

## **AGENDA**

### **MEETING OF THE KERN COUNTYWIDE OVERSIGHT BOARD**

The Board of Supervisors Chamber  
1115 Truxtun Ave. 1<sup>st</sup> Floor  
Bakersfield, California  
Monday, November 5, 2018

10:00 AM

All agenda item supporting documentation is available for public review in the office of the Clerk of the Board of Supervisors, 1115 Truxtun Ave., 5<sup>th</sup> Floor, Bakersfield, 93301 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

**1. CALL TO ORDER:**

**2. PLEDGE OF ALLEGIANCE:**

**3. ROLL CALL**

**4. PUBLIC COMMENT:** This time has been set aside for members of the public to address the Oversight Board on any matter not on this agenda but within the subject matter jurisdiction of the Board. Although the Oversight Board values your comments, pursuant to the Brown Act, it generally cannot take any action on items not listed on the posted agenda. Speakers are limited to two minutes. Please state and spell your name before making your comments.

**5. ADMINISTRATIVE ITEMS:**

**5.A. ADOPTION OF A RESOLUTION:**

**RECOMMENDATION:** Adopt Resolution No. 006 “A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCIES OF KERN COUNTY TO APPROVE AND RATIFY TWO LICENSES/LEASES WITH OPTIONS TO BUY SMALL PORTIONS OF TWO PARCELS TO THE ARVIN COMMUNITY SERVICE DISTRICT AS DESCRIBED IN ATTACHMENTS B & C AT A COST OF \$29,480 & \$30,360, RESPECTIVELY, FOR DEVELOPMENT OF DRINKING WATER WELLS”.

**6. BOARD MEMBER COMMENTS OR ANNOUNCEMENTS:**

**7. ADJOURNMENT:**

**Americans with Disabilities Act  
(Government Code Section 54954.2)**

The Board of Supervisors Chamber is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Board of Supervisors may request assistance at the Clerk of the Board of Supervisors, Fifth Floor, 1115 Truxtun Avenue, Bakersfield, California or by calling (661) 868-3585. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

**SUPPLEMENT**

**TO**

**AGENDA**

KERN COUNTYWIDE OVERSIGHT BOARD

1115 Truxtun Avenue  
Bakersfield, California 93301

Regular Meeting  
MONDAY, NOVEMBER 5, 2018

10:00 A.M.

ADMINISTRATIVE ITEMS

- 5B) Adopt Resolution No. 007 "A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCIES OF KERN COUNTY TO APPROVE THE SALE OF A CERTAIN REAL PROPERTY TO MFT-FIVE BAKERS LIMITED PARTNERSHIP - APN 018-040-70-00".

**SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY  
Staff Report**

Meeting Date: November 5, 2018

**TO:** Kern Countywide Oversight Board

**FROM:** Executive Director

**SUBJECT:** Approve and Ratify a Resolution of the Successor Agency of the Arvin Community Redevelopment Agency Ratifying Two (2) Leases/Licenses with Options to Buy Small Portions of Two Agency-Owned Parcels to the Arvin Community Services District for \$29,480 and \$30,360 for Water Wells and Authorize the Executive Director to Execute all Documents to Effect the Sale.

**RECOMMENDATION:**

To approve and ratify the license/lease agreements with options to buy previously execute by the Executive Director with the Arvin Community Services District ('**District**') for a portion of two SA parcels as described in Resolution (Attachment 1) at a cost of \$29,480 and \$30,360 and to authorize the Executive Director to execute all documents required to effect the sale of the parcels to the District.

**BACKGROUND:**

For more than a decade, the City of Arvin and its citizens have struggled with access to drinking water that meets required standards. For example, all six of the District's water wells contain arsenic levels that exceed the federal health standard.

In 2008, the United States Environmental Protection Agency (US EPA) issued an order requiring the District to satisfy the arsenic maximum contaminant level (MCL) of 10 parts per billion (ppb) no later than December 2010, and was later granted an extension to December 31, 2014. In 2015 after continuing to be in non-compliance, the District launched its Interim Solutions Point of Use (POU) Program to deliver safe drinking water to Arvin school children throughout the City's school district.

The District's new deadline to provide a permanent solution to its high levels of arsenic is March 2, 2019. Fortunately, in May 2017, the District received a \$2.5 million grant from the US EPA to secure a safe and sustainable drinking water source. With these funds, the District was able to initially lease/license one City-owned and two (2) Successor Agency-owned properties to test the groundwater and, if it satisfied federal drinking water standards and regulations, acquire one or more portions of these parcels to build new well infrastructure and secure drinking water that satisfies federal regulations. If one or more well sites did not satisfy federal drinking water regulations and standards, the ACSD was required to return all well sites and parcels to their original condition (e.g., prior to taking position of the properties and drilling) and the lease/licenses would be terminated.

As the District mostly serves the residents and business owners of the City of Arvin, it was in the best interest of the City and the Successor Agency to support the District's efforts to secure safe drinking water for its citizens by approving the lease/licenses with options to acquire the properties.

The Successor Agency owns: (i) 192-070-06 which consists of 2.73 acres (“**Parcel A**”); and (ii) APN 189-351-71 which consists of 50.61 acres (“**Parcel B**”) (jointly the “**SA Properties**”).

On July 18, 2017, Successor Agency approved SA Resolution 2017-73 (“**SA Resolution**”) which authorized the Executive Director to enter into the license/lease agreements with options to purchase small portions of the SA Properties with the District for the purpose of development of the water wells.

Pursuant to the SA Resolution, the Executive Director entered into separate lease/license agreements with options to purchase with the District for (i) 1.00 acre of Parcel A (“**Subparcel A**”); and (ii) 1.34 acres of Parcel B (“**Subparcel B**”) (jointly “**Licenses**”).

After conducting its due diligence, the District exercised the options to purchase for Subparcel A for a purchase price of \$29,480 and Subparcel B for \$30,360 (jointly “**Purchase Prices**”).

The Purchase Prices were established pursuant to appraisals by Valbridge Property Advisors and reflected the fair market value of Subparcel A and Subparcel B being sold to the District.

The Successor Agency will retain ownership of the balance of Parcel A and Parcel B which are not being sold to the District.

The Executive Director executed the Purchase and Sale Agreements both dated November 20, 2017 for the sale of Subparcel A and Subparcel B for the Purchase Prices (jointly the “**PSAs**”) to the District. Copies of the PSAs are attached to the Resolution (Attachment 1).

#### **FINANCIAL IMPACT:**

The total sale prices for both Subparcel A and Subparcel B is \$59,840 which will be paid to the Successor Agency less costs authorized in the PSAs.

#### **ATTACHMENTS:**

1. A Resolution of the Oversight Board for the Successor Agency of the Arvin Community Redevelopment Agency to Approve and Ratify the Resolution of the Successor Agency for the for the Two License/Leases with Options to Buy Small Portions of Two (2) Parcels to the Arvin Community Service District as Described in Attachments B & C at a Cost of \$29,480 & \$30,360, respectively for the Development of Drinking Water Wells.

**BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD**

**In the matter of:**

**Resolution No. 006**

**RESOLUTION TO APPROVE AND RATIFY  
TWO LICENSES/LEASES WITH OPTIONS TO BUY  
SMALL PORTIONS OF TWO PARCELS TO THE ARVIN  
COMMUNITY SERVICE DISTRICT AS DESCRIBED IN  
ATTACHMENTS B & C AT A COST OF \$29,480 & \$30,360,  
RESPECTIVELY, FOR DEVELOPMENT OF DRINKING  
WATER WELLS**

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director           , seconded by Director           , was duly passed and adopted by the Board of Directors at an official meeting this            day of           ,           , by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

Secretary on behalf of the Oversight Board  
Kern Countywide Oversight Board

## RESOLUTION

Section 1. WHEREAS:

(a) On July 18, 2017, Successor Agency to the Arvin Community Redevelopment Agency (“**Successor Agency**”) approved SA Resolution 2017-73 (“**SA Resolution**”) (copy attached as **Attachment A**) which authorized its Executive Director or his designee to lease or license specified portions of Successor Agency properties to the Arvin Community Services District (“**District**”), with an option to purchase those properties, for the purpose of development drinking water wells for the benefit of the public; and

(b) The Successor Agency owns: (i) 192-070-06 which consists of 2.73 acres (“**Parcel A**”); and (ii) APN 189-351-71 which consists of 50.61 acres (“**Parcel B**”) (jointly the “**SA Properties**”);

(c) In 2008, the United States Environmental Protection Agency (US EPA) issued an order requiring the District to satisfy the arsenic maximum contaminant level (“**MCL**”) of 10 parts per billion (ppb) no later than December 2010, and was later granted an extension to December 31, 2014; and

(d) The District’s new deadline to provide a permanent solution to its high levels of arsenic is March 2, 2019; and

(e) The District, as part of its Arsenic Mitigation Project, is developing three new water wells; and

(f) The District received a \$2.5 million grant from the US EPA to drill for safe drinking water in May 2017 (“**Federal Funds**”); and

(g) The SA Properties are in hydrologically advantageous locations that initially appear to have a higher likelihood of being able to provide water supplies under the Arsenic MCL; and

(h) With the Federal Funds, the District was able to initially utilize portions of the SA Properties to test the groundwater and initial tests show that they satisfy federal drinking water standards and regulations; and

(i) Pursuant to the SA Resolution, the Executive Director entered into separate lease agreements with options to purchase with the District for (i) 1.00 acre of Parcel A (“**Subparcel A**”); and (ii) 1.34 acres of Parcel B (“**Subparcel B**”) (jointly “**Leases**”);

(j) During the term of the Leases, the District conducted due diligence and paid the required funds to the Successor Agency; and

(k) After conducting its due diligence, the District exercised the options to purchase Subparcel A for \$29,480 and Subparcel B for \$30,360 (jointly “**Purchase Prices**”);

(l) The Purchase Prices were established pursuant to appraisals by Valbridge Property Advisors and reflected the fair market value of the SA Properties; and

(m) The Successor Agency will retain ownership of the remainder of the SA Properties; and

(n) The Executive Director executed the Purchase and Sale Agreements both dated

November 20, 2017 for the sale of Subparcel A and Subparcel B (jointly the “**PSAs**”) to the District. Copies of the PSAs are attached hereto as **Attachments B and C**.

Section 2. THEREFORE IT IS RESOLVED that Kern Countywide Oversight Board resolves:

(a) This Board finds that the recited facts are true and that it has the jurisdiction to consider, approve, and adopt this resolution.

(b) .This Board incorporates and makes all the findings recommended by staff, whether verbally or in their written reports

(c) This Board finds and determines that the applicable provisions of the California Environmental Quality Act of 1970, the State CEQA Guidelines, and the Kern County Guidelines have been observed in conjunction with the hearing and consideration of this request.

(d) This Board finds and determines that pursuant to the State CEQA Guidelines section 15061(b)(3), this is not a project for CEQA purposes as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Furthermore, even if considered to be a "project" under CEQA it would be categorically exempt pursuant to section 15303 of the CEQA guidelines.

(e) Successor Agency’s sale of Subparcel A and Subparcel B to the District will benefit the general public in the City of Arvin by providing potable drinking water for the local community.

(f) The Subparcel A sale price and the Subparcel B sale price reflect their fair market value.

(g) The Successor Agency will retain ownership of the balance of Parcel A and Parcel B subject to Long-Range Property Management Plan (LRPMP).

(h) The Countywide Oversight Board confirms and ratifies the Leases with the District as well as the PSAs.

(i) The Executive Director, or his designee, is authorized to enter into any and all documents required to complete the sale of Subparcel A and Subparcel B to the District pursuant to the PSAs, subject to approval as to form by County Counsel.

- (j) This resolution shall take effect immediately.

## ATTACHMENT A

### COPY OF SUCCESSOR AGENCY RESOLUTION

CITY RESOLUTION NO. 2017-72

SUCCESSOR AGENCY NO. 2017-73

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARVIN AND THE SUCCESSOR AGENCY TO THE ARVIN COMMUNITY REDEVELOPMENT AGENCY TO APPROVE THE LEASE WITH AN OPTION TO BUY ONE OR MORE PORTIONS OF THREE PARCELS TO THE ARVIN COMMUNITY SERVICE DISTRICT AS DESCRIBED IN ATTACHMENTS 1, 2 AND 3 AT A COST OF \$29,480, \$30,360 AND \$20,000, RESPECTIVELY**

**WHEREAS**, for more than a decade, the City of Arvin and its citizens have not had access to drinking water that meets required standards; and

**WHEREAS**, all six of the Arvin Community Service District's (District) water wells contain arsenic levels that exceed the federal health standard; and

**WHEREAS**, in 2008, the United States Environmental Protection Agency (US EPA) issued an order requiring the District to satisfy the arsenic maximum contaminant level (MCL) of 10 parts per billion (ppb) no later than December 2010, and was later granted an extension to December 31, 2014; and

**WHEREAS**, in 2015 after continuing to be in non-compliance, the District launched its Interim Solutions Point of Use (POU) Program to deliver safe drinking water to Arvin school children throughout the City's school district; and

**WHEREAS**, the District's new deadline to provide a permanent solution to its high levels of arsenic is March 2, 2019; and

**WHEREAS**, the District received a \$2.5 million grant from the US EPA to drill for safe drinking water in May 2017; and

**WHEREAS**, the Successor Agency to the Arvin Community Redevelopment Agency (Successor Agency) owns two parcels in hydrologically advantageous locations that initially appear to have a higher likelihood of being able to provide water supplies (See Attachment 1 and 2); and

**WHEREAS**, the City of Arvin owns a parcel in a hydrologically advantageous location that initially appears to have a higher likelihood of being able to provide water supplies (See Attachment 3); and

**WHEREAS**, with the funds noted above, the District will be able to initially lease portions of three properties to test the groundwater and, if it satisfies federal drinking water standards and regulations, acquire one or more portions of these parcels to build new well infrastructure and secure drinking water that satisfies federal regulations; and

**WHEREAS**, if one or more well sites does not satisfy federal drinking water regulations and standards, the City and the Successor Agency desire that the District will return all well sites and parcels to their original condition (e.g., prior to taking position of the properties and drilling) and terminate the lease with the City; and

**WHEREAS**, the properties have been appraised, and the purchase price reflects the fair-market value of the property; and

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Reso Re Lease/Purchase of Property to Arvin CSD for Water Wells  
Page 1 of 3

**WHEREAS**, the City Council and the Board of the Successor Agency desire to authorize the approval of agreement(s) with the District to allow for the lease and potential purchase of the properties.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Arvin, and the Governing Board of Directors of the Successor Agency to the Arvin Community Redevelopment Agency as follows:

1. The City Council and Successor Agency to the Arvin Community Redevelopment Agency jointly find that the mere transfer of title to the Arvin Community Services District is not a “project” for the purposes of the California Environmental Quality Act (CEQA). Additionally, even if this were more than a transfer and a “project” for the purposes of CEQA, the City Council and Governing Board further approve a finding of a categorical exemption under CEQA Guidelines section 15303 is warranted, as the inclusion of small new equipment and facilities, including water utilities, is subject to a categorical exemption. Further, none of the exceptions to categorical exemptions set forth under CEQA Guidelines section 15300.2 apply to this project.
2. The City Manager/Executive Director, or his designee, is authorized to enter into a lease agreement with an option to buy with the Arvin Community Services District (‘District’) as to a portion of three the parcels as particularly identified in Attachments 1, 2 and 3 at a cost of \$29,480.00, \$30,360.00, and \$20,000.00, respectively, subject to approval as to legal form by the City Attorney/Successor Agency Counsel. Said agreements may include any easements across adjacent City or Successor Agency property which the City Manager/Executive Director or designee deems reasonably necessary to allow for connection of the water wells to the water system or associated operations. Said agreements shall also ensure that the District shall comply with any statutory requirements of the California Environmental Quality Act and applicable entitlements, conditional use, or other permits required by the municipal ordinances of the City of Arvin if not otherwise exempted by Government Code section 53091 or by law.
3. If any portion of a parcel identified in Attachment 1, 2 or 3 is subject to a lease or other obligation that would affect the City’s ability to enter into a lease agreement with an option to by with the District, the City Manager, or designee, is authorized to take all steps, including modification of any existing leases or agreements, subject to approval as to legal form by the City Attorney.

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I **HEREBY CERTIFY** that the foregoing resolution was passed and adopted by the City Council of the City of Arvin and the Governing Board of the Successor Agency to the Arvin Community Redevelopment Agency at a regular meeting thereof held on the 18<sup>th</sup> day of July, 2017 by the following vote:

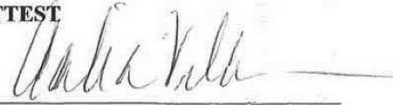
AYES: CM/AM Ortiz, CM/AM Madrigal, MPT/AM Robles, Mayor/Chair Gurrola

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: CM/AM Martinez

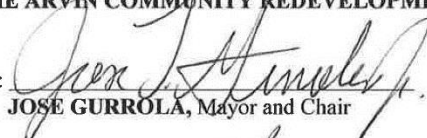
ATTEST



**CECILIA VELA**, City Clerk and  
Agency Secretary

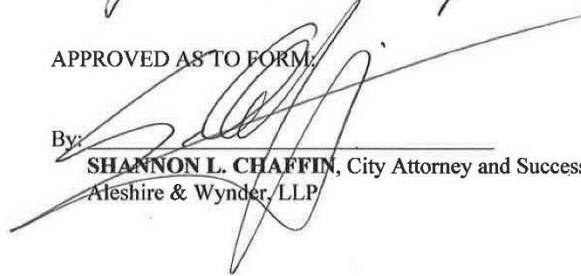
**CITY OF ARVIN/ SUCCESSOR AGENCY TO  
THE ARVIN COMMUNITY REDEVELOPMENT AGENCY**

By:

  
**JOSE GURROLA**, Mayor and Chair

APPROVED AS TO FORM:

By:

  
**SHANNON L. CHAFFIN**, City Attorney and Successor Agency Counsel  
Aleshire & Wynder, LLP

I, \_\_\_\_\_, City Clerk of the City of Arvin, California, and Agency Secretary of the Successor Agency to the Arvin Community Redevelopment Agency, California, **DO HEREBY CERTIFY** that the foregoing is a true and accurate copy of the Resolution passed and adopted by the City Council of the City of Arvin on the date and by the vote indicated herein.

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Reso Re Lease/Purchase of Property to Arvin CSD for Water Wells

Page 3 of 3

## LEGAL DESCRIPTION

### EXHIBIT "A"

#### WELLSITE NO.1

That certain portion of Section 26, Township 31 South, Range 29 East, M.D.B.&M., County of Kern, State of California, more particularly described as follows:

Beginning at the Southeast Corner of said Section 26, said Southeast Corner also being the intersection of the centerlines of Walnut Drive and Sycamore Road, thence  $N00^{\circ}00'48''E$ , on and along the east line of said Section 26, 55.00 feet; thence  $N89^{\circ}49'18''W$ , 30.00 feet to the True Point of Beginning, said True Point of Beginning being the intersection of the west right of way line of Walnut Drive and the north right of way line of Sycamore Road; thence continuing  $N89^{\circ}49'18''W$ , on and along the north right of way line of Sycamore Road, 220.74 feet; thence, departing said north right of way line,  $N00^{\circ}00'48''E$ , 197.34 feet; thence  $S89^{\circ}49'21''E$ , 220.74' to the west right of way line of Walnut Drive; thence  $S00^{\circ}00'48''W$ , on and along said west right of way line, 197.34 feet, to the True Point of Beginning.

Containing 1.00 acres



*Dee Jaspas*  
6-30-17



## LEGAL DESCRIPTION

### EXHIBIT "A"

#### WELLSITE NO.2

That certain portion of Section 35, Township 31 South, Range 29 East, M.D.B.&M., County of Kern, State of California, more particularly described as follows:

Beginning at the Southwest Corner of said Section 35; thence S89°51'23"E, on and along the south line of the Southwest Quarter of said Section 35, 1319.34 feet; thence departing said south line of the Southwest Quarter, N00°16'23"E, 55.00 feet to the north right of way line of Millux Road and the True Point of Beginning; thence N89°51'23"W, on and along said north right of way line, 208.71 feet; thence N00°16'22"E, 280.00 feet; thence S89°51'23"E, 208.71 feet; thence S00°16'22"W, 280.00 feet to the True Point of Beginning.

Containing 1.34 acres



*Dee Jaspar*  
6-30-17



## LEGAL DESCRIPTION

### EXHIBIT "A"

#### WELLSITE NO.3

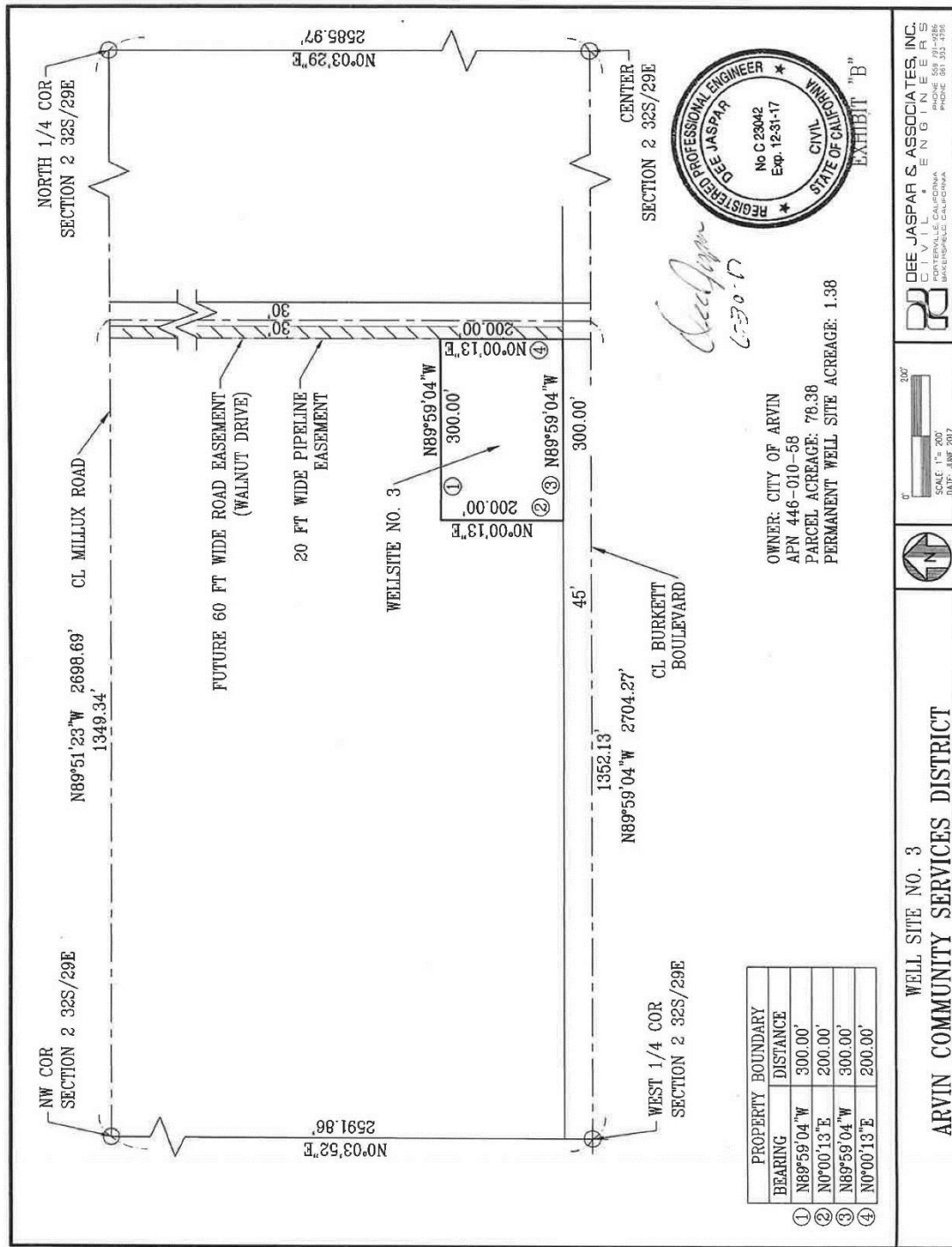
That certain portion of Section 2, Township 32 South, Range 29 East, M.D.B.&M., County of Kern, State of California, more particularly described as follows:

Beginning at the West Quarter Corner of said Section 2; thence S89°59'04"E, 1,322.13' on and along the south line of the Northwest Quarter of said Section 2; thence N00°00'13"E, 45.00 feet to the north right of way line of Burkett Boulevard and the True Point of Beginning; thence N89°59'04"W, on and along said north right of way line 300.00 feet; thence, departing said north right of way line, N00°00'13"E, 200.00 feet; thence S89°59'04"E, 300.00 feet; thence S00°00'13"W, 200.00 feet to the True Point of Beginning.

Containing 1.38 acres



*Dee Jaspal*  
6-30-17



## ATTACHMENT B

### COPY OF PSA FOR SUBPARCEL A

#### PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement ("Purchase Agreement") is entered into, effective this 20 day of November, 2017, (the "Effective Date") by and between the Successor Agency to the Arvin Community Development Agency ("Seller"), and Arvin Community Services District, a California Community Services District duly organized and existing under the California Community Services District Law (Government Code § 61000, *et seq.*) ("District"). Seller and District shall sometimes be referred to herein collectively as the "Parties" or individually as a "Party."

**WHEREAS**, Seller is the fee simple owner of certain real property located in Arvin, California more specifically identified in Exhibit "A" attached hereto ("the Property"), which District desires to purchase for a well site (the "Well Site");

**WHEREAS**, prior to the Effective Date hereof the Parties entered into that certain *Surface Use and Test Well Agreement* dated July 31, 2017, pursuant to which District exercised its rights granted therein to construct a test well (the "Test Well") on the Well Site; and

**WHEREAS**, the District has determined based on the test results of the water produced from the Test Well that the Well Site is a suitable location for a new municipal well; and

**WHEREAS**, District desires to purchase the Property from Seller and Seller desires to sell the Property to the District;

**NOW, THEREFORE**, for and in consideration of the covenants and obligations contained in this Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller agrees to sell, bargain and convey to District and District agrees to purchase all of Seller's right, title and interest in and to the Property under the following terms and conditions:

**1. PURCHASE PRICE.** The total purchase price for the Property is Twenty Nine Thousand Four Hundred and Eighty Dollars (\$29,480). District shall deposit the full amount of the Purchase Price into Escrow within five (5) days of Seller's execution of the Purchase Agreement. The Purchase Price shall be fully refundable to District if the transaction contemplated herein fails for any reason whatsoever.

**2. EXCLUSIVITY OF AGREEMENT.** This Purchase Agreement is exclusive and non-assignable and exists solely for the benefit of the Parties. Any attempt by District to assign, convey, delegate, or transfer this Purchase Agreement without the Seller's express written consent thereto shall render any purported assignment, conveyance, delegation or transfer null and void.

### **3. CONDITION OF TITLE TO THE PROPERTY.**

**3.01 Condition of Title to the Property.** Seller agrees to convey to District fee simple title to the Property. Seller shall convey title to District by grant deed, subject to the items listed herein. District shall accept title to the Property subject to the following exceptions (the "Permitted Exceptions"):

- (a) The easements and right-of-way for public roads, public utilities, and underground pipelines that are of record or apparent as of July 31, 2017;
- (b) The lien for real property taxes that are assessed but not yet delinquent; and,
- (c) All other exceptions to title reflected in a Preliminary Title Report ("PTR"), prepared by Escrow Holder for the Property, as of July 31, 2017.
- (d) District shall take the Property subject to the Surface Use and Test Well Agreement and any title matters that the District caused under it.

**3.02 Preliminary Reports.** Escrow Holder shall deliver to District a copy of the PTR for the Property promptly following opening of Escrow.

**3.03 Title Review.** District may make objections to any exception to title reflected in any PTR, provided such objections are made to Seller in writing on or before thirty (30) days following District's receipt of each PTR. If District fails to notify Seller, in writing, of any objections to title by such date, District shall be deemed to have accepted title to the parcels described in the PTR subject to all of the exceptions to title reflected therein.

**3.04 Removal of Exceptions.** If District timely objects to any exception to title set forth in any PTR, District may (i) cause the exception to be removed of record or, (ii) obtain the appropriate endorsement of the policy of title insurance to be issued by Escrow Holder to District insuring against the exception. Seller agrees to provide such cooperation as is reasonably necessary should District attempt to have an exception removed of record. If, despite District's commercially reasonable efforts, District is unable to accomplish the foregoing within thirty (30) days following District's written notice of objections to Seller, District shall have the option to either (i) terminate this Purchase Agreement, or (ii) waive its objection rights provided herein. If District takes no action within said thirty (30) day period, District's objections shall be deemed waived. If necessary to insure around the exception, District may choose a new title company reasonably satisfactory to Seller. The Purchase Price shall be fully refundable to District if either this Purchase Agreement is terminated pursuant to this Section 3.04.

**3.05 Title Insurance.** At the Close of Escrow and as a condition to District's obligation to purchase the Property, Escrow Holder shall commit to issue, and to deliver to District, its standard coverage CLTA Owner's Policy of Title Insurance insuring title to the Property to District in the condition set forth in Section 3.01 and with liability in the amount of the Purchase Price (the "Title Policy").

#### **4. PHYSICAL CONDITION OF THE PROPERTY.**

**4.01 Inspection of the Property.** For a period of thirty (30) days after the Effective Date (the "Due Diligence Period"), Seller shall provide District, and its agents, employees, and representatives (collectively "District's Agents"), with access to the Property, and provide District with copies of any relevant documents that District may reasonably request and that are in the possession of Seller, to allow District or District's Agents, or both, to investigate, inspect, and to conduct such tests upon the Property as the District deems necessary or advisable (the "Due Diligence"). If District and District's Agents have not completed the Due Diligence on or before the expiration of the Due Diligence Period, District will be deemed to have waived all rights to conduct the Due Diligence.

**4.02 District's Indemnification of Seller.** District shall indemnify, defend, and hold Seller, and Seller's employees, agents, successors, and assigns, and each of them, and the Property, harmless from and against any and all claims, demands, losses, costs, expenses, damages, recoveries, deficiencies, liabilities, and liens (including, without limitation, the defense thereof and all reasonable attorney's fees and costs) that may arise, result from, or be attributable to the acts or omissions of District or District's Agents, or both, in performing or preparing the Due Diligence.

**4.03 Condition of the Property; No Warranties.** Seller has not made and will not make any warranties or representations as to the precise number of acres of the Property, its development potential, its condition, or the soil, the cost, quantity, quality or availability of water on, under or to the Property, the existence, transferability or value of any mineral rights, or the condition of any improvements, fixtures or equipment located on the Property. DISTRICT ACKNOWLEDGES THAT DISTRICT IS PURCHASING THE PROPERTY SOLELY IN RELIANCE ON DISTRICT'S OWN INVESTIGATION, AND THAT EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, HAVE BEEN MADE BY SELLER, OR SELLER'S AGENTS. DISTRICT WILL ACQUIRE THE PROPERTY INCLUDING ANY IMPROVEMENTS, EQUIPMENT, FIXTURES, AND PERSONAL PROPERTY CONVEYED BY SELLER "AS IS" AND WITHOUT EXPRESS OR IMPLIED WARRANTY OF CONDITION, MERCHANTABILITY OR FITNESS. Seller does represent that it has no actual knowledge of, nor any reasonable cause to believe that there has been any release of hazardous substances located on or beneath the Property that would require notice to District pursuant to Section 25359.7 of the California Health and Safety Code. Seller further represents, to the best of its knowledge, that during its ownership or operation of the Property, no underground tanks for the storage of hazardous substances, including petroleum products, were located on or under the Property.

**4.04 District Acknowledgement.** By execution of this Agreement, District:

- (a) Acknowledges that pursuant to the Due Diligence Period granted in accordance with Section 4.01 above, District will have the opportunity to completely and thoroughly inspect the Property; and

- (b) Agrees to indemnify, defend and hold Seller, Seller's agents, employees and representatives and the Sale Property harmless as set forth in Section 4.02 above.

The foregoing release, representatives, covenants and indemnity shall survive the Close of Escrow and the transfer of title to District.

## **5. COVENANTS, WARRANTIES, AND REPRESENTATIONS**

**5.01 Covenants, Warranties, and Representations of Seller.** Seller hereby makes the following covenants, representations, and warranties and acknowledges that District's execution of this Purchase Agreement has been made and District's acquisition of the Property will be made in material reliance by District on these covenants, representations, and warranties.

- (a) **Authority.** Seller has the authority to enter into this Purchase Agreement and to perform all covenants and obligations and make all representations and warranties herein contained.
- (b) **No Violation.** Neither this Purchase Agreement nor anything provided to be done hereunder violates or shall violate any contract, agreement or instrument to which Seller is a party of or which affects the Property.
- (c) **No Knowledge of Defects in Title.** Seller has no current actual knowledge of any defect in title which is not of record and that Seller has not disclosed to the Escrow Holder.
- (d) **Accurate Information.** To Seller's actual knowledge, all of the information provided by Seller to District related to the Property is true, accurate and complete.
- (e) **Governmental Violations.** Seller has no current actual knowledge of any notice of violations of codes or ordinances, or other governmental regulation filed or issued against the Property.
- (f) **Eminent Domain.** Seller has no current actual knowledge of any pending or threatened proceedings in eminent domain or otherwise that would affect the Property, or any portion thereof.
- (g) **Litigation.** Seller has no current actual knowledge of any actions, suits, claims, legal proceedings or other matters pending or threatened involving or affecting the Property, or any portion thereof, at law, in equity or otherwise, before any court or governmental agency that has not been disclosed in writing to District.

## **5.02 Covenants, Warranties, and Representations of District.**

- (a) **Authority.** District has the authority to enter into this Purchase Agreement and to perform all covenants and obligations and make all representations and warranties herein contained.
- (b) **No Violation.** Neither the execution and delivery of this Purchase Agreement nor the consummation of the transactions called for or contemplated hereby, will as of the Closing, violate any contract, agreement or instrument to which District is a party.

## 6. CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

**6.01 Conditions Precedent to Seller's Obligation to Perform.** Seller's obligation to perform as set forth herein is hereby expressly conditioned on satisfaction or Seller's written waiver of each and every one of the following conditions precedent:

- (a) District shall have deposited the Purchase Price into Escrow.
- (b) District shall have deposited into Escrow the Closing Costs (as defined in Section 7.02) by the Closing Date.
- (c) Each of the representations and warranties of District contained in Section 5.02 or elsewhere in this Purchase Agreement shall be true at the Close of Escrow as if affirmatively made at that time.
- (d) District shall have performed every act to be performed by it hereunder.

The foregoing conditions are solely for the benefit of Seller, any or all of which may be waived by Seller in Seller's sole discretion.

**6.02 Conditions Precedent to District's Obligations to Perform.** District's obligation to perform as set forth herein is hereby expressly conditioned on the satisfaction of each and every one of the following conditions precedent:

- (a) Seller shall have performed every act to be performed by it hereunder.
- (b) Each of the representations and warranties of Seller contained in Section 5.01 or elsewhere in this Purchase Agreement shall be true at the Close of Escrow as if affirmatively made at that time.
- (c) Escrow Holder shall be committed to issue the Title Policy as set forth in Section 3.01.

The foregoing conditions are solely for the benefit of District, any or all of which may be waived by District in District's sole discretion.

**7. ESCROW.**

**7.01 Establishment of Escrow.** Upon the execution of this Purchase Agreement, the Parties shall promptly open an escrow (the "Escrow") at Chicago Title Company in Bakersfield, California, (the "Escrow Holder"). Prior to the Close of Escrow, a fully executed duplicate of this Purchase Agreement shall be deposited with the Escrow Holder and shall constitute escrow instructions to Escrow Holder concerning this transaction.

**7.02 District's Deposits in Escrow.** On or prior to the Closing (or earlier, if otherwise required herein), District shall make the following deposits in Escrow:

- (a) Two (2) counterpart originals of this Purchase Agreement each signed by District.
- (b) The full amount of the Purchase Price.
- (c) The full amount of the Closing Costs, which shall include:
  - (i) An amount equal to the Escrow fee.
  - (ii) An amount equal to that of the District's share of real property taxes due for the Property, if any.
  - (iii) An amount equal to the recording fees and, if any, the transfer taxes.
  - (iv) An amount equal to the cost of the Title Policy.

**7.03 Seller's Deposits in Escrow.** The Seller shall make the following deposits in Escrow:

- (a) Two (2) counterpart originals of this Purchase Agreement, each signed by Seller.
- (b) The Grant Deed, executed by Seller.

**7.04 Closing Date.** Close of escrow shall be scheduled to occur within ninety (90) days of the Effective Date.

**7.05 Procedure for Closing.** Escrow Holder shall close the Escrow by doing the following:

- (a) Pay the Escrow fees from funds deposited by the District.
- (b) Pay the cost of the Title Policy.

- (c) Pay Seller's prorated share of real property taxes due for the Property through the date of the Close from funds otherwise payable to the Seller.
- (d) Pay District's prorated share of real property taxes, if any, due for the Property following the date of the Close from funds deposited by the District.
- (e) Pay any remaining Closing Costs from the funds deposited by District.
- (f) Date the Deed as of the Close of Escrow.
- (g) Record the Deed in the Official Records of Kern County, direct the County Recorder to affix the transfer tax (if any) after recording, and return the recorded Deed to District with a conformed copy to the Seller.
- (h) Pay to Seller the Purchase Price less Seller's prorated share of Real Property Taxes.

**7.06 Inability to Close.** In the event Escrow Holder is unable to Close the Escrow and the Closing Date is not otherwise extended, this Escrow shall terminate. Escrow Holder shall return to each Party any money or documents deposited by the Parties and terminate the Escrow. In the absence of a default, any cancellation charges imposed by Escrow Holder shall be paid equally by District and Seller but if the Escrow is cancelled due to a default, the defaulting Party shall pay all cancellation charges.

**8. REMEDIES UPON DEFAULT.** If a Party defaults under this Purchase Agreement, and the default is continuing for a period of fifteen (15) calendar days following receipt of written notice thereof to the breaching Party from the non-breaching Party, then in addition to other remedies available to the non-breaching Party at law or equity, the non-breaching Party may terminate this Purchase Agreement by giving written notice of the termination to the breaching Party. As provided in Section 1 Above, under no circumstances shall the District forfeit the deposit or the Purchase Price.

**9. NOTICES.** All notices under this Purchase Agreement shall be in writing, and be either personally served, sent with return receipt requested by certified mail with postage prepaid, sent by a nationally recognized overnight courier service, and addressed to the respective Parties as follows:

|            |                                                                                                                                               |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| To Seller: | Successor Agency to the Arvin Community Development Agency<br>Attn: Alfonso Noyola, Executive Director<br>200 Campus Drive<br>Arvin, CA 93203 |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------|

With a copy to: Shannon Chaffin, City Attorney  
Aleshire & Wynder, LLP  
2125 Kern St., Ste. 307  
Fresno, CA 93721

To District: Arvin Community Services District  
Attn: Raul Barraza, Jr.  
309 Campus Drive  
Arvin, CA 93203

With a copy to: Alan J. Peake, Esq.  
Wall, Wall & Peake  
1601 "F" Street  
Bakersfield, CA 93301

or to such person or at such other place as either Party may from time to time designate by written notice to the other party.

**10. COMMISSION.** No real estate commissions or any other commissions shall be paid by District in connection with this transaction.

**11. ACKNOWLEDGEMENTS.** The parties are executing this Purchase Agreement voluntarily and without duress or undue influence. The Parties have been given the opportunity for review of the Purchase Agreement by counsel of their choice. The Parties have carefully read this Purchase Agreement and have asked any questions needed to understand its terms, consequences, and binding effect and fully understand them and have been given an executed copy.

**12. TIMING.** Time is of the essence in this Purchase Agreement.

**13. GOVERNING LAW AND VENUE.** This Purchase Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of California, with the venue for all dispute resolution relative hereto being Kern County, California.

**14. ENTIRE AGREEMENT.** This document sets forth the entire agreement and understanding between the Parties relating to the subject matter herein and supersedes all prior discussions between the Parties. No modification of or amendment to this Purchase Agreement, nor any waiver of rights under this Purchase Agreement, shall be effective unless in writing, signed by the Party to be charged.

**15. COUNTERPARTS.** This Purchase Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Purchase Agreement this  
20<sup>th</sup> day of November, 2017.

SUCCESSOR AGENCY TO THE ARVIN  
COMMUNITY REDEVELOPMENT  
AGENCY

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

Name: Alfonso Mayab  
Its: Executive Director

Attest: [Signature]  
Agency Secretary

ARVIN COMMUNITY SERVICES  
DISTRICT, a California Community  
Services District

By: Raul Barraza, Jr.

Name: Raul Barraza, Jr.  
Its: General Manager

Attest: [Signature]  
Its Secretary

**EXHIBIT "A" – THE PROPERTY**

**LEGAL DESCRIPTION**

**EXHIBIT "A"**

**WELLSITE NO.1**

That certain portion of Section 26, Township 31 South, Range 29 East, M.D.B.&M., County of Kern, State of California, more particularly described as follows:

Beginning at the Southeast Corner of said Section 26, said Southeast Corner also being the intersection of the centerlines of Walnut Drive and Sycamore Road, thence  $N00^{\circ}00'48''E$ , on and along the east line of said Section 26, 53.00 feet; thence  $N89^{\circ}49'18''W$ , 30.00 feet to the True Point of Beginning, said True Point of Beginning being the intersection of the west right of way line of Walnut Drive and the north right of way line of Sycamore Road; thence continuing  $N89^{\circ}49'18''W$ , on and along the north right of way line of Sycamore Road, 220.74 feet; thence, departing said north right of way line,  $N00^{\circ}00'48''E$ , 197.34 feet; thence  $S89^{\circ}49'21''E$ , 220.74' to the west right of way line of Walnut Drive; thence  $S00^{\circ}00'48''W$ , on and along said west right of way line, 197.34 feet, to the True Point of Beginning.

Containing 1.00 acres.



*[Handwritten signature]*  
2-2-17

**EXHIBIT "A" – THE PROPERTY**

01159.0005/426386.1



## ATTACHMENT C

### PSA FOR SUBPARCEL B

#### PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement ("Purchase Agreement") is entered into, effective this 20 day of November, 2017, (the "Effective Date") by and between The Successor Agency to the Arvin Community Development Agency ("Seller"), and Arvin Community Services District, a California Community Services District duly organized and existing under the California Community Services District Law (Government Code § 61000, *et seq.*) ("District"). Seller and District shall sometimes be referred to herein collectively as the "Parties" or individually as a "Party."

**WHEREAS**, Seller is the fee simple owner of ~~(i)~~ certain real property located in Arvin, California more specifically identified in Exhibit "A" attached hereto, which District desires to purchase for a well site (the "Well Site"); and

**WHEREAS**, prior to the Effective Date hereof the Parties entered into that certain *Surface Use and Test Well Agreement* dated July 31, 2017, pursuant to which District exercised its rights granted therein to construct a test well (the "Test Well") on the Well Site; and

**WHEREAS**, the District has determined based on the test results of the water produced from the Test Well that the Well Site is a suitable location for a new municipal well; and

**WHEREAS**, District desires to purchase the Property from Seller and Seller desires to sell the Property to the District;

**NOW, THEREFORE**, for and in consideration of the covenants and obligations contained in this Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller agrees to sell, bargain and convey to District and District agrees to purchase all of Seller's right, title and interest in and to the Property under the following terms and conditions:

**1. PURCHASE PRICE.** The total purchase price for the Property is Thirty Thousand Three Hundred and Sixty Dollars (\$30,360). District shall deposit the full amount of the Purchase Price into Escrow within five (5) days of Seller's execution of the Purchase Agreement. The Purchase Price shall be fully refundable to District if the transaction contemplated herein fails for any reason whatsoever.

**2. EXCLUSIVITY OF AGREEMENT.** This Purchase Agreement is exclusive and non-assignable and exists solely for the benefit of the Parties. Any attempt by District to assign, convey, delegate, or transfer this Purchase Agreement without the Seller's express written consent thereto shall render any purported assignment, conveyance, delegation or transfer null and void.

### **3. CONDITION OF TITLE TO THE PROPERTY.**

**3.01 Condition of Title to the Property.** Seller agrees to convey to District fee simple title to the Property. Seller shall convey title to District by grant deed, subject to the items listed herein. District shall accept title to the Property subject to the following exceptions (the "Permitted Exceptions"):

- (a) The easements and right-of-way for public roads, public utilities, and underground pipelines that are of record or apparent as of July 31, 2017;
- (b) The lien for real property taxes that are assessed but not yet delinquent; and,
- (c) All other exceptions to title reflected in a Preliminary Title Report ("PTR"), prepared by Escrow Holder for the Property, as of July 31, 2017.
- (d) District shall take the Property subject to the Surface Use and Test Well Agreement and any title matters that the District caused under it.

**3.02 Preliminary Reports.** Escrow Holder shall deliver to District a copy of the PTR for the Property promptly following opening of Escrow.

**3.03 Title Review.** District may make objections to any exception to title reflected in any PTR, provided such objections are made to Seller in writing on or before thirty (30) days following District's receipt of each PTR. If District fails to notify Seller, in writing, of any objections to title by such date, District shall be deemed to have accepted title to the parcels described in the PTR subject to all of the exceptions to title reflected therein.

**3.04 Removal of Exceptions.** If District timely objects to any exception to title set forth in any PTR, District may (i) cause the exception to be removed of record or, (ii) obtain the appropriate endorsement of the policy of title insurance to be issued by Escrow Holder to District insuring against the exception. Seller agrees to provide such cooperation as is reasonably necessary should District attempt to have an exception removed of record. If, despite District's commercially reasonable efforts, District is unable to accomplish the foregoing within thirty (30) days following District's written notice of objections to Seller, District shall have the option to either (i) terminate this Purchase Agreement, or (ii) waive its objection rights provided herein. If District takes no action within said thirty (30) day period, District's objections shall be deemed waived. If necessary to insure around the exception, District may choose a new title company reasonably satisfactory to Seller. The Purchase Price shall be fully refundable to District if either this Purchase Agreement is terminated pursuant to this Section 3.04.

**3.05 Title Insurance.** At the Close of Escrow and as a condition to District's obligation to purchase the Property, Escrow Holder shall commit to issue, and to deliver to District, its standard coverage CLTA Owner's Policy of Title Insurance insuring title to the Property to District in the condition set forth in Section 3.01 and with liability in the amount of the Purchase Price (the "Title Policy").

#### **4. PHYSICAL CONDITION OF THE PROPERTY.**

**4.01 Inspection of the Property.** For a period of thirty (30) days after the Effective Date (the "Due Diligence Period"), Seller shall provide District, and its agents, employees, and representatives (collectively "District's Agents"), with access to the Property, and provide District with copies of any relevant documents that District may reasonably request and that are in the possession of Seller, to allow District or District's Agents, or both, to investigate, inspect, and to conduct such tests upon the Property as the District deems necessary or advisable (the "Due Diligence"). If District and District's Agents have not completed the Due Diligence on or before the expiration of the Due Diligence Period, District will be deemed to have waived all rights to conduct the Due Diligence.

**4.02 District's Indemnification of Seller.** District shall indemnify, defend, and hold Seller, and Seller's employees, agents, successors, and assigns, and each of them, and the Property, harmless from and against any and all claims, demands, losses, costs, expenses, damages, recoveries, deficiencies, liabilities, and liens (including, without limitation, the defense thereof and all reasonable attorney's fees and costs) that may arise, result from, or be attributable to the acts or omissions of District or District's Agents, or both, in performing or preparing the Due Diligence.

**4.03 Condition of the Property; No Warranties.** Seller has not made and will not make any warranties or representations as to the precise number of acres of the Property, its development potential, its condition, or the soil, the cost, quantity, quality or availability of water on, under or to the Property, the existence, transferability or value of any mineral rights, or the condition of any improvements, fixtures or equipment located on the Property. DISTRICT ACKNOWLEDGES THAT DISTRICT IS PURCHASING THE PROPERTY SOLELY IN RELIANCE ON DISTRICT'S OWN INVESTIGATION, AND THAT EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, HAVE BEEN MADE BY SELLER, OR SELLER'S AGENTS. DISTRICT WILL ACQUIRE THE PROPERTY INCLUDING ANY IMPROVEMENTS, EQUIPMENT, FIXTURES, AND PERSONAL PROPERTY CONVEYED BY SELLER "AS IS" AND WITHOUT EXPRESS OR IMPLIED WARRANTY OF CONDITION, MERCHANTABILITY OR FITNESS. Seller does represent that it has no actual knowledge of, nor any reasonable cause to believe that there has been any release of hazardous substances located on or beneath the Property that would require notice to District pursuant to Section 25359.7 of the California Health and Safety Code. Seller further represents, to the best of its knowledge, that during its ownership or operation of the Property, no underground tanks for the storage of hazardous substances, including petroleum products, were located on or under the Property.

**4.04 District Acknowledgement.** By execution of this Agreement, District:

- (a) Acknowledges that pursuant to the Due Diligence Period granted in accordance with Section 4.01 above, District will have the opportunity to completely and thoroughly inspect the Property; and

- (b) Agrees to indemnify, defend and hold Seller, Seller's agents, employees and representatives and the Sale Property harmless as set forth in Section 4.02 above.

The foregoing release, representatives, covenants and indemnity shall survive the Close of Escrow and the transfer of title to District.

## 5. COVENANTS, WARRANTIES, AND REPRESENTATIONS

**5.01 Covenants, Warranties, and Representations of Seller.** Seller hereby makes the following covenants, representations, and warranties and acknowledges that District's execution of this Purchase Agreement has been made and District's acquisition of the Property will be made in material reliance by District on these covenants, representations, and warranties.

- (a) **Authority.** Seller has the authority to enter into this Purchase Agreement and to perform all covenants and obligations and make all representations and warranties herein contained.
- (b) **No Violation.** Neither this Purchase Agreement nor anything provided to be done hereunder violates or shall violate any contract, agreement or instrument to which Seller is a party of or which affects the Property.
- (c) **No Knowledge of Defects in Title.** Seller has no current actual knowledge of any defect in title which is not of record and that Seller has not disclosed to the Escrow Holder.
- (d) **Accurate Information.** To Seller's actual knowledge, all of the information provided by Seller to District related to the Property is true, accurate and complete.
- (e) **Governmental Violations.** Seller has no current actual knowledge of any notice of violations of codes or ordinances, or other governmental regulation filed or issued against the Property.
- (f) **Eminent Domain.** Seller has no current actual knowledge of any pending or threatened proceedings in eminent domain or otherwise that would affect the Property, or any portion thereof.
- (g) **Litigation.** Seller has no current actual knowledge of any actions, suits, claims, legal proceedings or other matters pending or threatened involving or affecting the Property, or any portion thereof, at law, in equity or otherwise, before any court or governmental agency that has not been disclosed in writing to District.

#### **5.02 Covenants, Warranties, and Representations of District.**

- (a) **Authority.** District has the authority to enter into this Purchase Agreement and to perform all covenants and obligations and make all representations and warranties herein contained.
- (b) **No Violation.** Neither the execution and delivery of this Purchase Agreement nor the consummation of the transactions called for or contemplated hereby, will as of the Closing, violate any contract, agreement or instrument to which District is a party.

#### **6. CONDITIONS PRECEDENT TO CLOSE OF ESCROW.**

**6.01 Conditions Precedent to Seller's Obligation to Perform.** Seller's obligation to perform as set forth herein is hereby expressly conditioned on satisfaction or Seller's written waiver of each and every one of the following conditions precedent:

- (a) District shall have deposited the Purchase Price into Escrow.
- (b) District shall have deposited into Escrow the Closing Costs (as defined in Section 7.02) by the Closing Date.
- (c) Each of the representations and warranties of District contained in Section 5.02 or elsewhere in this Purchase Agreement shall be true at the Close of Escrow as if affirmatively made at that time.
- (d) District shall have performed every act to be performed by it hereunder.

The foregoing conditions are solely for the benefit of Seller, any or all of which may be waived by Seller in Seller's sole discretion.

**6.02 Conditions Precedent to District's Obligations to Perform.** District's obligation to perform as set forth herein is hereby expressly conditioned on the satisfaction of each and every one of the following conditions precedent:

- (a) Seller shall have performed every act to be performed by it hereunder.
- (b) Each of the representations and warranties of Seller contained in Section 5.01 or elsewhere in this Purchase Agreement shall be true at the Close of Escrow as if affirmatively made at that time.
- (c) Escrow Holder shall be committed to issue the Title Policy as set forth in Section 3.01.

The foregoing conditions are solely for the benefit of District, any or all of which may be waived by District in District's sole discretion.

**7. ESCROW.**

**7.01 Establishment of Escrow.** Upon the execution of this Purchase Agreement, the Parties shall promptly open an escrow (the "Escrow") at Chicago Title Company in Bakersfield, California, (the "Escrow Holder"). Prior to the Close of Escrow, a fully executed duplicate of this Purchase Agreement shall be deposited with the Escrow Holder and shall constitute escrow instructions to Escrow Holder concerning this transaction.

**7.02 District's Deposits in Escrow.** On or prior to the Closing (or earlier, if otherwise required herein), District shall make the following deposits in Escrow:

- (a) Two (2) counterpart originals of this Purchase Agreement each signed by District.
- (b) The full amount of the Purchase Price.
- (c) The full amount of the Closing Costs, which shall include:
  - (i) An amount equal to the Escrow fee.
  - (ii) An amount equal to that of the District's share of real property taxes due for the Property, if any.
  - (iii) An amount equal to the recording fees and, if any, the transfer taxes.
  - (iv) An amount equal to the cost of the Title Policy.

**7.03 Seller's Deposits in Escrow.** The Seller shall make the following deposits in Escrow:

- (a) Two (2) counterpart originals of this Purchase Agreement, each signed by Seller.
- (b) The Grant Deed, executed by Seller.

**7.04 Closing Date.** Close of escrow shall be scheduled to occur within ninety (90) days of the Effective Date.

**7.05 Procedure for Closing.** Escrow Holder shall close the Escrow by doing the following:

- (a) Pay the Escrow fees from funds deposited by the District.
- (b) Pay the cost of the Title Policy.

- (c) Pay Seller's prorated share of real property taxes due for the Property through the date of the Close from funds otherwise payable to the Seller.
- (d) Pay District's prorated share of real property taxes, if any, due for the Property following the date of the Close from funds deposited by the District.
- (e) Pay any remaining Closing Costs from the funds deposited by District.
- (f) Date the Deed as of the Close of Escrow.
- (g) Record the Deed in the Official Records of Kern County, direct the County Recorder to affix the transfer tax (if any) after recording, and return the recorded Deed to District with a conformed copy to the Seller.
- (h) Pay to Seller the Purchase Price less Seller's prorated share of Real Property Taxes.

**7.06 Inability to Close.** In the event Escrow Holder is unable to Close the Escrow and the Closing Date is not otherwise extended, this Escrow shall terminate. Escrow Holder shall return to each Party any money or documents deposited by the Parties and terminate the Escrow. In the absence of a default, any cancellation charges imposed by Escrow Holder shall be paid equally by District and Seller but if the Escrow is cancelled due to a default, the defaulting Party shall pay all cancellation charges.

**8. REMEDIES UPON DEFAULT.** If a Party defaults under this Purchase Agreement, and the default is continuing for a period of fifteen (15) calendar days following receipt of written notice thereof to the breaching Party from the non-breaching Party, then in addition to other remedies available to the non-breaching Party at law or equity, the non-breaching Party may terminate this Purchase Agreement by giving written notice of the termination to the breaching Party. As provided in Section 1 Above, under no circumstances shall the District forfeit the deposit or the Purchase Price.

**9. NOTICES.** All notices under this Purchase Agreement shall be in writing, and be either personally served, sent with return receipt requested by certified mail with postage prepaid, sent by a nationally recognized overnight courier service, and addressed to the respective Parties as follows:

|            |                                                                                                                                         |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| To Seller: | Successor Agency to the Arvin Community Development Agency<br>Alfonso Noyola, Executive Director<br>200 Campus Drive<br>Arvin, CA 93203 |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------|

With a copy to: Shannon Chaffin, City Attorney  
Aleshire & Wynder, LLP  
2125 Kern St., Ste. 307  
Fresno, CA 93721

To District: Arvin Community Services District  
Attn: Raul Barraza, Jr.  
309 Campus Drive  
Arvin, CA 93203

With a copy to: Alan J. Peake, Esq.  
Wall, Wall & Peake  
1601 "F" Street  
Bakersfield, CA 93301

or to such person or at such other place as either Party may from time to time designate by written notice to the other party.

**10. COMMISSION.** No real estate commissions or any other commissions shall be paid by District in connection with this transaction.

**11. ACKNOWLEDGEMENTS.** The parties are executing this Purchase Agreement voluntarily and without duress or undue influence. The Parties have been given the opportunity for review of the Purchase Agreement by counsel of their choice. The Parties have carefully read this Purchase Agreement and have asked any questions needed to understand its terms, consequences, and binding effect and fully understand them and have been given an executed copy.

**12. TIMING.** Time is of the essence in this Purchase Agreement.

**13. GOVERNING LAW AND VENUE.** This Purchase Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of California, with the venue for all dispute resolution relative hereto being Kern County, California.

**14. ENTIRE AGREEMENT.** This document sets forth the entire agreement and understanding between the Parties relating to the subject matter herein and supersedes all prior discussions between the Parties. No modification of or amendment to this Purchase Agreement, nor any waiver of rights under this Purchase Agreement, shall be effective unless in writing, signed by the Party to be charged.

**15. COUNTERPARTS.** This Purchase Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Purchase Agreement this  
20<sup>th</sup> day of November, 2017.

SUCCESSOR AGENCY TO THE ARVIN  
COMMUNITY REDEVELOPMENT  
AGENCY

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

Name: Alfonso Mayala

Its: Executive Director

Attest:

[Signature]  
Agency Secretary

ARVIN COMMUNITY SERVICES  
DISTRICT, a California Community  
Services District

By: Raul Barraza, Jr.

Name: Raul Barraza, Jr.

Its: General Manager

Attest:

By: [Signature]  
Its Secretary

**EXHIBIT "A" – THE PROPERTY**

**LEGAL DESCRIPTION**

**EXHIBIT "A"**

**WELLSITE NO.2**

That certain portion of Section 35, Township 31 South, Range 29 East, M.D.B.&M., County of Kern, State of California, more particularly described as follows:

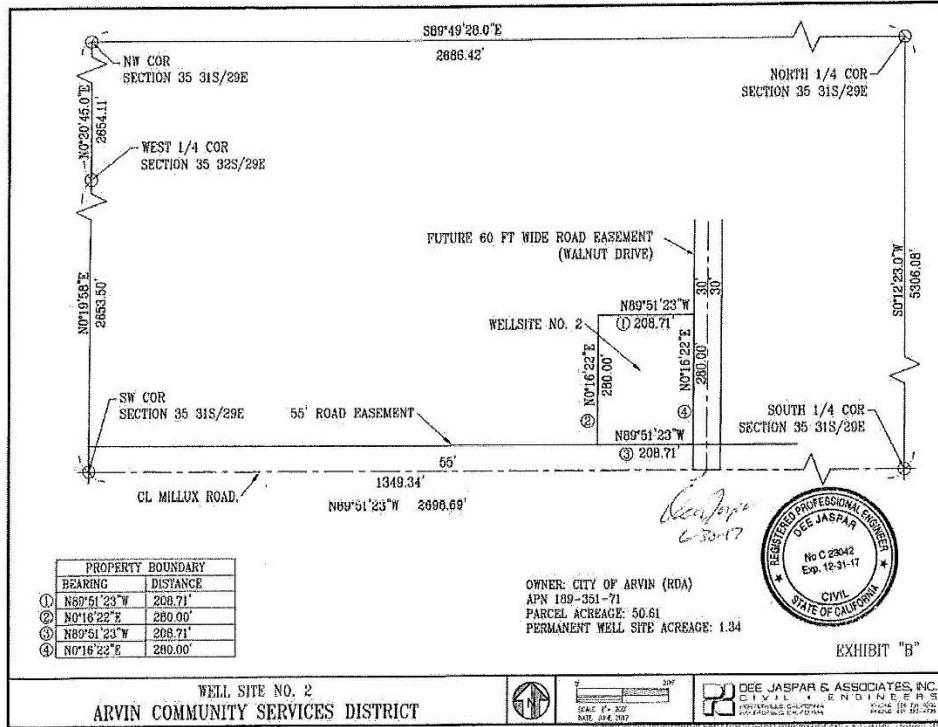
Beginning at the Southwest Corner of said Section 35; thence S89°51'23"E, on and along the south line of the Southwest Quarter of said Section 35, 1319.34 feet; thence departing said south line of the Southwest Quarter, N00°16'23"E, 55.00 feet to the north right of way line of Millux Road and the True Point of Beginning; thence N89°51'23"W, on and along said north right of way line, 208.71 feet; thence N00°16'22"E, 280.00 feet; thence S89°51'23"E, 208.71 feet; thence S00°16'22"W, 280.00 feet to the True Point of Beginning.

Containing 1.34 acres



*Dee Jaspal*  
6-30-17

# EXHIBIT "A" – THE PROPERTY



01159.0005/426405.1



## Staff Report to the Kern Countywide Oversight Board

To: Board Members of the Kern Countywide Oversight Board

From: Nelson K. Smith, Finance Director - Bakersfield Successor Agency

Date: November 5, 2018

Subject: Resolution approving the sale of property located at the Southeast corner of California Avenue and Owens Street for market value price of \$160,000.

Recommendation: The Bakersfield Successor Agency recommends adoption of the Resolution to approve the sale of land.

### Background:

The Bakersfield Successor Agency and its former Oversight board adopted a Long Range Property Management Plan (LRPMP) in accordance with State law. The LRPMP was approved by the State of California Department of Finance on October 5, 2015.

Subsequent to the adoption of the LRPMP, the Bakersfield Successor Agency had the subject property appraised by Kern Appraisal Company to establish a fair market value for the property. The appraisal completed in March 2016 valued the land at \$159,000. We began marketing the property by way of posted signage and after two years received an offer from an interested party.

The City of Bakersfield, acting as the Bakersfield Successor Agency, approved the sale of this surplus property located at 1029 E. California Avenue (southeast corner of California Avenue and Owens Street) to MFT – Five Bakersfield Limited Partnership on September 19, 2018 for the appraised value of \$160,000.

The Bakersfield Successor Agency is requesting the approval of the Countywide Oversight Board to sell this property at full appraised market value. If approved, the proceeds of the sale will be remitted to the Kern County Auditor Controller, who will then distribute the funds to various school districts and other governmental agencies.

# BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

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In the matter of:

Resolution No. \_\_\_\_\_

**RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE FORMER BAKERSFIELD REDEVELOPMENT AGENCY APPROVING THE SALE OF A CERTAIN REAL PROPERTY TO MFT-FIVE BAKERS LIMITED PARTNERSHIP – APN 018-040-70-00.**

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I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, was duly passed and adopted by the Board of Directors at an official meeting this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by the following vote:

AYES:

NOES:       None

ABSENT:     None

\_\_\_\_\_  
Secretary on behalf of the Oversight Board  
Kern Countywide Oversight Board

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## RESOLUTION

Section 1.   WHEREAS:

(a) The former Bakersfield Redevelopment Agency (“**Agency**”) was a community redevelopment agency organized and existing under the California Redevelopment Law, and which was dissolved by operation of State law as of February 1, 2012; and

(b) The Dissolution Law (Health & Safety Code Section 34170 *et seq.*) created the Bakersfield Successor Agency (“**Successor Agency**”) and the Successor Agency is required to, among other things, oversee the management and disposition of all real property assets of the Agency; and

(c) The Successor Agency was required to prepare a Long Range Property Management Plan (“**LRPMP**”) to address the disposition and use of all real property assets of the former Agency, and to submit an Oversight Board-approved LRPMP to the Department of Finance (Health & Safety Code §34191.4); and

(d) The Bakersfield Oversight Board (“**Oversight Board**”) and Department of Finance have heretofore approved the Successor Agency’s LRPMP; and

(e) Among the properties owned by the Successor Agency and listed for sale in the LRPMP is that certain real property located at 1029 E. California Avenue, Bakersfield, CA 93307, identified as Assessor Parcel Number 018-040-70-00 (the “**Property**”); and

(f) The Successor Agency obtained an appraisal of the Property dated March, 2016; and

(g) A Letter of Intent for Purchase of Real Property was received from Mr. Randy Robertson, operating as MFT Enterprises Limited Partnership or assigns (“**Buyer**”), offering to purchase the Property for the appraised value; and

(h) The Successor Agency desires to sell to Buyer, and Buyer desires to purchase from the Successor Agency, the Property on the terms and conditions set forth in the Purchase and Sale Agreement attached hereto; and

(i) The Successor Agency approved Agreement No. 18-156 at its meeting of September 19, 2018, approving the sale of the Property to the Buyer based upon the terms and conditions of the attached Purchase and Sale Agreement, and subject to approval by the Kern Countywide Oversight Board; and

(j) The sale of the Property is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3) of the CEQA Guidelines, as it can be seen with certainty that the transfer of the subject Property will not have a significant effect on the environment.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. That based upon staff reports, presentations, public testimony, and other matters presented during consideration of this matter, the Kern Countywide Oversight Board finds and declares the foregoing recitals to be true and correct, and are expressly incorporated as a material part of this Resolution.

2. The Kern Countywide Oversight Board hereby approves the Purchase and Sale Agreement, substantially in the form attached hereto as **Exhibit A**, and ratifies the execution of the Purchase and Sale Agreement on behalf of the Successor Agency, and directs the

Successor Agency to take all such actions as may be required to close escrow and convey the Property pursuant to the Purchase and Sale Agreement.

3. Pursuant to Health and Safety Code Section 34180(j), staff of the Successor Agency is hereby authorized and directed to transmit the Purchase and Sale Agreement to the Successor Agency, the County Administrative Officer, and the County Auditor-Controller.

4. Pursuant to Health and Safety Code Section 34191.5(f), Oversight Board actions to implement the disposition of property pursuant to an approved LRPMP shall not require review by the Department of Finance.

5. The Successor Agency is hereby authorized and directed to do any and all things which may be necessary or advisable to effectuate this Resolution and any such actions previously taken are hereby ratified.

6. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h).

EXHIBIT A

AGREEMENT NO. 18-156

CONTRACT TO SELL REAL PROPERTY

**THIS AGREEMENT** is made and entered into on SEP 19 2018, by and between the **CITY OF BAKERSFIELD**, a municipal corporation and California charter city acting in its capacity as the Successor Agency of the City of Bakersfield Redevelopment Agency (herein "SELLER"), and **MFT - FIVE BAKERS LIMITED PARTNERSHIP** (herein "BUYER").

**RECITALS:**

**WHEREAS**, SELLER holds fee title to certain real property located at 1029 E California Ave in the City of Bakersfield, more particularly described in **Exhibit "A"** attached hereto and incorporated herein by reference ("The Property"); and

**WHEREAS**, the Planning Commission of the City of Bakersfield has found the sale of The Property to be consistent with the City's General Plan; and

**WHEREAS**, SELLER has declared The Property as surplus to the needs of the City of Bakersfield and authorized its sale; and

**WHEREAS**, BUYER desires to purchase The Property; and

**WHEREAS**, it is the intent of the parties to set forth all the covenants and conditions for the sale by SELLER and the purchase by BUYER of The Property.

**NOW, THEREFORE**, incorporating the above recitals herein, SELLER and BUYER mutually agree as follows:

1. **AGREEMENT TO SELL AND PURCHASE.** SELLER agrees to sell and BUYER agrees to purchase The Property in accordance with all of the covenants and conditions set forth in this Agreement.

2. **PURCHASE PRICE.** BUYER shall pay to SELLER the sum of One Hundred Sixty Thousand Dollars (\$ 160,000.00) which represents The Property's fair market value, as established by an appraisal prepared by Kern Appraisal Company and is payable in cash, as hereinafter provided. Within five (5) working days of the execution of this Agreement by all parties, BUYER shall deposit Five Thousand Dollars (\$ 5,000.00) with the Escrow Holder as an earnest money deposit.

### **3. ESCROW.**

**3.1 Escrow Holder.** The purchase and sale of The Property shall be consummated by means of an escrow to be opened at the office of **Ticor Title, Attn: Naida Carlton** herein "Escrow Holder", located at 10000 Stockdale Highway Suite 101 Bakersfield, CA 93311

**3.2 Escrow Instructions.** Within twenty (20) working days of execution of this Agreement by all parties, each shall deliver to Escrow Holder appropriately executed escrow instructions or file a written protest detailing what instructions are not acceptable. This Agreement shall serve as the parties' instructions to the Escrow Holder and shall become part of the escrow instructions for consummation of the purchase and sale of The Property. SELLER and BUYER agree to execute such additional and supplementary instructions as may be appropriate or required by Escrow Holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between this Agreement and any additional or supplementary escrow instructions, the terms of this Agreement shall control, unless the parties jointly agree to the contrary. Said escrow instructions are incorporated herein by this reference.

**3.3 Closing Costs.** BUYER shall pay closing costs including, but not limited to: title insurance, recording fees, documentary transfer taxes, real estate commissions, and 1/2 escrow fee. SELLER shall be responsible for 1/2 escrow fee, Owners Title Policy, all real property taxes and assessments accruing up to the close of escrow, and the cost, if any, to clear title to The Property.

**4. PRELIMINARY TITLE REPORT AND DOCUMENTS.** Within twenty (20) working days of execution of this Agreement by all parties the following shall occur:

**4.1** SELLER shall obtain a preliminary title report, herein "PTR", concerning THE PROPERTY, issued by Ticor title, together with copies of reproducible documents referred to in such PTR, if any.

**4.2** SELLER shall provide BUYER copies of all currently effective unrecorded tenant leases, licenses or other agreements, if any, relating to The Property.

**4.3** BUYER shall deliver to Escrow Holder its written approval or disapproval of any exceptions to the title within ten (10) days after BUYER's receipt thereof. In the event such written approval or disapproval is not received by Escrow Holder on or before the date due, it shall be presumed BUYER has approved each of said exceptions. If, after receipt of disapproval of any exceptions to the title, SELLER does not elect to cure all of said exceptions,

then BUYER shall have the right either to accept title to The Property subject to said exceptions, thereby waiving any and all claims against SELLER by reason thereof, or to terminate this Agreement. BUYER shall give SELLER such written notice of BUYER's election within the ten (10) working days after receipt of SELLER's election not to cure. If BUYER elects to terminate this Agreement, thereafter neither SELLER nor BUYER shall have any further liability hereunder, except that BUYER shall be entitled to the prompt return of all funds deposited by BUYER with Escrow Holder, less reasonable escrow cancellation fees and costs and title company charges which BUYER hereby agrees to pay.

**5. DUE DILIGENCE PERIOD.** BUYER shall have up to one hundred twenty (120) days after execution of this agreement by all parties to determine whether The Property is acceptable to BUYER in BUYER's sole and absolute discretion. SELLER shall permit BUYER to conduct any/all necessary inspections and tests to identify any deficiencies in The Property. If BUYER determines The Property is not acceptable, or if BUYER fails to provide written notice of Buyer's acceptance of The Property to SELLER and Escrow within the due diligence period, the Escrow holder shall return the deposit to BUYER and the Purchase Agreement will be null and void. If BUYER determines The Property is acceptable within the due diligence period, by providing written notice to SELLER and Escrow, the deposit will be (i) non-refundable, if escrow does not close due to BUYER'S default, in which event, the deposit shall be SELLER'S sole liquidated damages; or' (ii) refundable to BUYER, if Escrow does not close for any other reason, including SELLER'S default.

**5.1** BUYER'S purchase of The Property is contingent upon BUYER obtaining the any/all approvals and building permits necessary for BUYER'S proposed development. All such approvals and permits shall be obtained at BUYER'S expense within 120 days of execution of this agreement by all parties

**6. CLOSING DATE.** Escrow shall close no later than 15 days from the expiration of the due diligence period unless extended by mutual written agreement of all parties.

**7. CONVEYANCE OF TITLE.** SELLER agrees to convey to BUYER fee simple title to The Property, subject only to the permitted exceptions as set forth in the title policy or elsewhere in this Agreement. On or before close of escrow, SELLER shall execute a Grant Deed which conveys fee simple title to The Property to BUYER and shall deliver same to Escrow Holder.

8. **NO WAIVER OF DEFAULT.** The failure of any party to enforce against another party any provision of this Agreement shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Agreement.

9. **BINDING EFFECT.** The rights and obligations of this Agreement shall inure to the benefit of, and be binding upon, the parties to the contract and their heirs, administrators, executors, personal representatives, successors and assigns.

10. **GOVERNING LAW.** The laws of the State of California will govern the validity of this Agreement, its interpretation and performance. Any litigation arising in any way from this Agreement shall be brought in Kern County, California.

11. **TIME.** Time is of the essence in this Agreement.

12. **MERGER AND MODIFICATION.** This Agreement sets forth the entire agreement between the parties, and supersedes all other oral or written representations. This Agreement may be modified only in a writing approved by the City Council and signed by all the parties.

13. **CORPORATE AUTHORITY.** Each individual signing this Agreement on behalf of entities represent and warrant that they are, respectively, duly authorized to sign on behalf of the entities and to bind the entities fully to each and all of the obligations set forth in this Agreement.

14. **EXECUTION.** This Agreement is effective upon execution. It is the product of negotiation and all parties are equally responsible for authorship. Section 1654 of the California Civil Code shall not apply to the interpretation of this Agreement.

15. **EXHIBITS.** In the event of a conflict between the terms, conditions, or specifications set forth in this Agreement and those in exhibits attached hereto, the terms, conditions, or specifications set forth in this Agreement shall prevail. All exhibits to which reference is made in this Agreement are incorporated, whether or not actually attached.

16. **ASSIGNMENT.** Neither this Agreement nor any rights, interests, duties, liabilities, obligations or responsibilities arising out of, concerning or related in any way to this Agreement (including, but not limited to, accounts, actions, causes of action, claims, damages, demands, liabilities, losses, obligations, or reckonings of any kind or nature whatsoever, for compensatory or exemplary and punitive damages, or declaratory, equitable or injunctive relief,

whether based on contract, equity, tort or other theories of recovery provided for by the common or statutory law) may be assigned or transferred by any party. Any such assignment is prohibited, and shall be unenforceable and otherwise null and void without the need for further action by the non-assigning party or parties.

**17. NOTICES.** All notices relative to this Agreement shall be given in writing and shall be served or sent by certified or registered mail and shall be effective upon actual personal service or depositing in the United States mail. The parties shall be addressed as follows, or at any other address designated by notice:

To SELLER: CITY OF BAKERSFIELD  
1600 Truxtun Avenue  
Bakersfield, California 93301  
Attention: Property Management

To BUYER: MFT-Five Bakers Limited Partnership  
1660 N. FARMERSVILLE BLVD.  
FARMERSVILLE, CA 93223

Either party may change its address for notice by delivering written notice to the other party as provided herein.

**18. FURTHER ASSURANCES.** Each party shall execute and deliver such papers, documents, and instruments, and perform such acts as are necessary or appropriate, to implement the terms of this Agreement and the intent of the parties to this Agreement.

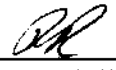
**19. BROKERS AND FINDERS.** The parties acknowledge and represent that SELLER shall pay no commission to any broker or finder in connection with the purchase and sale of The Property.

**20. HAZARDOUS MATERIALS.** SELLER is transferring property AS IS. SELLER knows of no hazardous materials upon the property. BUYER has the right of entry during escrow to examine The Property to determine the existence of hazardous materials. Should hazardous materials be found on The Property, BUYER may either accept the full responsibility and costs of clean-up or cancel the escrow. Once escrow closes, BUYER takes the property AS IS and assumes all responsibility and liability for hazardous materials of every kind found on The Property including, but not limited to, clean-up costs.

**21. WATER AND MINERAL RIGHTS.** Unless otherwise agreed herein, conveyance of The Property does not include the water and/or mineral rights, ditches, appropriations, franchises, privileges and easements on, connected with, or usually had and enjoyed in connection with The Property.

**22. LIQUIDATED DAMAGES.** THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX, PRIOR TO SIGNING THIS AGREEMENT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY SELLER IF BUYER FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, IF BUYER BREACHES THIS AGREEMENT, SELLER SHALL BE ENTITLED TO LIQUIDATED DAMAGES IN THE AMOUNT OF ONE THOUSAND DOLLARS (\$ 1,000.00) PLUS INTEREST, IF ANY, ACCRUED THEREON. UPON PAYMENT OF SAID SUM TO SELLER, BUYER SHALL BE RELEASED FROM ANY FURTHER LIABILITY TO SELLER, EXCEPT ESCROW CANCELLATION FEES AND ANY OTHER FEES SET OUT IN THIS AGREEMENT WHICH BUYER HEREBY AGREES TO PAY.

  
SELLER's initials

  
BUYER's initials

**23. TAX EFFECT.** None of the parties (nor such parties' counsel or accountants) has made or is making in this Agreement any representation to any other party (or such party's counsel or accountants) concerning any of the tax effects or consequences on the other party of the transactions provided for in this Agreement. Each party represents that it has obtained, or may obtain, independent tax advice with respect thereto and upon which it, if so obtained, has solely relied.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be executed, the day and year first-above written.

Signatures on Following Page

**"SELLER"**

CITY OF BAKERSFIELD

By: 

**KAREN GOH**

Mayor

APPROVED AS TO FORM:

**VIRGINIA GENNARO**

City Attorney

By: 

**JOSHUA RUDNICK**

Deputy City Attorney II

APPROVED AS TO CONTENT:

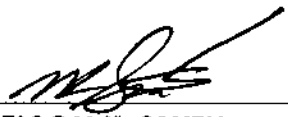
**DEVELOPMENT SERVICES DEPARTMENT**

By:  For JK

**JACQUELYN R. KITCHEN**

Development Services Director

COUNTERSIGNED:

By: 

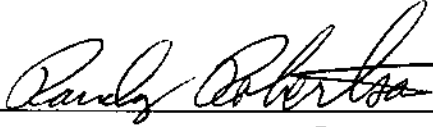
**NELSON K. SMITH**

Finance Director

Attachments: Exhibit "A" – Property Description

**"BUYER"**

MFT – FIVE BAKERS LIMITED PARTNERSHIP

By: 

Print Name: RANDY ROBERTSON

Title: PARTNER

Exhibit "A"

The land referred to herein below is situated in the City of Bakersfield, County of Kern, State of California, and is described as: Parcel 2 of Certificate of Compliance recorded January 22, 2010 as document #0210009114 of Official Record, in the office of the County recorder of Kern County, State of California, and by corrected Certificate of Compliance recorded March 4, 2010 as document # 0210029373 of Official Records of said County, which subdivided Parcel "A" of Parcel Map Waiver P00-0783 recorded October 12, 2000 as document no. 0200127498 of official records in the Kern County Recorder's office of said County.

(Containing 3.31 Gross acres more or less and 2.08 Net acres)