as Housing Successor to the  
Redevelopment Agency of the City  
of Fresno

Title: \_\_\_\_\_  
(If corporation or LLC., Board Chair,  
Pres. or Vice Pres.)

By: 

By: \_\_\_\_\_  
Marlene Murphey,  
Executive Director

Name: Jeffrey P. Ernst

Title: Co-Managing Member  
(If corporation or LLC., CFO, Treasurer,  
Secretary or Assistant Secretary)

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

*Signed in Counterpart*

By: \_\_\_\_\_  
Tracy N. Parvanian                      Date  
Assistant City Attorney

ATTEST:  
TODD STERMER, MMC  
City Clerk

By: \_\_\_\_\_  
Deputy

# CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

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

State of California }

County of Los Angeles }

On 12/01/2025 before me, Alex Itkis, Notary Public,  
(Here insert name and title of the officer)

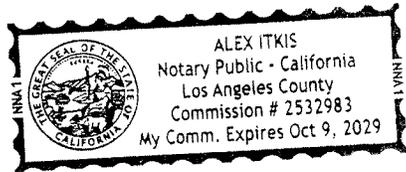
personally appeared Jeffrey Isenstadt,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s)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

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

WITNESS my hand and official seal.

AI  
Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT  
Development Agreement  
(Title or description of attached document)

\_\_\_\_\_  
(Title or description of attached document continued)

Number of Pages \_\_\_\_\_ Document Date \_\_\_\_\_

### CAPACITY CLAIMED BY THE SIGNER

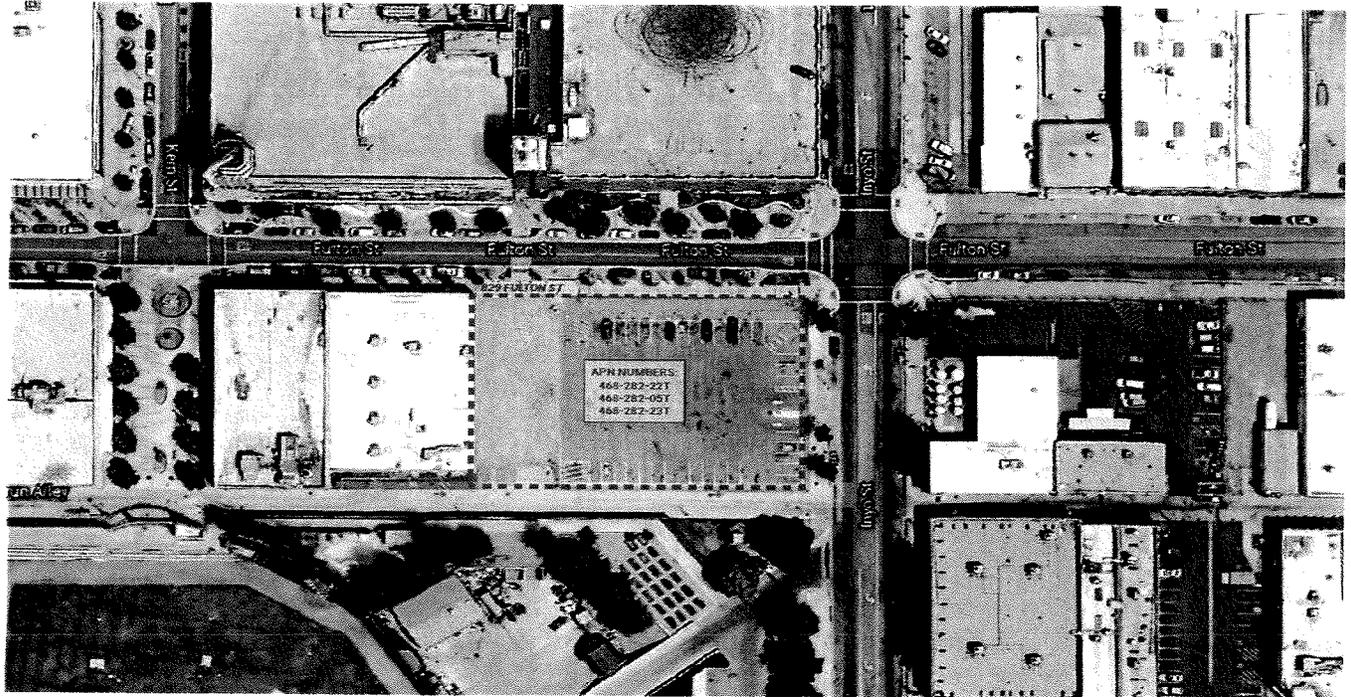
- Individual (s)
- Corporate Officer  
\_\_\_\_\_  
(Title)
- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~ is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

# EXHIBIT A SITE MAP



PARCEL MAP

THE NOYAN COMPANY | JCI DEVELOPMENT, INC. | **DLR**GROUP

## EXHIBIT A-1

### LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**APN 468-282-23T:**

LOT 10 AND THE NORTHWEST 8 1/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 12 AND 13 AND THE SOUTHEASTERLY 16-2/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 14, 15 AND 16 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

**APN 468-282-22T:**

PARCEL B OF PARCEL MAP 70-52 AS PER MAP RECORDED OCTOBER 14, 1970 IN BOOK 2 OF PARCEL MAPS AT PAGE 30, FRESNO COUNTY RECORDS

**APN 468-282-05T:**

LOT 9 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

## EXHIBIT B

### SCOPE OF DEVELOPMENT AND BASIC DESIGN

#### The Park at South Stadium Apartments

The Park at South Stadium Apartments will fulfill the goals of the General Plan and the One Fresno Housing Strategy by developing a 0.80-acre, urban infill site owned by City of Fresno (APN: 468-282-23T) and the Housing Successor to the Redevelopment Agency (APNs: 468-282-05T and 468-282-22T), located on the northwest corner of Fulton Street and Inyo Street, Fresno, CA.

The Park at South Stadium Apartments will be developed on land purchased by the Developer from both the City of Fresno and Housing Successor to the Redevelopment Agency under the Surplus Land Act affordable housing exemption, ensuring long-term affordability and stability for students and small households. This mixed-income housing development will provide its future occupants 32 units at a 50% of Area Median Income (AMI) and an additional 32 units at 80% of AMI., and new housing opportunities all within a pedestrian-oriented neighborhood with access to transportation, job centers, retail, entertainment, schools, and community services.

This eight-story development will be prominently positioned behind Chukchansi Park in the heart of downtown Fresno's Brewery District, featuring 1,568 square-feet of ground-floor retail space, 5,000 square-feet of ground-floor community space, conference rooms, and a fitness center, and 160 apartments providing up to 615 beds for student housing, all accessible via dual elevator banks. The unit mix consists of thirteen (13) studio units (approximately 360-394 square feet), one hundred forty (140) two-bedroom units (approximately 689-736 square feet), and six (6) three-bedroom units (approximately 1,200 square feet), with one =studio unit designated for an on-site manager. The unit mix was carefully planned based on input from the community through a market survey conducted by The Scion Group.

The development's ground-floor community space will incorporate large moment-frame windows and an attractive contemporary façade. Residents will have access to a pantry, conference rooms, private phone pods, a focus lounge, fitness room all supporting the ground-floors main feature, the Community Space. The development will also provide approximately 45 gated parking spaces, including handicap-accessible spaces. Additional parking will be leased pursuant to the City's Master Fee Schedule from the City's available parking infrastructure for up to 400 parking spaces pursuant to negotiated agreements between Developer and Owner.

Each apartment unit will be fully furnished and will also feature modern amenities, including a range, frost-free refrigerator, dishwasher, garbage disposal, central heating and air conditioning, closets, window coverings, laminate flooring, full bathrooms and CAT 5 wiring. All units will be designed for energy efficiency and equipped with energy-efficient appliances, as well as have access to in-unit laundry services for the ground floor units and designated on-site laundry facilities on floors 2 through 7.

*\*\*\*Except as set forth in this Agreement, before Developer begins constructing the Improvements or undertakes any other work of improvements on the Property, Developer, at its own cost and expense, will independently secure all land use and other entitlements, permits, and approvals that City or any other governmental agency with jurisdiction over the Project requires for construction of the Project.*

## EXHIBIT C Sources and Uses

<b>Deal Level Sources &amp; Uses</b>					
<u>Sources</u>	<u>At Close</u>	<u>Future Funding</u>	<u>Total</u>	<u>%</u>	<u>\$ / Unit</u>
Sponsor Mezz Loan B	\$5,000,000	\$0	\$5,000,000	5.9%	\$31,250
NOFA Loan	\$12,200,000	\$0	\$12,200,000	14.5%	\$75,250
Bond Proceeds	\$67,076,814	\$0	\$67,076,814	79.6%	\$419,230
<b>Total Sources</b>	<b>\$84,276,814</b>	<b>-</b>	<b>\$84,276,814</b>	<b>100.00%</b>	<b>\$526,730</b>
<u>Uses</u>					
A&E	\$1,475,000	\$0	\$1,475,000	1.8%	\$9,219
Developer Fee	\$10,000,000	\$0	\$10,000,000	11.9%	\$62,500
FF&E	\$1,960,000	\$0	\$1,960,000	2.3%	\$12,250
Hard Costs + Land	\$43,800,000	\$0	\$43,800,000	52.0%	\$273,750
Construction Contingency	\$2,150,000	\$0	\$2,150,000	2.6%	\$13,438
Other Fees	\$4,023,375	\$0	\$4,023,375	4.8%	\$25,146
Pre-Development Reimburse	\$1,200,000	\$0	\$1,200,000	1.4%	\$7,500
Capitalized Interest	\$12,500,000	\$0	\$12,500,000	14.8%	\$78,125
Debt Service Reserve Fund	\$4,515,750	\$0	\$4,515,750	5.4%	\$28,223
Extraordinary Expense Fund	\$250,000	\$0	\$250,000	0.3%	\$1,563
Operating Reserve	\$350,000	\$0	\$350,000	0.4%	\$2,188
Costs of Issuance	\$2,050,350	\$0	\$2,050,350	2.4%	\$12,815
Additional Proceeds	\$2,339	\$0	\$2,339	0.0%	\$15
<b>Total Uses</b>	<b>\$84,276,814</b>	<b>-</b>	<b>\$84,276,814</b>	<b>100.00%</b>	<b>\$526,730</b>

**EXHIBIT D  
PERFORMANCE SCHEDULE\***

<u>Items Completed</u>	<u>Time for Performance</u>	<u>Outside Date</u>	<u>Responsible Party</u>
Submit City application for funding	October 7, 2025		Developer
City of Fresno City Council consideration of Disposition and Development Agreement (DDA)	November 6, 2025	November 6, 2025	City and HSA
Execution of DDA and Escrow Opens	November 2025	November 30, 2025	City, HSA, and Developer
City's consideration of NOFA Loan	October 2025	December 2025	City
Developer & Non Profit Partnership Agreement Vesting	November 2025	January 4, 2026	Developer and Non-Profit Partner
TEFRA Hearing Approval	November 2025	January 4, 2026	Developer and City
Preliminary Limited Offering Memorandum	January 2, 2026	February 28, 2026	Bond Issuer
Provide evidence of commitment on all proposed and conditional funding	January 28, 2026	February 28, 2026	Developer
Escrow Closes (Land and Project Funding)	January 28, 2026	February 28, 2026	City, HSA, and Developer
Grade Permitting	March 2026	*	Developer and City

Foundation Permits	May 2026	*	Developer and City
Building Permits	July 2026	*	Developer and City
Completion of Construction of Developer's Improvements. The Developer shall complete construction of the improvements to be constructed on the Project Site.	March 2028	*	Developer
Issuance – Certificate of Completion. City shall furnish the Developer with a Certificate of Completion on the Project.	April 2028	*	City and HSA
Grand Opening	April 2028	*	Developer
Lease Stabilization	April 2028	*	

\* N/A

**EXHIBIT E  
CERTIFICATE OF COMPLETION**

RECORDED AT THE REQUEST  
OF AND WHEN RECORDED  
RETURN TO:

City of Fresno  
Attention: City Manager  
2600 Fresno Street  
Fresno, CA 93721

No Fee-Govt. Code Sections 6103-27383

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

APNs: \_\_\_\_\_

This **Release of Construction Covenants and Certificate of Completion** are recorded at the request and for the benefit of the City of Fresno.

- A. As agreed in a Disposition and Development Agreement including covenants, conditions and restrictions, (DDA) dated \_\_\_\_\_, 20\_\_\_\_, entered by the City of Fresno, a municipal corporation, (CITY), City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno (HSA), and The Park Partners, LLC, a California limited liability company (DEVELOPER), CITY conveyed certain real property to DEVELOPER under a Grant Deed, dated \_\_\_\_\_, 20\_\_\_\_, recorded in the Official Records of Fresno County on \_\_\_\_\_, 20\_\_\_\_, as Document No. \_\_\_\_\_ (City DEED) and HSA conveyed certain real property to DEVELOPER under a Grant Deed, dated \_\_\_\_\_, 20\_\_\_\_, recorded in the Official Records of Fresno County on \_\_\_\_\_, 20\_\_\_\_, as Document No. \_\_\_\_\_ (HSA DEED), and the DEVELOPER agreed to complete/cause the completion of the of construction of certain improvements described therein (the Project) upon the premises described therein as the "Property" according to the terms and conditions of the DDA and the documents and instruments referenced therein, incorporated herein.
- B. The DDA or a memorandum of it was recorded \_\_\_\_\_, 20\_\_\_\_, as Instrument No. \_\_\_\_\_ in the Official Records of Fresno County, California.
- C. Under the terms of the DDA, after DEVELOPER completes/causes completion of construction of the Project on the Property DEVELOPER may ask CITY and HSA to record an instrument certifying that DEVELOPER has completed the required improvements for such development in the form of a Release of Construction Covenants and Certificate of Completion.
- D. DEVELOPER has asked CITY and HSA to furnish DEVELOPER with a recordable Release of Construction Covenants and Certificate of Completion of the development for the Project.

- E. CITY and HSA'S issuance of this Release of Construction Covenants and Certificate of Completion is conclusive evidence that DEVELOPER has completed the construction on a Phase of development of the Property to terminate and release DEVELOPER from the construction/improvement covenants in the DDA pertaining to such Phase.

NOW THEREFORE:

1. As provided in Section 3.4 of the DDA, the City and HSA does hereby certify that construction of all of the improvements required by the DDA on the portion of the Property described in Attachment A, attached hereto and incorporated herein by this reference, has been satisfactorily completed.
2. The DDA is therefore of no further force and effect as to such Phase of Development of the Property (as to the construction requirements for the Project on the Property), and all rights, duties, obligations and liabilities of the Agency and the Developer thereunder with respect to such Phase of Development (with respect to the construction of the Project shall cease to exist. Any continuing and existing rights, duties, obligations and liabilities of the Agency and the Developer (and its successors) pertaining such Phase of the Project are provided in the Grant Deed conveying the Property from the Agency to the Developer.
3. This Release of Construction Covenants and Certificate of Completion shall not be deemed or construed to constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the construction of the improvements on the Property. This Release of Construction Covenants and Certificate of Completion, is not a notice of completion as referred to in Section 3093 of the California Civil Code.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, AGENCY has executed this Release of Construction Covenants and Certificate of Completion as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CITY OF FRESNO,  
A California municipal corporation

By: \_\_\_\_\_  
Georgeanne A. White,  
City Manager

CITY OF FRESNO,  
in its capacity as Housing Successor to the  
Redevelopment Agency of the City of  
Fresno

By: \_\_\_\_\_  
Marlene Murphey,  
Executive Director

Owner hereby consents to recording this Certificate of Completion against the  
Property described herein.

Dated: \_\_\_\_\_, 20\_\_

The Park Partners, LLC, a California limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

THE ABOVE PARTIES ARE TO SIGN THIS INSTRUMENT BEFORE A NOTARY PUBLIC.

ATTEST:  
TODD STERMER, MMC  
City Clerk

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

By: \_\_\_\_\_

Deputy

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Tracy N. Parvanian  
Assistant City Attorney

Dated: \_\_\_\_\_

## EXHIBIT F

FREE RECORDING REQUESTED BY AND  
AFTER RECORDATION RETURN TO:

City of Fresno  
Attention: City Manager  
2600 Fresno Street  
Fresno, CA 93721

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(Space Above This Line For Recorder's Office Use Only)

### GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

CITY OF FRESNO, a municipal corporation (Grantor), hereby grants to The Park Partners, LLC, a California limited liability company (Grantee), the real property (Property) legally described in **Attachment No. 1** attached hereto and incorporated herein by this reference.

Consistent with the Disposition and Development Agreement including covenants, conditions and restrictions, (DDA) dated \_\_\_\_\_, 20\_\_\_\_, entered by Grantor and Grantee, all incorporated herein by this reference, the Grantee herein covenants by and for itself and its successors, transferees, vendees, administrators, and assigns, and all persons claiming under or through it that:

1. There shall be no discrimination against or segregation of, any person or group of persons on account of any bases listed in subdivision (a) or (d) of Section 12995 of the Government Code, as those bases are defined in Section 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Developer or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property.

a. Grantee will take all commercially reasonable precautions to prevent the release into the environment of any Hazardous Materials (as defined in the DDA) in, on or under the Property. Grantee will comply with all governmental requirements with respect to Hazardous Materials.

b. Until a Certificate of Completion is recorded as to the Property/portion thereof, Grantee will notify Grantor and give Grantor a copy or copies of all environmental permits, disclosures, applications, entitlements or inquiries relating to the Property including, without limitation, notices of violation, notices to comply, citations, inquiries, clean-up or abatement orders, cease and desist orders, reports filed pursuant to self-reporting requirements, and reports filed or applications made

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pursuant to any governmental requirement relating to Hazardous Materials and underground tanks. Immediately after each incident, Grantee will report any unusual or potentially important incidents respecting the environmental condition of the Property to Grantor.

c. If a release of any Hazardous Materials into the environment occurs, Grantee will, as soon as possible after the release, furnish Grantor with a copy of any reports relating thereto and copies of all correspondence with governmental agencies relating to the release. Upon request, Grantee will furnish Grantor with a copy of any other environmental entitlements or inquiries relating to or affecting the Property, including, without limitation, all permit applications, permits and reports, including reports and other matters, which may be characterized as confidential.

d. Grantee will indemnify, defend, and hold Grantor harmless from any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage or expense (including, without limitation, attorneys' fees), arising out of (i) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about the Property, or the transportation of any Hazardous Materials to or from the Property, or (ii) the violation, or alleged violation of any statute, ordinance, order, rule, regulation, permit judgment or license relating to any use, generation, release, discharge, storage, disposal, or transportation of Hazardous Materials on, under, in or about, to or from the Property. This indemnity will include, without limitation, any damage, liability, fine, penalty, parallel or cross indemnity occurring after conveyance, cost or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease or death) tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, contamination lease, spill, release or other adverse effect on the environment. The indemnity covers, without limitation, (a) all foreseeable and unforeseeable consequential damages, (b) the cost of any required or necessary repair, clean-up, or detoxification and the preparation of any closure or other required plans, and (c) costs of legal proceedings and attorneys' fees.

e. Grantee releases Grantor from all claims Grantee may have against, resulting from, or connected with the environmental condition of the Property. Such claims include, without limitation, all claims Grantee may have against Grantor under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), or any other federal, state or local law, whether statutory or common law, ordinance, or regulation concerning the release of Hazardous Materials or substances into the environment from or at the Property, and the presence of such materials in, on, under or about the Property. Grantee expressly waives the benefits of Civil Code section 1542, which reads as follows:

**A general release does not extend to claims which the creditor does not know or expect to exist in his favor at the time of executing the release which if known by him must have materially affected settlement with the debtor.**

2. Grantor is the beneficiary of the covenants running with the land for itself and for protecting the interest of the community and other parties, public or private, in whose favor and for whose benefit the covenants are provided, without regard to whether Grantor has been, remains, or is in ownership of any land on the Property/portion thereof. Grantor may exercise all rights and remedies, and maintain any actions or suits at law or in equity or other proceedings to enforce the covenants for itself or any other beneficiaries. The provisions of the DDA which by their terms or nature are intended to survive completion of the Project are fully enforceable under and shall not merge with this Deed.

3. If a conflict exists or arises between the provisions of this Deed and the DDA, the DDA shall control.

The obligations of the Grantee hereunder are covenants or conditions running with the land enforceable by Grantor through a reserved right to re-entry and reverter.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed on its behalf by its respective officers thereunto duly authorized, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

“GRANTOR”

CITY OF FRESNO,  
A California municipal corporation

By: \_\_\_\_\_  
Georgeanne A. White,  
City Manager

Date: \_\_\_\_\_

**ATTACHMENT NO. 1 GRANT DEED (City Parcel)  
LEGAL DESCRIPTION OF THE PROPERTIES**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**APN 468-282-23T:**

LOT 10 AND THE NORTHWEST 8 1/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 12 AND 13 AND THE SOUTHEASTERLY 16-2/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 14, 15 AND 16 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

## EXHIBIT F-1

FREE RECORDING REQUESTED BY AND  
AFTER RECORDATION RETURN TO:

Housing Successor to the Redevelopment Agency of the City of Fresno  
848 M Street, Third Floor  
Fresno, CA 93721  
Attention: Executive Director

---

(Space Above This Line For Recorder's Office Use Only)

### GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

CITY OF FRESNO, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno (Grantor), hereby grants to The Park Partners, LLC, a California limited liability company (Grantee), the real property (Property) legally described in **Attachment No. 1** attached hereto and incorporated herein by this reference.

Consistent with the Disposition and Development Agreement including covenants, conditions and restrictions, (DDA) dated \_\_\_\_\_, 20\_\_\_\_, entered by Grantor and Grantee, all incorporated herein by this reference, the Grantee herein covenants by and for itself and its successors, transferees, vendees, administrators, and assigns, and all persons claiming under or through it that:

1. There shall be no discrimination against or segregation of, any person or group of persons on account of any bases listed in subdivision (a) or (d) of Section 12995 of the Government Code, as those bases are defined in Section 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955 and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Developer or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property.

a. Grantee will take all commercially reasonable precautions to prevent the release into the environment of any Hazardous Materials (as defined in the DDA) in, on or under the Property. Grantee will comply with all governmental requirements with respect to Hazardous Materials.

b. Until a Certificate of Completion is recorded as to the Property/portion thereof, Grantee will notify Grantor and give Grantor a copy or copies of all environmental permits, disclosures, applications, entitlements or inquiries relating to the Property including, without limitation, notices of violation, notices to comply, citations, inquiries, clean-up or abatement orders, cease and desist orders, reports filed pursuant to self-reporting requirements, and reports filed or applications made

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pursuant to any governmental requirement relating to Hazardous Materials and underground tanks. Immediately after each incident, Grantee will report any unusual or potentially important incidents respecting the environmental condition of the Property to Grantor.

c. If a release of any Hazardous Materials into the environment occurs, Grantee will, as soon as possible after the release, furnish Grantor with a copy of any reports relating thereto and copies of all correspondence with governmental agencies relating to the release. Upon request, Grantee will furnish Grantor with a copy of any other environmental entitlements or inquiries relating to or affecting the Property, including, without limitation, all permit applications, permits and reports, including reports and other matters, which may be characterized as confidential.

d. Grantee will indemnify, defend, and hold Grantor harmless from any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage or expense (including, without limitation, attorneys' fees), arising out of (i) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about the Property, or the transportation of any Hazardous Materials to or from the Property, or (ii) the violation, or alleged violation of any statute, ordinance, order, rule, regulation, permit judgment or license relating to any use, generation, release, discharge, storage, disposal, or transportation of Hazardous Materials on, under, in or about, to or from the Property. This indemnity will include, without limitation, any damage, liability, fine, penalty, parallel or cross indemnity occurring after conveyance, cost or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease or death) tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, contamination lease, spill, release or other adverse effect on the environment. The indemnity covers, without limitation, (a) all foreseeable and unforeseeable consequential damages, (b) the cost of any required or necessary repair, clean-up, or detoxification and the preparation of any closure or other required plans, and (c) costs of legal proceedings and attorneys' fees.

e. Grantee releases Grantor from all claims Grantee may have against, resulting from, or connected with the environmental condition of the Property. Such claims include, without limitation, all claims Grantee may have against Grantor under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), or any other federal, state or local law, whether statutory or common law, ordinance, or regulation concerning the release of Hazardous Materials or substances into the environment from or at the Property, and the presence of such materials in, on, under or about the Property. Grantee expressly waives the benefits of Civil Code section 1542, which reads as follows:

**A general release does not extend to claims which the creditor does not know or expect to exist in his favor at the time of executing the release which if known by him must have materially affected settlement with the debtor.**

2. Grantor is the beneficiary of the covenants running with the land for itself and for protecting the interest of the community and other parties, public or private, in whose favor and for whose benefit the covenants are provided, without regard to whether Grantor has been, remains, or is in ownership of any land on the Property/portion thereof. Grantor may exercise all rights and remedies, and maintain any actions or suits at law or in equity or other proceedings to enforce the covenants for itself or any other beneficiaries. The provisions of the DDA which by their terms or nature are intended to survive completion of the Project are fully enforceable under and shall not merge with this Deed.

3. If a conflict exists or arises between the provisions of this Deed and the DDA, the DDA shall control.

The obligations of the Grantee hereunder are covenants or conditions running with the land enforceable by Grantor through a reserved right to re-entry and reverter.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed on its behalf by its respective officers thereunto duly authorized, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

“GRANTOR”

CITY OF FRESNO,  
in its capacity as Housing Successor to the  
Redevelopment Agency of the City of  
Fresno

By: \_\_\_\_\_  
Marlene Murphey,  
Executive Director

Date: \_\_\_\_\_

**ATTACHMENT NO. 1 GRANT DEED (HSA PARCEL)  
LEGAL DESCRIPTION OF THE PROPERTIES**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**APN 468-282-22T:**

PARCEL B OF PARCEL MAP 70-52 AS PER MAP RECORDED OCTOBER 14, 1970 IN BOOK 2 OF PARCEL MAPS AT PAGE 30, FRESNO COUNTY RECORDS

**APN 468-282-05T:**

LOT 9 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

**EXHIBIT G**  
**EXEMPLAR REGULATORY AGREEMENT AND DECLARATION OF COVENANTS AND RESTRICTIONS**

Recorded at the Request of  
and When Recorded Return to:

City of Fresno  
Planning and Development Dept.  
Housing and Community Development  
Division  
2600 Fresno Street, Room 3065  
Fresno, CA 93721-3605

Housing Successor to the Redevelopment  
Agency of the City of Fresno  
848 M Street, Third Floor  
Fresno, CA 93721  
Attention: Executive Director

(SPACE ABOVE THIS LINE FOR RECORDER'S USE  
ONLY)

*The document is exempt from the payment of a recording fee in accordance with Government Code Sections 6103 and 27383.*

APN: 468-282-23T; 468-282-22T; 468-282-05T\_

**REGULATORY AGREEMENT AND  
DECLARATION OF COVENANTS AND RESTRICTIONS**

THIS REGULATORY AGREEMENT AND DECLARATION OF COVENANTS AND RESTRICTIONS (Agreement) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the CITY OF FRESNO, a municipal corporation (City), the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno (HSA), and The Park Partners, LLC, a California limited liability company (Developer). The City and HSA shall be collectively referred to herein as Owner.

**RECITALS:**

A. Pursuant to a Disposition and Development Agreement by and between the Owner and Developer dated \_\_\_\_\_, 20\_\_ (the DDA), Owner agrees to sell the real property to Developer for the purpose of developing a mixed-income rental housing development with affordable housing units for students and small households on that certain real property located in the City of Fresno, County of Fresno, State of California, more particularly described in Exhibit "1" attached hereto and incorporated herein by reference (the Property).

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B. Pursuant to the DDA, Developer has agreed to construct and maintain a mixed-income rental housing development with affordable housing units for students and small households consisting of 160 total residential units on the Property (the Project). The Project is also referred to in the DDA as the "Project," and is further described in the Scope of Development and Project Design attached to the DDA.

C. The Property, or a portion thereof, was declared surplus exempt, pursuant to the Surplus Land Act under Government Code Section 37364 which imposes requirements on the minimum number of affordable housing units on the Property to remain affordable to low- and very low-income households that shall be restricted by a regulatory agreement recorded against the Property to remain continually affordable for the longest feasible time, but not less than 30 years. A portion of the Property was also declared surplus property requiring a 55-year affordability period if rental housing was constructed on the Property.

D. Owner and Developer now desire to place restrictions upon the use and operation of the Project, in order to ensure that the Project shall be operated continuously as a mixed-income rental housing development project with 64 Affordable Units (32 at 50% AMI and 32 at 80% AMI) available for rent to low and very-low income households (Affordable Units) for the term of this Agreement and in compliance with the Surplus Land Act and approved exemption under Government Code Section 37364.

#### AGREEMENT:

NOW, THEREFORE, the Developer and Owner declare, covenant and agree, by and for themselves, their heirs, executors, administrators and assigns, and all persons claiming under or through them, that the Property shall be held, transferred, encumbered, used, sold, conveyed, leased and occupied, subject to the covenants and restrictions hereinafter set forth, all of which are declared to be in furtherance of a common plan for the improvement and sale of the Property, and are established expressly and exclusively for the use and benefit of the Owner, the residents of the City of Fresno, and every person renting a dwelling unit on the Property.

#### AFFORDABILITY RESTRICTIONS RUNNING WITH LAND

In addition to the covenants and conditions contained in the DDA, the following affordability requirements shall be imposed upon the 64 Affordable Units (32 at 50% AMI and 32 at 80% AMI) on the Property under the Agreement and shall bind the Developer and all purchasers of the Property and their successors until the date that is 55 years following recordation of the City's Certificate of Completion as defined in the DDA (Affordability Period).

The Affordable Units on the Property are held and will be held, transferred, encumbered, used, sold, conveyed, and occupied subject to the covenants, restrictions, and limitations set forth in this Agreement, all of which are in furtherance of the Project. All of the restrictions, covenants and limitations will run with the land and will be binding on all parties having or acquiring any right, title or interest in the Affordable Units upon the Property or any part thereof, will inure to the benefit of the City, and will be enforceable by it. Any purchaser under a contract of sale or other transferee of an interest covering any right, title or interest in any part of the Affordable Units upon the Property, by accepting a deed or a contract of sale or agreement of purchase, accepts the document subject to, and

agrees to be bound by, any and all restrictions, covenants, and limitations set forth in this Agreement until the date that is 55 years following recordation of the Owner's Certificate of Completion.

This property has been declared surplus exempt, pursuant to the Surplus Land Act (Government Code Section 54220, et seq.) and was specifically exempted under Government Code Section 37364 which requires: (1) Minimum of 80% of the area of any parcel shall be used for development of housing ; (2) Not less than 40% of the total number of housing units developed on any parcel pursuant to this section shall be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households (80% of area median income), and at least half of which (20% of the units) shall be affordable to very low-income households (50% of area median income); and (3) Dwelling units shall be restricted by regulatory agreement to remain continually affordable to those persons and families for the longest feasible time, but not less than 30 years and shall be recorded against the property.

1. Restrictions. The following covenants and restrictions (Restrictions) on the use and enjoyment of the Affordable Units upon the Property shall be in addition to any other covenants and restrictions affecting the Property, and all such covenants and restrictions are for the benefit and protection of the Owner and shall run with the Affordable Units upon the Property and be binding on any future owners of the Property and inure to the benefit of and be enforceable by Owner. These covenants and restrictions are as follows:

a. From the date of recordation of this Agreement until the expiration of the Affordability Period, sixty-four (64) Affordable Units (32 Affordable Units at or below 80% AMI and 32 Units at or below 50% AMI) under the DDA are to be used as Affordable Housing as provided for in the DDA and this Agreement. Developer agrees to file a recordable document setting forth the Project Completion Date and the Affordability Period as and when determined by the Owner. Unless otherwise provided in the Agreement, the term "Affordable Housing" shall include without limitation compliance with the following requirements:

Nondiscrimination. There shall be no discrimination against nor segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, ancestry, or handicap in the sale, transfer, use, occupancy, tenure, or enjoyment of any of the Property, nor shall owner or any person claiming under the owner, establish or permit any practice of discrimination or segregation with reference to the selection, location, number, use or occupancy of owners or vendees of the Property.

Principal Residence. Each of the Affordable Units upon the Property shall be sold only to natural persons, who shall occupy such as a principal residence.

Income Requirements. Sixty-Four Affordable Units constituting low and very-low income Affordable Housing upon the Property may be sold only to (a) natural person(s). Of the total 160 units, not less than 40% (64 units) of the total number of housing units developed on any parcel pursuant to this section shall be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households

(80% of area median income), and at least half of which (20% or 32 units) shall be affordable to very low-income households (50% of area median income) of the most recent annual median income calculated and published by HUD for the Fresno Metropolitan Statistical Area applicable to such household's size, as defined by Section 50093 of the Health and Safety Code or as defined by the United States Department of Housing and Urban Development or its successors. The income requirements referenced in this paragraph shall be referred to collectively as the "Low-Income Requirements."

2. Enforcement of Restrictions. Without waiver or limitation, the Owner shall be entitled to injunctive or other equitable relief against any violation or attempted violation of this Agreement, including the Restrictions, and shall, in addition, be entitled to damages for any injuries or losses resulting from any violations thereof.

3. Acceptance and Ratification. All present and future owners of the Property and other persons claiming by, through, or under them shall be subject to and shall comply with the above Restrictions. The acceptance of a deed of conveyance to the Property shall constitute an agreement that the Restrictions, as such may be amended or supplemented from time to time, is accepted and ratified by such future owners, tenant or occupant, and such Restrictions shall be a covenant running with the land and shall bind any person having at any time any interest or estate in the Property, all as though such Restrictions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

4. Benefit. This Agreement and the Restrictions herein shall run with and bind the Property for a term commencing on the date this Agreement is recorded in the Office of the Recorder of the County of Fresno, State of California, and expiring upon the expiration of the Affordability Period. The failure or delay at any time of Owner and/or any other person entitled to enforce these Restrictions shall in no event be deemed a waiver of the same, or of the right to enforce the same at any time or from time to time thereafter, or an estoppel against the enforcement thereof.

5. Costs and Attorney's Fees. In any proceeding arising because of failure of Developer or any future owner of the Property to comply with the Restrictions required by this Agreement, as may be amended from time to time, City shall be entitled to recover its respective costs and reasonable attorney's fees incurred in connection with such default or failure.

6. Waiver. Neither Developer nor any future owner of the Property may exempt itself from liability for failure to comply with the Restrictions required in this Agreement.

7. Severability. The invalidity of the Restrictions or any other covenant, restriction, condition, limitation, or other provision of this Agreement shall not impair or affect in any manner the validity, enforceability, or effect of the rest of this Agreement and each shall be enforceable to the greatest extent permitted by law.

8. Pronouns. Any reference in this Agreement and the Restrictions herein to the masculine, feminine, or neuter gender herein shall, unless the context clearly requires the contrary, be deemed to refer to and include all genders. Words in the singular shall include

and refer to the plural, and vice versa, as appropriate.

9. Interpretation. The captions and titles of the various articles, sections, subsections, paragraphs, and subparagraphs of this Agreement are inserted herein for ease and convenience of reference only and shall not be used as an aid in interpreting or construing this Agreement or any provision hereof.

10. Capitalized Terms. All capitalized terms used in this Agreement, unless otherwise defined herein, shall have the meanings assigned to such terms in the DDA.

11. Amendments. This Agreement shall be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the real property records of the County of Fresno.

12. Notice. Any notice required to be given hereunder shall be made in writing and shall be given by personal delivery, or by certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto:

City: City of Fresno  
2600 Fresno Street  
Fresno, CA 93721  
Attn: City Manager

HSA: City of Fresno as Housing Successor  
848 M Street, 3rd Floor  
Fresno, CA 93721  
Attn: Executive Director

Copy to: City Attorney  
Fresno City Hall  
2600 Fresno Street  
Fresno, CA 92612

Developer: The Park Partners, LLC  
Mehmet Noyan  
The Park Partners LLC  
685 W. Alluvial, Ste 101  
Fresno, CA 993711

Jeff Isenstadt  
The Park Partners LLC  
2029 Century Park E. Ste 400  
Los Angeles, CA 90067

\_\_\_\_\_  
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Copy to:

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The notice shall be deemed given three business days after the date of mailing, or, if personally delivered, when received.

13. GOVERNING LAW. This Agreement shall be governed by the laws of the State of California.

14. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall constitute one original and all of which shall be one and the same instrument.

15. FURTHER ASSURANCES. The parties will execute such other and further documents, and will take any other steps, necessary, helpful, or appropriate to carry out the provisions of this Agreement.

16. DECLARANT LIABILITY. The DECLARANT shall not have any personal liability for the obligations under this Declaration. The sole recourse of the City shall be exercising of its rights against the Property.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Owner and Developer have executed this Regulatory Agreement and Declaration of Covenants and Restrictions by duly authorized representatives on the date first written hereinabove.

CITY OF FRESNO,  
a municipal corporation in its capacity as  
Housing Successor to the Redevelopment  
Agency of the City of Fresno

The Park Partners, LLC, a California limited  
liability company

By: \_\_\_\_\_  
Marlene Murphey  
Executive Director

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
(If corporation or LLC., Board Chair, Pres. or  
Vice Pres.)

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
(If corporation or LLC., Board Chair, Pres. or  
Vice Pres.)

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

By: \_\_\_\_\_  
Tracy N. Parvanian                      Date  
Assistant City Attorney

ATTEST:  
TODD STERMER, MMC  
City Clerk

By: \_\_\_\_\_  
Deputy

[END OF SIGNATURES]

Attachments:  
Exhibit 1:     Legal Description of Property

**EXHIBIT "1" to REGULATORY AGREEMENT**

**LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

**APN 468-282-23T:**

LOT 10 AND THE NORTHWEST 8 1/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 12 AND 13 AND THE SOUTHEASTERLY 16-2/3 FEET OF LOT 11 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

LOTS 14, 15 AND 16 IN BLOCK 74 OF THE TOWN OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.

**APN 468-282-22T:**

PARCEL B OF PARCEL MAP 70-52 AS PER MAP RECORDED OCTOBER 14, 1970 IN BOOK 2 OF PARCEL MAPS AT PAGE 30, FRESNO COUNTY RECORDS

**APN 468-282-05T:**

LOT 9 IN BLOCK 74 OF THE TOWN (NOW CITY) OF FRESNO, IN THE CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA, ACCORDING TO THE MAP RECORDED IN BOOK 1 PAGE 2 OF PLATS, FRESNO COUNTY RECORDS.