

**SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER MADERA REDEVELOPMENT AGENCY**

Wednesday, May 9, 2012

7:15 p.m. – Regular Session

City of Madera City Hall – Council Chambers
205 West Fourth Street, Madera, California

Action/Summary Minutes

1. CALL TO ORDER – REGULAR SESSION

Meeting called to order by the Chairperson Brett Frazier at 7:15 p.m.

ROLL CALL

Board Members Present:

Ric Arredondo, Madera Unified School District Board of Trustees
(Appointed by the Chancellor of Community Colleges)

Ronn Dominici, Madera County Board of Supervisors Chairman
(Appointed by the Madera County Board of Supervisors)

Brett Frazier, Madera City Council Mayor
(Appointed by the Madera City Council)

Donald Horal, Madera County Mosquito & Vector Control District Board Member
(Appointed by the Largest Special District)

Cecilia Massetti, Ed.D., Madera County Office of Education Superintendent
(Appointed by the Madera County Superintendent of Schools)

Stell Manfredi, Retired Madera County Administrator
(Appointed by the Madera County Board of Supervisors as a member of the public at large)

Bob Wilson, former employee of the Madera Redevelopment Agency
(Appointed by the Madera City Council)

Board Member Absent:

Stell Manfredi, Retired Madera County Administrator
(Appointed by the Madera County Board of Supervisors as a member of the public at large)

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was let by Chairperson Frazier.

OATH OF OFFICE

City Clerk Sonia Alvarez administered the Oath of Office to the Oversight Board members present and to Geri Kendall Cox, alternate member for Madera County Office of Education appointed by the Superintendent of Schools.

PUBLIC COMMENT

The first fifteen minutes of the meeting are reserved for members of the public to address the Board on items which are within the subject matter jurisdiction of the Board. Speakers shall be limited to three minutes. Speakers will be asked to identify themselves and state the subject of their comment. If the subject is an item on the Agenda, the Chairperson has the option of asking the speaker to hold the comment until that item is called. Comments on items listed as a Public Hearing on the Agenda should be held until the hearing is opened. The Board is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Board does not respond to public comment at this time.

No public comments were offered.

Agency Secretary Sandi Brown announced, per Government Code 54957.5, copies of corrected resolutions for Agenda Items 3.3, 4.4, 4.5, 4.6, 4.7 and 4.8, correcting an error in the title of each resolution, were distributed to the members of the Oversight Board less than 72 hours prior to the meeting and additional copies are available for members of the public.

2. CONSENT CALENDAR

2.1 Minutes of the Special Meeting of the Oversight Board for April 11, 2012

Action: Approved Consent Calendar as presented.

Moved by: Board Member Dominici; seconded by Board Member Massetti

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

3. PRESENTATIONS/ADMINISTRATIVE REPORTS

3.1 Consideration of a Resolution Adopting Bylaws for the Oversight Board of the Successor Agency to the Former Madera Redevelopment Agency

Summary of staff report/recommendation: Staff presented proposed Bylaws for the Oversight Board of the Successor Agency to the Former Madera Redevelopment Agency for consideration and approval.

Action: Adopted Resolution No. OB 12-06 approving Oversight Board Bylaws

Moved by: Board Member Horal; seconded by Board Member Dominici

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

3.2 Discussion Regarding Legal Services (Report by City Attorney)

Summary of staff report/recommendation: At their meeting of April 11, 2012, the Oversight Board directed staff to bring back a Waiver of Conflict and utilize the services of the City Attorney. In surveying other Oversight Boards concerning use of legal counsel, staff determined that the conflict of interest cannot be overcome with a Waiver of the Conflict. The Executive Director noted two available options for consideration: 1) Prepare a Request for Proposal to contract for outside legal services; 2) Request legal services from Madera County Counsel on an as-needed basis subject to approval of the Board of Supervisors. Discussion followed.

Action: Oversight Board directed staff to investigate using Doug Nelson, Madera County Counsel, to provide legal services on an as-needed basis.

Moved by: Board Member Massetti; seconded by Board Member Dominici

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

3.3 Consideration of a Resolution Approving an Agreement with Peter S. Cooper, MAI for Appraisal Services Related to the Potential Acquisition at 112 West Sixth Street, Madera, CA (APN 010-135-012) and a Potential Sale of Property at 124 South 'A' Street (APN 007-165-006)

Summary of staff report/recommendation: The Executive Director reported that appraisal services are necessary to determine fair market value for the purchase of 112 West Sixth Street and sale of 124 South 'A' Street. The Memorandum of Understanding executed between the state, county and former Madera Redevelopment Agency called for the transfer of county-owned property to the Agency providing the Agency conduct certain activities based upon the appraised value of the properties at the

time of the transfer, which was \$880,000.00. The County has expressed a desire to utilize these funds to acquire property for future offices of the District Attorney and Probation. An appraisal is necessary to consider the value of the property located at 112 West Sixth Street being considered for purchase. The Darin Camarena Health Center has been awarded a grant for the expansion of their current facility and wishes to purchase Agency-owned property located at 124 South 'A' Street for expansion purposes. It is necessary to determine the fair market value of the 'A' Street property to set the sales price of the property. Discussion followed.

Action: Adopted Resolution No. OB 12-07 approving the agreement with Peter S. Cooper MAI for appraisal services for the purchase of 112 West Sixth Street and sale of 124 South 'A' Street.

Moved by: Board Member Dominici; seconded by Board Member Wilson

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

3.4 Consideration of a Resolution Acknowledging and Approving a Lease Extension between the Successor Agency and the Madera District Chamber of Commerce

Summary of staff report/recommendation: Staff advised it would not be appropriate at this time to enter into a new ten year lease with the Chamber, noting that the current lease automatically renews annually, and recommended pulling the item off the agenda for consideration.

Action: Board Members concurred with staff's recommendation to pull the item; no action was taken.

4. NEW BUSINESS

4.1 Consideration of a Resolution Approving the Adoption of the Amended Updated Recognized Obligation Payment Schedule (ROPS) for the Period Covering January 1, 2012 through June 30, 2012

Summary of staff report/recommendation: The Executive Director reported the previously approved ROPS was forwarded to the DOF following the April meeting at which time they had 10 days to review and respond. Their response included the following comments: 1) Low-mod Housing Set-Aside is not an enforceable obligation; 2) Agreement with the City for the Handicapped Ramp project is not an enforceable obligation; 3) Certain administrative costs required reclassification. The ROPS was amended to incorporate the DOF recommendations. Discussion followed.

Action: Adopted Resolution No. OB 12-08 approving the amended ROPS for the period January 1, 2012 through June 30, 2012.

Moved by: Board Member Wilson; seconded by Board Member Dominici

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

4.2 Consideration of a Resolution Approving the Adoption of the Recognized Obligation Payment Schedule (ROPS) for the Period Covering July 1, 2012 through December 31, 2012

Summary of staff report/recommendation: The Executive Director reported on the ROPS for the period July 1, 2012 through December 31, 2012 advising that the Downtown Streetscape Project, Sonora/Green/Columbia/Sierra Improvement Project, E Street Improvement Project, and East Yosemite Avenue Widening Project have been removed from the payment schedule. He reported that there are nine outstanding purchase orders that will be closed out and not included on the next ROPS. ABx1 26 requires that the ROPS for this period be adopted by May 11, 2012. Discussion followed.

Action: Adopted Resolution No. OB 12-09 approving the ROPS for the period July 1, 2012 through December 31, 2012

Moved by: Board Member Dominici; seconded by Board Member Horal

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

4.3 Consideration of a Resolution Approving the Administrative Budget for Administrative Costs of the Successor Agency for the Period July 1, 2012 through December 31, 2012

Summary of staff report/recommendation: The Executive Director reported the Administrative Budget for the period July 1, 2012 through December 31, 2012 allows for up to 3% of the property tax allocated or \$250,000.00 whichever is greater. He noted that administrative costs are funded with a combination

of Low-Moderate Income Housing fund, Bond Proceeds, Reserve Balances and grants. Discussion followed.

Action: Adopted Resolution No. OB 12-10 approving the Administrative Budget for July 1, 2012 through December 31, 2012

Moved by: Board Member Arredondo; seconded by Board Member Horal

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

4.4 Consideration of a Resolution Acknowledging and Approving the Second Amendment to the Agreement between the Successor Agency and Quad-Knopf for Design and Engineering Services Related to the Adell Improvement Project

Summary of staff report/recommendation: The Executive Director reported that the Adell Improvement project was initiated in 2008 and is viewed as falling in the top two-tier of projects the Agency was working on prior to the dissolution activities. The agreement being amended is for design only and completion of this agreement with Quad-Knopf will bring the project to a bid-ready status. The construction of this project is dependent upon the passage of SB986. Discussion followed.

Action: Adopted Resolution No. OB 12-11 approving the second amendment to the agreement with Quad Knopf for design and engineering services related to the Adell Improvement Project.

Moved by: Board Member Massetti; seconded by Board Member Dominici

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

4.5 Consideration of a Resolution Acknowledging and Approving the First Amendment to the Agreement between the Successor Agency and Quad-Knopf for Design and Engineering Services Related to the Canal Relocation Project

Summary of staff report/recommendation: The Executive Director reported that the project was initiated in 2008. He noted that the Agency had a contract in place prior to the dissolution activities and an additional \$8,639.00 is needed to complete the design phase and bring the project to a bid-ready status. No further discussions transpired.

Action: Adopted Resolution No. OB 12-12 approving the amendment to the agreement with Quad-Knopf for design and engineering services related to the MID Pipeline Relocation Project.

Moved by: Board Member Dominici; seconded by Board Member Horal

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

4.6 Consideration of a Resolution Acknowledging and Approving the First Amendment to the Agreement between the Successor Agency and North Star Engineering Group for the Preparation of an Infrastructure Master Plan for the Southwest Industrial Area

Summary of staff report/recommendation: The Executive Director reported that the project was initiated in 2009 and includes developing a master sewer/water/storm drainage and traffic circulation plan for 112 acres located between Pine and Schnoor adjacent to Madera Industrial Park. The project will require an additional \$11,688.00 to finalize the agreement with North Star and bring the project to a bid-ready status. Discussion followed.

Action: Adopted Resolution No. OB 12-13 approving the amendment to the agreement with North Star Engineering Group to complete the preparation of an Infrastructure Master Plan for the Southwest Industrial Area.

Moved by: Board Member Wilson; seconded by Board Member Arredondo

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

4.7 Consideration of a Resolution Acknowledging and Approving the First Amendment to the Agreement between the Successor Agency and Blair, Church & Flynn for Design and Engineering Services Related to the Sunset/Laurel Linear Park Project

Summary of staff report/recommendation: The Executive Director reported that the project was initiated in 2009 and said the intent of the project was to provide a safe pedestrian linkage between the residential areas in the northwest quadrant including the Sunset/Laurel area and the Fresno River Trail.

The Agency is funding the design phase of the project. The project engineer has indicated that no additional funds are necessary; however, to restart the project the scope of the project needs to be revised. The agreement is being amended to revise the scope of the project and bring to a bid-ready status. Discussion followed.

Action: Adopted Resolution No. OB 12-14 approving the amendment to the agreement with Blair, Church & Flynn for engineering and design services for the Riverview Linear Park Improvement Project.

Moved by: Board Member Dominici; seconded by Board Member Wilson

Vote: 6/0 Ayes: Board Members Frazier, Arredondo, Dominici, Horal, Massetti and Wilson; Noes: None; Absent: Board Member Manfredi

4.8 Consideration of a Resolution Acknowledging and Approving the First Amendment to the Agreement between the Successor Agency and Blair, Church & Flynn for the Preparation of an Infrastructure Master Plan for the Avenue 16/Avenue 17 Commercial/Industrial Corridor

Board Member Horal stated he wished to recuse himself from participating in this item citing a conflict of interest as a property owner in the project site area and exited the Council Chambers at 7:46 p.m.

Summary of staff report/recommendation: The Executive Director reported that the project was initiated in 2007 and stated that most of the master plan has been developed and approved by all parties with the exception of vetting the proposed traffic circulation plans. The engineer is being asked to amend the agreement and complete the vetting process. Discussion followed.

Action: Adopted Resolution No. OB 12-15 approving the amended agreement with Blair, Church & Flynn for the preparation of an Infrastructure Master Plan for the Avenue 16/Avenue 17 Commercial/Industrial Corridor.

Moved by: Board Member Dominici; seconded by Board Member Massetti

Vote: 5/0 Ayes: Board Members Frazier, Arredondo, Dominici, Massetti and Wilson; Noes: None; Abstain: Board Member Horal; Absent: Board Member Manfredi

Board Member Horal returned to the Chambers at 7:52 pm.

5. GENERAL

There are no items for this section.

6. BOARD MEMBER REPORTS

No reports were given by the Board members.

7. ADJOURNMENT

The meeting was adjourned at 7:53 p.m.

Sandi Brown, Agency Secretary

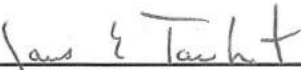
Brett Frazier, Chairperson

REPORT TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY

BOARD MEETING OF: June 18, 2012

AGENDA ITEM NUMBER: 4.1

APPROVED BY:



Executive Director

Subject: Consideration of Resolutions Acknowledging and Approving the Sale of Property and Approving the Disposition and Development Agreement with Camarena Health for Property Located at 124 South "A" Street, Madera, CA, APN 007-165-006

Summary: The Oversight Board will consider resolutions acknowledging and approving the sale of property and the Disposition and Development Agreement with Camarena Health. The sales price is \$150,000.00.

HISTORY/BACKGROUND

On June 13, 2012, the Madera City Council and the Successor Agency conducted a noticed public hearing for the purpose of considering the sale of property located at 124 South 'A' Street and a Disposition and Development Agreement with Camarena Health. They intend to construct a 16,000± sf medical and dental facility on the site. The actions taken at the June 13th meeting include the following:

- 1) The City Council adopted the resolution approving the sale of property at 124 South 'A' Street, Madera California to Camarena Health. The property was acquired by the Redevelopment Agency with bond proceeds. The sales price of \$150,000.00 was considered to be fair market value based upon an appraisal by Peter Cooper, MAI.
- 2) The Successor Agency adopted a resolution approving the sale of property at 124 South 'A' Street, Madera California to Camarena Health.
- 3) The Successor Agency adopted a resolution approving the Disposition and Development Agreement between the Successor Agency and Camarena Health for 124 South 'A' Street.

RECOMMENDATION

Staff recommends the Oversight Board adopt the following resolutions:

1. A resolution acknowledging and approving the sale of property at 124 South 'A' Street; and
2. A resolution approving the Disposition and Development Agreement between the Successor Agency and Camarena Health.

JET:sb

Attachment:

- Resolutions (2)
- Copy of D&DA

RESOLUTION NO. OB-

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY OF THE CITY OF MADERA, CALIFORNIA APPROVING THE SALE OF PROPERTY KNOWN AS 124 SOUTH 'A' STREET FOR THE CONSTRUCTION OF A 16,000± SQUARE FOOT BUILDING THAT WILL HOUSE MEDICAL AND DENTAL SERVICES ON SITE LOCATED IN THE CITY OF MADERA

WHEREAS, Camarena Health has applied to purchase property from the Successor Agency for the construction of a 16,000± square foot building that will house medical and dental services on site located at 124 South 'A' Street (the "Project"); and

WHEREAS, the project has been deemed to be categorically exempt pursuant to § 15332 as in-fill development and that there is no possibility that this action could cause a significant adverse impact on the environment pursuant to the California Environmental Quality Act; and

WHEREAS, a Disposition and Development Agreement (the "Agreement") has been prepared and approved by the Successor Agency and is on file in the office of the Executive Director of the Successor Agency of the Former Madera Redevelopment Agency and referred to for more particulars; and

WHEREAS, the purpose of the Agreement is to effectuate the Redevelopment Plan of the City of Madera (the "Plan"); and

WHEREAS, the Agreement is in the best interest of the Developer and Successor Agency in that it will assist in the elimination of blight in the Southeast area of Madera.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY hereby finds, determines,

resolves and orders as follows:

1. The above recitals are true and correct.
2. The Oversight Board has reviewed and considered the sale of the property known as 124 South "A" Street as contemplated in the Agreement as approved and presented by the Successor Agency to the former Madera Redevelopment Agency.
3. The sale of the property known as 124 South "A" Street as contemplated in the Agreement as approved and presented by the Successor Agency to the former Madera Redevelopment Agency is hereby approved.
4. This resolution is effective immediately upon adoption.

* * * * *

PASSED AND ADOPTED by the Oversight Board to the Successor Agency to the former Madera Redevelopment Agency of the City of Madera this 18th day of June 2012, by the following vote:

AYES:

NOES:

ABSENT:

Brett Frazier, Chairperson

ATTEST:
Agency Secretary

RESOLUTION NO. OB-

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY OF THE CITY OF MADERA, CALIFORNIA APPROVING DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE CONSTRUCTION OF A 16,000± SQUARE FOOT BUILDING THAT WILL HOUSE MEDICAL AND DENTAL SERVICES ON SITE AT 124 SOUTH 'A' STREET

WHEREAS, CAMARENA HEALTH, has applied to purchase property from the Successor Agency the construction of a 16,000± square foot building that will house medical and dental services on site located at 124 South 'A' Street (the "Project"); and

WHEREAS, a Disposition and Development Agreement (the "Agreement") for this project is necessary to carry the project forward and the form of such Agreement has been prepared and approved by the Successor Agency, and is on file in the office of the Executive Director of the Successor Agency of the Former Madera Redevelopment Agency and referred to for more particulars; and

WHEREAS, the purpose of the Agreement is to effectuate the Redevelopment Plan (the "Plan"); and

WHEREAS, the Agreement is in the best interest of the Developer and Successor Agency in that it will allow the construction of a 16,000± square foot building that will house medical and dental services on site in the Southeast area of Madera.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY hereby finds, determines, resolves and orders as follows:

1. The above recitals are true and correct.
2. The Oversight Board has reviewed and considered the proposed Agreement as approved and presented by the Successor Agency to the former Madera Redevelopment Agency.

3. The Agreement as approved and presented by the Successor Agency to the former Madera Redevelopment Agency is hereby approved.

4. This resolution is effective immediately upon adoption.

* * * * *

PASSED AND ADOPTED by the Oversight Board to the Successor Agency to the former Madera Redevelopment Agency of the City of Madera this 18th day of June 2012, by the following vote:

AYES:

NOES:

ABSENT:

Brett Frazier, Chairperson

ATTEST:
Agency Secretary

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
(Recorder's fee waived per Govt. Code §27383)

Successor Agency to the
Former Madera Redevelopment Agency
428 East Yosemite Avenue
Madera CA 93638
Attn: Executive Director

MAIL TAX STATEMENTS TO:

Camarena Health
344 East 6th Street
Madera Ca 93638

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DISPOSITION AND DEVELOPMENT AGREEMENT

BY AND BETWEEN

SUCCESSOR AGENCY TO THE FORMER
MADERA REDEVELOPMENT AGENCY

AND

CAMARENA HEALTH

FOR

124 SOUTH 'A' STREET

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EXHIBITS

A - LEGAL DESCRIPTION

B - SCOPE OF DEVELOPMENT

C - GRANT DEED

DISPOSITION AND DEVELOPMENT AGREEMENT

This Agreement is entered into as of June ____, 2012, between the CITY OF MADERA AS SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY MADERA, a body corporate and politic ("Agency"), and CAMARENA HEALTH, ("Developer").

RECITALS

WHEREAS, the Madera Redevelopment Agency acquired the Project Site in its program to eliminate blight and blighting influences within the Agency Project Area and the Agency has demolished and removed all existing structures on the Project Site; and

WHEREAS, the Successor Agency of the Former Madera Redevelopment Agency desires that a 16,000± square foot building that will house medical and dental services on site be developed; and

WHEREAS, the Developer has submitted a development proposal for the Project Site in response to a Request for Proposal process and the Successor Agency has reviewed the Developer's proposal and indicated its intent to have the Developer construct the Project as proposed; and

WHEREAS, California Health and Safety Code Section 33433 authorizes an Agency to convey land at its fair market value or its fair reuse value where such land is to be used by the grantee for development pursuant to the Redevelopment Plan; and

WHEREAS, the proposal submitted by the Developer includes the development and construction of a 16,000± square foot building that will house medical and dental services on site in accordance with the Redevelopment Plan; and

WHEREAS, the Successor Agency desires that the Project Site be developed in accordance with the proposal submitted to the Successor Agency by the Developer.

NOW THEREFORE, the Agency and the Developer agree as follows:

ARTICLE I DEFINITIONS

Section 101. Site. The property is located at 124 South 'A' Street, in the City of Madera, more specifically described in "Exhibit A" which is attached to and incorporated in this agreement.

Section 102. Project. "Project" means the development of the Project Site by the construction of a 16,000± square foot building for the purpose of occupying such building for medical and dental purposes. The Project is more specifically described in "Exhibit B" attached hereto and incorporated herein by this reference.

Section 103. Developer. "Developer" means CAMARENA HEALTH, whose mailing address for notice purposes is 344 East 6th Street, Madera Ca, 93638.

Section 104. Agency. "Successor Agency" means the Successor Agency of the Former Madera Redevelopment Agency, whose mailing address for notice purposes is 428 E. Yosemite, Madera, California 93638.

ARTICLE II PURPOSE OF AGREEMENT

Section 201. Purpose of Agreement. The purpose of this Agreement is to carry out, in part, Successor Agency policies regarding development of the Project Site within the Redevelopment Plan Area by providing for the disposition and development of the property described in Section 101, above, to be acquired by the Developer from the Successor Agency ("the Site"). The improvement of the Site as provided in this Agreement and the fulfillment of this Agreement generally are in the vital and best interests of the City, Successor Agency, and the health, safety and welfare of their residents, and are necessary to effectuate the purposes of the Successor Agency's policies, and are in accord with applicable federal, state and local laws and requirements.

ARTICLE III ACQUISITION AND DISPOSITION OF THE SITE

Section 301. Acquisition of the Site: Sale of the Site.

- a. Site was previously acquired by the Madera Redevelopment Agency as part of its program to acquire properties and remove blight from such properties and to rehabilitate sites in the Downtown area of the City of Madera. It was transferred to the Successor Agency by operation of law upon the dissolution of redevelopment.
- b. In accordance with and subject to all terms, conditions and covenants of this Agreement, the Agency shall sell the Site to the Developer, and the Developer shall purchase the Site from the Agency for a purchase price of \$150,000. The purchase price is the fair market value of the Site. The Agency finds that the use of this Site to develop a commercial Medical/dental building for use by city residents is in the best interest of the Successor Agency, the citizens and the public of the City of Madera ("City"). The Successor Agency further finds that the purchase price will provide for development which will alleviate a previously blighted condition. The Successor Agency further finds that such action will be of benefit to the Project Area of the Successor Agency in that it will encourage further development in the City.

Section 302. Conveyance of the Site.

- a. The Successor Agency shall convey possession of and title to the Site, and the Developer shall accept such conveyance and possession, as follows:

(1) The Successor Agency shall convey and the Developer shall accept title to and possession of the Site within thirty (30) days from the effective date of this Agreement.

Section 302.1. Escrow. Within fifteen (15) days after execution of this agreement, the parties shall open escrow ("Escrow") with Chicago Title Company at 1653 North Schnoor Avenue, Madera, California, 93637, or another escrow company mutually satisfactory to both parties (the "Escrow Agent").

Section 302.2. Costs of Escrow. Successor Agency and Developer shall pay their respective portions of the premium for the Title Policy as set forth in Section 302.9 hereof. The Successor Agency shall pay for the documentary transfer taxes, if any, due with respect to the conveyance of the Site, and Developer and Successor Agency each agree to pay one-half of all other usual fees, charges and costs which arise from Escrow.

Section 302.3. Escrow Instructions. This Agreement constitutes the joint escrow instructions of Developer and Successor Agency, and the Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts reasonably necessary to close this Escrow in the shortest possible time. Insurance policies for fire or casualty are not to be transferred, and Successor Agency will cancel its own policies after the Closing. All funds received in the Escrow shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check from such account. However, if Escrow does not close within two (2) business days from deposit of the Purchase Price, the funds shall be deposited into an interest bearing account with such interest accruing to the benefit of the Developer.

If in the opinion of either party it is necessary or convenient in order to accomplish the Closing of this transaction, such party may require that the parties sign supplemental escrow instructions, provided that if there is any inconsistency between this Agreement and the supplemental escrow instructions, the provisions of this Agreement shall control. The parties agree to execute such other and further documents as may be reasonably necessary, helpful or appropriate to effectuate the provisions of this Agreement. The Closing shall take place when both the Successor Agency's Conditions Precedent and the Developer's Conditions Precedent as set forth in Section 302.11 and 302.12 have been satisfied. Escrow Agent is instructed to release Successor Agency's escrow closing and Developer's escrow closing statements to the respective parties.

Section 302.4. Authority of Escrow Agent. Escrow Agent is authorized to, and shall:

a. Pay and charge Successor Agency and Developer for their share of the premiums of the Title Policy and charge Successor Agency any amount necessary to place title in the condition necessary to satisfy Section 302.8 of this Agreement.

b. Pay and charge Developer and Successor Agency for their respective shares of any escrow fees, charges, and costs payable under Section 302.2 of this Agreement.

c. Pay and charge Developer for any endorsements to the Title Policy which are requested by the Developer.

d. Disburse funds, deliver and record the Grant Deed when both the Developer's Conditions Precedent and the Successor Agency's Conditions Precedent have been fulfilled or waived by Developer and Successor Agency.

e. Do such other actions as necessary, including obtaining the Title Policy to fulfill its obligations under this Agreement.

f. Within the discretion of Escrow Agent, direct Successor Agency and Developer to execute and deliver any instrument, affidavit, and statement, and to perform any act reasonably necessary to comply with the provisions of FIRPTA and any similar state act and regulation promulgated thereunder. Successor Agency agrees to execute a Certificate of Non-Foreign Status by individual transferor and/or a Certification of Compliance with Real Estate Reporting Requirements of the 1986 Tax Reform Act as may be required by Escrow Agent, on the form to be supplied by Escrow Agent.

g. Prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including an IRS 1099-S form and be responsible for withholding taxes if any such forms are provided for or required by law.

Section 302.5. Closing. This transaction shall close ("Closing") within fifteen (15) days of the parties' satisfaction of all of Successor Agency's and Developer's Conditions Precedent to Closing as set forth in Section 302.11 and 302.12 hereof, but in no event later than June 20, 2012, (the "Outside Date"). The Closing shall occur at a location within Madera County at a time and place reasonably agreed upon by all parties. The "Closing" shall mean the time and day the Grant Deed is filed for record with the Madera County Recorder. The "Closing Date" shall mean the day on which the Closing occurs.

Section 302.6. Termination. If (except for deposit of money by Developer, which shall be made by Developer before Closing) Escrow is not in condition to close by the Outside Date, then either party which has fully performed under this Agreement may, in writing, demand the return of money or property and terminate this Agreement. If either party makes a written demand for return of documents or properties, this Agreement shall not terminate until five (5) days after Escrow Agent shall have delivered copies of such demand to all other parties at their respective addresses shown in this Agreement. If any objections are raised within said five (5) day period, Escrow Agent is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or by mutual written instructions of the parties. Developer, however, shall have the sole option to withdraw any money deposited by it for the acquisition of the Site less Developer's share of costs of Escrow. Termination of this Agreement shall be without prejudice as to whatever legal rights either party may have against the other arising from this Agreement. If no demands are made, the Escrow Agent shall proceed with the Closing as

soon as possible.

Section 302.7. Closing Procedure. Escrow Agent shall close Escrow for the Site as follows:

- a. Record the Grant Deed with instructions for the Recorder of Madera County, California, to deliver the Grant Deed to Agency;
- b. Instruct the Title Company to deliver the Title Policy to Developer;
- c. File any informational reports required by Internal Revenue Code Section 6045(e), as amended, and any other applicable requirements;
- d. Deliver the FIRPTA Certificate, if any, to Developer; and
- e. Forward to both Developer and Successor Agency a separate accounting of all funds received and disbursed for each party and copies of all executed and recorded or filed documents deposited into Escrow, with such recording and filing date and information endorsed thereon.

Section 302.8. Review of Title. The Successor Agency shall cause Chicago Title Company, or another title company mutually agreeable to both parties (the "Title Company"), to deliver to Developer a standard preliminary title report (the "Report") with respect to the title to the Site, within twenty (20) days from the date of this Agreement. The Developer shall have the right to reasonably approve or disapprove any exceptions ("Exceptions"); provided however, that the Developer herein approves the following Exceptions:

- a. The Redevelopment Plan.
- b. All Utility easements as specified.

Developer shall have fifteen (15) days from the date of its receipt of the Report to give written notice to Agency and Escrow Holder of Developer's approval or disapproval of any such exceptions. Developer's failure to give written disapproval of the Report within such time limit shall be deemed approval of the Report. If Developer notifies Successor Agency of its disapproval of any Exceptions in the Report, Successor Agency shall have the right, but not the obligation, to remove any disapproved Exceptions within thirty (30) business days after receiving written notice of Developer's disapproval or provide assurances satisfactory to Developer that such Exception(s) will be removed on or before the Closing. If Successor Agency cannot or does not elect to remove any of the disapproved Exceptions within the period, Developer shall have ten (10) business days after the expiration of such 30-day period to either give the Successor Agency written notice that Developer elects to proceed with the purchase of the Site subject to the disapproved Exceptions or to give the Successor Agency written notice that the Developer elects to terminate this Agreement. The Exceptions to title approved by Developer as provided herein shall hereinafter be referred to as the "Condition of Title".

Developer shall have the right to approve or disapprove any Exceptions reported by the Title Company after Developer has approved the Condition of Title for the Site (which are not created by Developer). Successor Agency shall not voluntarily create any new exceptions to title following the date of this Agreement.

Section 302.9. Title Insurance. Concurrently with recordation of the Grant Deed conveying title to the Site, there shall be issued to Developer a CLTA owner's policy of title insurance (the "Title Policy"), together with such endorsements as are reasonably requested by the Developer, issued by the Title Company insuring that the title to the Site is vested in Developer in the condition required by Section 302.8 of this Agreement. The Title Company shall provide the Successor Agency with a copy of the Title Policy. The Title Policy shall be for the amount of the Purchase Price. The Successor Agency agrees to remove on or before the Closing any deeds of trust or other monetary liens against the Site. The Agency shall pay that portion of the premium for the Title Policy equal to the cost of a CLTA standard coverage title policy in the amount of the Purchase Price. Any additional costs, including the cost of an ALTA policy or any endorsements requested by the Developer, shall be borne by the Developer.

Section 302.10. Conditions of Closing. The Closing is conditioned upon the satisfaction of the following terms and conditions within the times designated below:

Section 302.11. Successor Agency's Conditions of Closing. Successor Agency's obligation to proceed with the Closing of the sale of the Site is subject to the fulfillment or waiver by Successor Agency of each and all of the conditions precedent (a) through (h), inclusive, described below ("Successor Agency's Conditions Precedent"), which are solely for the benefit of Successor Agency, and which shall be fulfilled or waived by the time periods provided for herein:

- a. No Default. Prior to the Close of Escrow, Developer is not in default in any of its obligations under the terms of this Agreement and all representations and warranties of Developer contained herein shall be true and correct in all material respects.
- b. Execution of Documents. The Developer shall have executed the Grant Deed and executed any other documents required hereunder and delivered such documents into Escrow.
- c. Payment of Closing Costs. Prior to the Close of Escrow, Developer has paid all required costs of Closing into Escrow in accordance with Section 302.2 hereof.
- d. Acquisition of Site. The Successor Agency shall have acquired title to the Entire Site, or shall be ready to acquire title to the entire Site concurrently with the Closing.
- e. Design Approvals. The Developer shall have obtained approval by the Successor Agency of the various drawings as set forth in Section 404 hereof.
- f. Land Use Approvals. The Developer shall have received all land use

approvals and permits required pursuant to Section 408 hereof.

g. Insurance. The Developer shall have provided proof of insurance as required in Section 407 hereof.

g. Financing. The Successor Agency shall have approved Developer obtained financing of the Developer Improvements.

Section 302.12. Developer's Conditions of Closing. Developer's obligation to proceed with the purchase of the Site is subject to the fulfillment or waiver by Developer of each and all of the conditions precedent (a) through (h), inclusive, described below ("Developer's Conditions Precedent"), which are solely for the benefit of the Developer, and which shall be fulfilled or waived by the time periods provided for herein:

a. No Default. Prior to the Close of Escrow, Successor Agency is not in default in any of its obligations under the terms of this Agreement and all representations and warranties of Agency contained herein shall be true and correct in all material respects.

b. Execution of Documents. The Successor Agency shall have executed the Grant Deed and any other documents required hereunder, and delivered such documents into Escrow.

c. Payment of Closing Costs. Prior to the Close of Escrow, Successor Agency shall have paid all required costs of Closing into Escrow in accordance with Section 306 hereof.

d. Review and Approval of Title. Developer shall have reviewed and approved the condition of title of the Site, as provided in Section 302.8 hereof.

e. Title Policy. The Title Company shall, upon payment of Title Company's regularly scheduled premium, have agreed to the Title Policy for the Site upon the Close of Escrow, in accordance with Section 302.9 hereof.

f. Design Approvals. The Developer shall have obtained approval by the Agency of the various drawings as set forth in Section 404 hereof.

g. Land Use Approvals. The Developer shall have received all land use approvals and permits required pursuant to Section 408 hereof.

h. Financing. The Successor Agency shall have approved financing of the Developer Improvements.

Section 303. Form of Deeds. The Agency shall convey and the Developer shall accept title to the Site by grant deed ("Deed") in the condition provided in Section 304 and in a form substantially the same as attached "Exhibit C". The Deed shall contain all provisions required by

applicable laws and regulations, and all conditions, covenants and restrictions specified elsewhere in this Agreement. This includes, but is not limited to, the requirement that the Project developed on the Site will be commercial building utilized for medical and dental services.

Section 304. Condition of Title. Subject to Section 303 above, the Successor Agency shall convey fee simple marketable title to the Site. The title shall be in a condition described in the Agreement which is sufficient for a title company to issue a CLTA lender's title insurance policy on the Site substantially in the form set forth in a standard CLTA lenders title insurance policy.

The Successor Agency shall execute all documents and take all other steps consistent with Successor Agency practices, policies and applicable laws and regulations, as may be reasonably necessary to convey title to the Site as provided in this Section 304. The Mayor or Executive Director of the Successor Agency of the Former Madera Redevelopment Agency is authorized to execute all such documents on behalf of the Successor Agency.

Section 305. Payment of Purchase Price and Delivery of Deed. The Developer shall submit into Escrow in cash or certified check, the entire purchase price together with all escrow fees to Escrow Agent within twenty (20) days after the effective date of this Agreement. The Agency shall, within twenty-five (25) days after the effective date of this Agreement, promptly deliver a properly executed Grant Deed into Escrow at the offices of such title company.

Section 306. Title Insurance, Escrow Fees and Documentary Stamp Taxes. The costs for title insurance, Escrow fees and documentary stamp taxes shall be borne by the parties as required by Sections 302.2.

Section 307. Taxes and Assessments. The Successor Agency shall be responsible for all ad valorem taxes and assessments on any portion of the Site or any rights hereunder, if any, which are levied, assessed or imposed for any period prior to close of escrow. The Developer shall be responsible for all ad valorem taxes and assessments levied, assessed or imposed for any period after conveyance of title or delivery of possession whichever is sooner, of Site to the Developer, including but not limited to taxes assessed against or levied on buildings, fixtures, furnishings, equipment and all personal property contained in or about the parcel.

Section 308. Access and Entry By the Developer. Prior to conveyance of title to or possession of the Site by the Developer, the Developer shall have the right of access to and entry upon the Site at all reasonable times for the purposes of obtaining data and making surveys and tests necessary to carry out this Agreement. The Developer shall indemnify, hold harmless and defend the Successor Agency, its officers, agents or employees from any and all loss, liability, costs and damages (in contract, tort or strict liability, including without limitation personal injury, death at any time and property damage) suffered by any person and arising out of any work or activity of the Developer, its agents, servants, employees or contractors on the Site or any portion thereof.

If requested by the Developer, the Successor Agency shall provide or cause to be provided to the Developer all data and information pertaining to the Site and reasonably available to the City or Agency.

Section 309. Condition of the Site. The Site shall be conveyed in an "as is" condition, with no express or implied warranty by the Successor Agency as to the condition of the Site, its soil, geology, or the presence of known or unknown faults. It shall be the sole responsibility of the Developer at its expense to investigate and determine the soil, seismic and other conditions of the Site and the suitability of the Site for the Project. If the Site condition is not in all respects entirely suitable for the Project, then it shall be the sole responsibility and obligation of the Developer to take such action as may be necessary to place the Site in an entirely suitable condition.

ARTICLE IV DEVELOPMENT OF THE SITE

Section 401. Scope of Development. The Developer shall develop the Site with a 16,000± square foot building including but not limited to (1) the installation of all off-site improvements required by the City as a condition of approval of such construction, (2) construction of a 16,000± square foot commercial building on the lot of the Site together with parking spaces as required by law. The Project shall be completed in accordance with and within the limitations of the Scope of Development, which is attached to this Agreement and incorporated herein, as "Exhibit B". The Developer shall be responsible for obtaining from all appropriate government agencies all permits, approvals and entitlements including any additional environmental review necessary to accomplish and complete the project.

Section 402. Basic Concept Drawings. The Developer shall prepare and submit to the Successor Agency, basic drawings and related documents describing the project to be constructed pursuant to this Agreement. The basic drawings shall be submitted for approval. The Site shall be developed in accordance with the basic drawings, related documents and renderings approved by the Agency and City pursuant to Section 404 except for such additional changes as may be mutually agreed upon by the Developer, City and Successor Agency. The basic drawings include without limitation a basic plan, elevations and other architectural drawings showing the architectural style and design of all buildings to be constructed on the Site.

Section 403 Construction Drawings, Plans and Related Documents. No later than 90 days after the execution of this Agreement, the Developer shall prepare and submit to the Successor Agency, for review and written approval, construction drawings, plans, and related documents for the Project. Such construction drawings, plans, maps and related documents for the Project shall be in sufficient detail to obtain a building permit for the Project from the City. The submission to the Successor Agency is for the purpose of determining whether or not the submitted drawings, plans and maps are consistent with the requirements of this Agreement. The approval of the Successor Agency will be in addition to and not in lieu of approvals required for the Project by the City or any other governmental agency in accordance with federal, state and local laws and ordinances.

Section 404 Approval of Drawings, Plans and Other Documents. Subject to the terms of this Agreement, the Successor Agency shall have the right to review and approve all drawings,

plans and other documents relating to the Project, and any proposed changes therein, including without limitation the drawings, plans and other documents specified in Sections 402 and 403.

The Successor Agency shall approve or disapprove the plans, drawings and other documents for the Project within thirty (30) calendar days after receipt. Failure by the Successor Agency to either approve or disapprove within such thirty (30) day period shall be deemed approval by the Successor Agency. Any disapproval shall state in writing the reasons for disapproval and the changes which the Successor Agency requests. Such changes must be consistent with Exhibit B and with all plans, drawings and other documents previously approved or deemed approved hereunder. The Developer, upon receipt of a disapproval, shall revise the disapproved plans, drawings or other documents and shall resubmit them (or such revised portions thereof) to the Successor Agency as soon as possible but in no event later than thirty (30) calendar days after receipt of the notice of disapproval. Review and approval of drawings, plans and other documents by the Successor Agency pursuant to this Agreement shall be in addition to, and not in lieu of, any submittals, review or approval required by the City in connection with any Site plan review, conditional use permit, building permit or any other development entitlement required for the Project.

If either party desires to make any substantial change in the final construction drawings, plans or other documents after approval, such proposed change shall be submitted to the other party for approval. If the final construction drawings, plans or other documents as modified by the proposed change conform to the requirements of this Agreement, the Scope of Development and all applicable laws, codes, ordinances and regulations, the proposed change shall be approved and the party submitting such change shall be notified in writing within ten (10) calendar days after submission. Such change shall in any event be deemed approved by the Successor Agency or the Developer unless rejected, in whole or in part, by written notice thereof within the above ten (10) day period, setting forth in detail the reasons for rejection. Such approval shall be in addition to any approval required by any state, federal, or local agency including City.

Section 405 Cost of Construction. Developer shall bear all costs for improving the Site, including without limitation all costs for constructing the Project and all related improvements. Agency shall bear all costs related to design and construction of off-site streetscape enhancements.

Section 406 Time for Performance. Subject to Section 705, the Developer shall begin construction of the medical/dental center no later than February 13, 2013. Developer shall complete Project no later than three (3) years after the date of execution of this Agreement.

Section 407. Indemnity; Insurance.

a. The Developer shall indemnify, hold harmless and defend the City and Successor Agency and their respective Council, Board, officers, employees, volunteers and agents from any and all loss, liability, costs and damage (whether in contract, tort or strict liability, including without limitation, personal injury, death at any time or property damage), and from any claims or actions in law or equity (including attorneys' fees and legal expenses), arising out of or in any way connected with (1) any act, error or omission of the Developer or

any of its officers, employees, contractors, agents or representatives on the Site, or (2) design, construction, operation or maintenance of the Project or any portion thereof. However, the preceding sentence shall not apply to, and the Developer shall not be responsible for, any loss, liability, costs or damages caused solely by the negligence or willful misconduct of the City and/or Successor Agency, or any of their respective Council, Board, officers, employees or agents acting within the scope of their authority.

b. The Developer shall maintain the following insurance policies in full force And effect at all times while the Developer or its employees, contractors or agents have access to the Site and until the Certificate of Completion for the entire Site is recorded as follows:

- (1) Comprehensive general liability in an amount not less than \$1,000,000.00.
- (2) Workers' Compensation in the statutory amount.

The policy of comprehensive liability insurance shall specify that the coverage provided is primary and shall specify that the Successor Agency, and their respective officers and employees are additional insureds. Such policy shall also provide that it shall not be canceled or materially changed without thirty (30) days' prior written notice to the Agency. The Developer shall submit to the Successor Agency certificates evidencing the above insurance policies on or before the date the Successor Agency conveys Title. The certificates shall be in a form acceptable to the Executive Director of the Successor Agency.

Section 408. Government Permits and Environmental Review. Before beginning any grading, construction or development of any buildings, structures or other improvements on the Site, the Developer shall at its own expense, secure or cause to be secured, any and all permits and entitlements including any additional Environmental Review as required by the California Environmental Quality Act which may be required by the City or any other governmental agency affected by such construction or development. This obligation includes the payment of all fees needed to be paid prior to permit issuance.

Section 409. Rights of Access. During the period the Project is being constructed, designated representatives of the Successor Agency shall have access to the Site at all reasonable times for purposes of this Agreement, including but not limited to inspection of the work being performed in constructing the Project and related improvements. Such representatives shall be those designated in writing by the Executive Director of the Successor Agency. Inspection by such representatives shall not impose on the Successor Agency or City any liability or responsibility with respect to the work inspected or relieve the Developer from its obligations to construct the Project and related improvements in accordance with this Agreement, and all applicable laws, codes, ordinances and regulations.

Section 410. Local, State and Federal Laws. The Developer shall carry out construction of the Project and all related improvements in accordance with all applicable local, state and federal laws, codes, ordinances and regulations, including without limitation all applicable state and federal labor standards.

Section 411. Nondiscrimination During Construction. At all times during construction of the Project, the Developer and its successors, assigns, employees, contractors and agents shall comply with the following:

a. The Developer shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, national origin or ancestry. The Developer shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Developer shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Successor Agency setting forth the provisions of this nondiscrimination requirement.

b. The Developer shall, in all solicitations or advertisements for employees Placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, marital status, national origin or ancestry.

c. The Developer shall include the provisions of paragraphs (a) through (c) of this Section in every contract or purchase order, and shall require the inclusion of these provisions in every subcontract entered into by any of its contractors so that such provisions will be binding on each such contractor, subcontractor or vendor, as the case may be. The Developer shall take such action with respect to any construction contract, subcontract or purchase order as the Successor Agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. However, in the event the Developer becomes involved in or is threatened with litigation with a contractor, subcontractor or vendor as a result of such direction, the Developer may request the Successor Agency to enter into such litigation to protect the interest of the Successor Agency. For the purpose of including such provisions in any construction contract, subcontract or purchase order as required hereby, the first two lines of this Section shall be changed to read "At all times during the performance of this Contract, the Contractor," and the term "Developer" shall be changed to "Contractor" in paragraphs (a) through (c).

Section 412. Taxes. Assessments. Encumbrances and Liens. The Developer shall pay when due all real estate taxes and assessments on any portion of the Site assessed, levied or imposed after conveyance of title or delivery of possession. The Developer shall not place or allow to be placed on the Site or any portion thereof, any mortgage, trust deed, encumbrance or lien without the prior written approval of the Agency. The Developer shall remove or have removed any levy, encumbrance, lien or attachment made on the Site, or portion thereof or shall assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder. Nothing contained in this Section 412 shall prohibit the Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, nor limit the remedies available to the Developer with respect thereto.

Section 413. Restrictions on Transfer.

a. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement except as expressly provided in this Section 413 or Section 414.

b. The Developer shall not, except as expressly permitted by this Agreement, assign or attempt to assign this Agreement or any right herein, nor make any total or partial sale, transfer, conveyance or assignment of the whole or any part of the Site, the Project or any portion of either, or suffer an involuntary assignment or conveyance of this Agreement or the Site, the Project or any portion of either, without prior written approval of the Agency. This restriction shall not prevent the granting of easements or permits to facilitate the development of the Site, nor shall it prohibit granting any security interest expressly described in this Agreement for financing the development of the Project.

In the event that, contrary to the provisions of this Agreement, the Developer does assign this Agreement or any of the rights herein, or does sell, transfer, convey or assign any part of the Site or the Project without the Agency's approval, in addition to all other remedies at law, the Agency shall be entitled to receive any and all consideration which exceeds such sales price limitation. The consideration payable for such sale, transfer, conveyance or assignment (to the extent it exceeds any amount authorized by the Agency) shall belong to and be paid to the Agency; and until so paid, the Agency shall have a lien on the Site for such amount.

c. The Developer shall promptly notify the Agency of any changes in the Identity of the parties in control of the Developer or the degree of such control. This Agreement may be terminated by the Agency pursuant to paragraph (b) of Section 706 if there is any significant change (voluntary or involuntary) in membership, management, control, ownership or identity of the Developer without the prior written approval of the Agency (other than changes due to death or incapacity of any individual). The restriction of this paragraph (c) shall terminate after recordation of the Certificate of Completion for all parcels.

Section 414. Security Financing and Rights of Holders.

a. Notwithstanding Section 413, mortgages, deeds of trust, sales and lease-backs, or any other form of conveyance required for any reasonable method of financing are permitted before recordation of the Certificate of Completion for the Project, but only for the purpose of securing funds to be used for financing the construction, operation and maintenance of the Project and any other expenditures necessary and appropriate to develop the Site in accordance with this Agreement. The Developer shall notify the Agency in advance of any mortgage, deed of trust, sale and lease-back, or other form of conveyance for financing if the Developer proposes to enter into the same before recordation of the Certificate(s) of Completion for all lots. The Developer shall not enter any such conveyance for financing without the prior written approval of the Successor Agency, which approval the Successor Agency shall give if any such conveyance is given to a responsible financial or lending institution or other acceptable

person or entity. In any event, the Developer shall promptly notify the Successor Agency of any mortgage, deed of trust, sale and lease-back, or other financing conveyance, encumbrance or lien that has been created or which has attached to the Site prior to recordation of the Certificate of Completion for all lots, whether by voluntary act of the Developer or otherwise.

The words "mortgage" and "deed of trust" as used herein include all appropriate modes of financing real estate acquisition, construction and land development.

b. The holder of any mortgage, deed of trust or other security interest authorized by this Agreement shall in no way be obligated by this Agreement to construct or complete the construction of any part of the Project or related improvements, or to guarantee such construction or completion; nor shall any covenant or other provision in the Deeds be construed to so obligate such holder. Nothing in this Agreement shall be deemed to permit or authorize any such holder to devote the Site to any uses, or to construct any improvements thereon, other than those uses or improvements permitted under applicable general and community plans and laws and ordinances of City.

c. Whenever the Successor Agency delivers any notice or demand to the Developer With respect to any breach or default by the Developer under this Agreement, the Successor Agency 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 the City under this Agreement. Each such holder shall (insofar as the rights of the Successor Agency are concerned) have the right at its option, within ninety (90) calendar days after the receipt of the notice, to cure or remedy, or to commence to cure or remedy, any such default and to add the cost thereof to the security interest debt and the lien on its security interest. Nothing in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the Project or related 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 the Successor Agency by written agreement satisfactory to the Successor Agency. In that event, the holder must agree to complete, in the manner provided in this Agreement, that portion of the Project, or related improvements to which the lien or title of such holder relates, and must submit evidence satisfactory to the Successor Agency that it has the qualifications and financial ability to perform such obligations. Any such holder properly completing such portion of the Project or such improvements shall be entitled, upon written request made to the Successor Agency, to a Certificate of Completion from the Successor Agency with respect to such improvements.

d. In any case where, six (6) months after default by the Developer in Completion of the Project, the holder of any mortgage, deed of trust or other security interest creating a lien or encumbrance on the Site or any portion thereof has not exercised the option afforded in paragraph (c) of this Section 414; or if it has exercised the option, but has not proceeded diligently with construction, the Successor Agency may either:

(1) 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; or

(2) If the ownership of the Site (or any portion thereof) has vested in the holder, purchase such interest from the holder upon the payment to the holder of an amount equal to the sum of the following:

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

(ii) All expenses with respect to foreclosure;

(iii) The net expenses, if any, exclusive of general overhead, incurred by the holder as a direct result of the subsequent ownership or management of the Site (or any portion thereof), such as insurance premiums and property taxes;

(iv) The costs of any improvements made by the holder; and

(v) An amount equivalent to the interest that would have accrued on the aggregate of such amount had all such amounts in (i), (ii), (iii) and (iv) above become part of the mortgage, deed of trust or other security interest debt and such debt had continued in existence to the date of payment by the Agency.

e. In the event of a default or breach by the Developer on a mortgage, deed of trust or other security instrument with respect to the Site (or any portion thereof) prior to the completion of the Project, and if the holder has not exercised its option to complete the Project, the Successor Agency may cure the default prior to the completion of any foreclosure. In such event, the Successor Agency shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the Successor Agency in curing the default. The Agency shall also be entitled to a lien upon the Site, the Project or any portion of either, to the extent of such costs and expenses. Any such lien shall be subordinate and subject to mortgages, deeds of trust or other security instruments executed for the sole purpose of obtaining funds to develop the Site as permitted by this Agreement.

Section 415. Right of the Agency to Satisfy Other Liens. After the conveyance of title and prior to the recordation of the Certificate of Completion, and after the Developer has had a reasonable time to challenge, cure or satisfy any liens or encumbrances on the Site or any portion thereof, the Successor Agency shall have the right to satisfy any such liens or encumbrances. However, nothing in this Agreement shall require the Developer to pay or make provision for the payment of any tax, assessment, lien or charge so long as the Developer is in good faith contesting the validity or amount thereof and so long as such delay in payment will not subject the Site (or any portion thereof) to forfeiture or sale.

Section 416. Certificate of Completion. Promptly after completion of the Project and all other construction and development to be completed on the Site pursuant to this Agreement, the Successor Agency shall furnish, at the request of the Developer, a Certificate of Completion to the Developer. The Successor Agency shall not unreasonably withhold such Certificate of

Completion from the Developer. The Certificate of Completion shall be, and shall so state, a conclusive determination of satisfactory completion of construction of the Project and all related improvements on the Site. A Certificate of Completion may be provided on a lot by lot basis. After a Certificate of Completion is recorded for the Project or portion of the Project (lot), neither the Successor Agency nor any other person shall have any rights, remedies or controls that it would otherwise have or be entitled to exercise under this Agreement as a result of a default in or breach of any provision of this Agreement concerning construction of the Project or that portion of Project to which the certification applies.

The Certificate(s) of Completion shall be in such form as to permit them to be recorded in the Madera County Recorder's office. The Successor Agency shall be responsible for recording the Certificate(s) of Completion.

If the Successor Agency refuses or fails to furnish a Certificate of Completion after written request from the Developer, the Successor Agency shall, within thirty (30) calendar days after the written request, provide the Developer with a written statement of the reasons the Successor Agency refused or failed to furnish a Certificate of Completion. The statement shall also contain the Successor Agency's opinion of the action the Developer must take to obtain the Certificate of Completion. If the reason for such refusal is confined to the immediate availability of specific items or materials for landscaping or completion of minor items of work, the Successor Agency may, at its option, issue the Certificate(s) of Completion upon the posting of a cash deposit by the Developer with the Agency in an amount representing the value of the work not yet completed. If the Successor Agency fails to provide such written statement within the thirty (30) day period, the Developer shall be deemed entitled to the Certificate of Completion.

The Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any covenant, condition or restriction set forth in Article V, Sections 501(b), 502 and 503 of this Agreement, or of any obligation of the Developer to any holder of a mortgage, deed of trust or other security interest, or to any insurer of a mortgage, deed of trust or other security interest securing money loaned to finance the Project or any part thereof. The Certificate of Completion is not notice of completion as referred to in Section 3093 of the California Civil Code.

ARTICLE V USE OF THE SITE

Section 501. Uses.

a. The Developer covenants for itself, its successors, its assigns and every successor in interest to the Site or any part thereof that the Developer, such successors and such assigns shall:

(1) Develop and devote the Site solely to construction of the Project as described in "Exhibit B", subject to all restrictions, conditions and covenants of the City of Madera General Plan, any and all applicable adopted specific plans for the area, the Redevelopment Plan, the Deed, this Agreement and all drawings, plans and related documents approved by the City and/or Agency pursuant to Sections 402, 403 and 404 above in accordance

with this Agreement and all applicable general plans, laws and ordinances of the City; and

(2) Keep all common areas of the Site free from accumulation of debris and waste.

b. The Developer further covenants for itself, its successors, its assigns and every successor in interest to the Site or any part thereof that the Site shall not be devoted to any use other than operation and maintenance of the Project in accordance with all applicable general and specific plans, laws and ordinances of City, the Deeds, "Exhibit B", and other provisions of this Agreement without the Successor Agency's express prior written consent. The restrictions of this paragraph (b) shall not apply to the holder of any mortgage, deed of trust or other security interest authorized by this Agreement. Use of the Site by any such holder shall be subject to Paragraph (b) of Section 414.

Section 502. Nondiscrimination. There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site or the Project, and the Developer itself (or any person claiming under or through the Developer) shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site, the Project or any portion of either.

Section 503. Form of Nondiscrimination and Nonsegregation. The Developer shall refrain from restricting the use of the Site, the Project, or any portion of either on the basis of race, color, creed, religion, sex, marital status, national origin or ancestry of any person. All deeds, leases or contracts with respect to sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, the Project or any portion of either shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her establish or permit any such 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 premises herein conveyed. The foregoing covenants shall run with the land."

b. In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry

in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased."

c. In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use of occupancy of tenants, lessees, subtenants, sublessees or vendees of the premises."

Section 504. Effect and Duration of Covenants, Conditions and Restrictions. The covenants, conditions and restrictions established by this Agreement shall, without regard to technical classification or designation, run with the land and be binding on the Developer, all assignees and transferees of the Developer, and all successors in interest to the Site, the Project, or any part of either, for the benefit of the Successor Agency.

ARTICLE VI DEFAULT, REMEDIES AND TERMINATION

Section 601. Defaults - General. Subject to Section 805, failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement. The party who so fails or delays shall immediately commence to cure, correct or remedy such failure or delay, and shall complete such cure, correction or remedy within a period reasonable under the then-existing circumstances. During any period of cure, correction or remedy, such party shall not be in default.

The injured party shall give written notice of default to the party in default, specifying the default alleged by the injured party. Except as required to protect against further damages, and except as otherwise expressly provided above the injured party may not institute proceedings against the party in default until thirty (30) calendar days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

Except as otherwise expressly provided in this Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any default shall not operate as a waiver of such right or remedies or deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

Section 602. Legal Actions.

a. In addition to any other rights or remedies, either Party may institute 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 may be instituted in the Superior Court of Madera County, or in the Fresno Division of the Federal District Court for the Eastern District of California.

b. 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.

c. If the Developer commences legal action against the Agency, service of process shall be made on the Successor Agency as may be provided by law.

If the Successor Agency commences legal action against the Developer, service of process shall be made on the Developer by personal service on the president of the Developer or in such other manner as may be provided by law, whether service is made in or out of California.

Section 603. 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 time or different times, of any other rights or remedies for the same default or any other default.

Section 604. Damages. If either party defaults with regard to any provisions of this Agreement, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not commenced to be cured within thirty (30) calendar days after service of the notice of default and is not cured promptly in a continuous and diligent manner within a period reasonable under the then-existing circumstances, the defaulting party shall be liable to the nondefaulting party for any damages caused by such default. The nondefaulting party may thereafter (but not before) commence an action for damages against the defaulting party with respect to such default.

Section 605. Specific Performance. If either party defaults with regard to any provisions of this Agreement, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not commenced to be cured within thirty (30) calendar days after service of the notice of default and is not cured promptly in a continuous and diligent manner within a period reasonable under the then-existing circumstances, the nondefaulting party, at its option, may thereafter (but not before) commence an action for specific performance of this Agreement.

Section 606. Remedies and Rights of Termination.

a. If the Successor Agency does not tender conveyance of title to or possession of any portion of the Site to the Developer in the manner and condition established therefor in this Agreement and within the time specified in Section 302, then the Developer shall

notify the Successor Agency in writing to cure such failure within sixty (60) calendar days after the date of receipt of such notice. If the Successor Agency does not cure the failure within such sixty (60) day period, then this Agreement shall, at the option of the Developer, be terminated by written notice thereof to the Successor Agency. The Successor Agency shall return to the Developer any of the purchase price that may have been paid, and thereafter neither the Successor Agency nor the Developer shall have any further rights against or liability to the other party under this Agreement.

b. In the event that prior to the conveyance of title or transfer of possession to the Site to the Developer:

(1) The Developer (or any successor in interest), in violation of this Agreement, assigns or attempts to assign this Agreement or any rights herein, or makes any total or partial sale, transfer, or conveyance of the whole or any part of the Site, the Project or any other improvements to be developed on the Site; or

(2) There is any significant change in the membership, management, control, ownership or identity of the Developer or the parties in control of the Developer, or any assignee, not permitted by this Agreement; or

(3) The Developer does not submit drawings, plans or other documents or submittals as required by this Agreement within the times specified in this Agreement; or

(4) The Developer does not take title to any portion of the Site under a tender of conveyance by the Agency pursuant to this Agreement, and if any default or failure referred to in items (1) through (4) is not cured within thirty (30) calendar days after written demand by the Successor Agency, then this Agreement and the rights of the Developer (or its successor) under this Agreement shall, at the Successor Agency's option, be terminated upon written notice from the Successor Agency. Such termination shall be in addition to and without limitation on any other rights or remedies that may be available to the Successor Agency for such default or failure.

Section 607. Right of Reentry. Subject to Section 705, the Successor Agency shall have the right, at its option, to reenter and take possession of the Site (or portion thereof), together with the Project and all other improvements thereon, and to terminate and revest in the Successor Agency the estate conveyed to the Developer if, after conveyance of title to or possession of any portion of the Site and prior to the recordation of the Certificate of Completion, the Developer shall, in violation of this Agreement:

a. Fail to commence construction of the Project within the time specified in Section 406; or

b. Abandon or substantially suspend construction of the Project or other improvements on the Site for a period of three months after written notice of such abandonment

or suspension from the Successor Agency; or

c. Assign or attempt to assign this Agreement (or any rights herein), or transfer or suffer any involuntary transfer of this Agreement or the Site or the Project or the other improvements to be constructed on the Site, in violation of this Agreement; or

d. Such right to reenter, reposess, terminate and revest shall be subject to and be limited by, and shall not defeat, render invalid, or limit:

1. Any mortgage, deed of trust or other security interest permitted by this Agreement; or

2. Any rights or interests provided in this Agreement for the protection of the holders of such mortgages, deeds of trust or other security instruments.

f. The Deed shall contain appropriate references and provisions to give effect to the Successor Agency's right, pursuant to this Section 607, to reenter and take possession of the Site, or any part thereof, of the Project and all other improvements thereon, and to terminate and revest in the Successor Agency the estate conveyed to the Developer; or

g. Upon the revesting in the Successor Agency of title to the Site (or any portion thereof) as provided in this Section 607, the Successor Agency shall, pursuant to its responsibility under state law, use its best efforts to resell the Site (or portion thereof), as soon and in such manner as the Successor Agency shall find feasible and consistent with the policies of the Successor Agency to a qualified and responsible party or parties (as determined by the Agency) who will assume the obligation of completing the Project or constructing such other improvements instead of the Project as shall be satisfactory to the Successor Agency and in accordance with the uses specified for the Site (or portion thereof) in the general plan, or this Agreement. Upon such resale of the Site (or portion thereof), the proceeds shall be applied:

1. First, to reimburse the Successor Agency for all costs and expenses incurred by the Successor Agency (including, but not limited to, salaries of personnel, in connection with the recapture, management and resale of the Site, or portion thereof, but less any income derived by the Successor Agency therefrom in connection with such management); all taxes, assessments, and water and sewer charges with respect thereto (or, in the event that the Site or portion thereof is exempt from taxation or assessment or such charges during the period of ownership by the Successor Agency, then such taxes, assessments or charges as would have been payable if the Site, or portion thereof, was not so exempt); any payments made, or necessary to be made, to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Developer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Project or other improvements or any part thereof on the Site (or portion thereof); and any amounts otherwise owing to the Successor Agency from the Developer or by its successor or transferee; and the difference between the Purchase Price and the fair market value of the Site as of the effective date of this Agreement determined at the highest and best use of the Site

consistent with the applicable general and community plans; and

2. Second, to reimburse the Developer, its successor or transferee, up to the amount equal to the sum of (1) the Purchase Price less 20 percent of the Purchase Price to be retained by the Successor Agency as damage for nonperformance by the Developer; and (2) the costs incurred for the development of the Site, or portion thereof, and for the improvements completed by Developer that are existing thereon at the time of reentry and repossession; less (3) any gains or income withdrawn or made by the Developer from the Site, the Project or other improvements thereon.

Any balance remaining after such reimbursements shall be retained by the Successor Agency as its property.

h. The rights established in this Section 607 are to be interpreted in light of the fact that the Successor Agency is conveying the Site to the Developer for development of the Project and not for speculation in undeveloped land or any other purpose.

ARTICLE VII GENERAL PROVISIONS

Section 701. Notices and Communications. Notices and communications pursuant to this Agreement shall be given by personal delivery or certified mail, return receipt requested, to the Successor Agency or the Developer at their respective principal offices listed in Section 103 and 104 above or at such other address as such party may designate in writing. Such notices and communications shall be effective upon receipt.

Section 702. Conflict of Interest. No member, officer or employee of the City or Successor Agency shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to this Agreement, where such interest or decision is prohibited by law.

Section 703. No Payment to Third Parties. The 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.

Section 704. Nonliability of Members, Officers and Employees. Notwithstanding any other provision of this Agreement, no member, officer or employee of the City or Successor Agency shall be personally liable to the Developer, for any default or breach by the City or Successor Agency, or for any amount which may become due to the Developer or such assignees, transferee or successor, or for any obligation under the terms of this Agreement.

Section 705. Delays Due to Uncontrollable Forces: Extensions of Time to Perform. In addition to specific provisions elsewhere in this Agreement, neither party shall be deemed in default for delay or failure in performance of its obligations under this Agreement where such delay or failure is caused substantially by any cause that is beyond the control and without the fault of such party, including but not limited to act of God, unusually severe weather, unusually

severe flood, earthquake, war, riot, act of the public enemy, governmental quarantine, priority or restriction, act or failure to act by any governmental authority having jurisdiction (except for acts of the Successor Agency permitted under this Agreement), labor unrest or strike, unforeseeable inability to secure labor, materials, supplies, tools or transportation, or any similar or different cause. The party delayed by any such cause shall notify the other party within ten (10) calendar days after the delay begins reasonably describing the delay and the causes. If such notice is given within the ten (10) day period, the delayed party shall be entitled to an extension of time to perform for a period reasonably necessary to overcome the effects of the delay.

Time for performance under this Agreement may also be extended by written agreement between the Successor Agency and the Developer.

Section 706. Inspection of Books, Records and Documents. The Successor Agency has the right at all reasonable times to inspect the books, records and other documents of the Developer pertaining to the Site, sale of lots, or the construction, operation or maintenance of the Project as pertinent to the purposes of this Agreement. The Developer has the right at all reasonable times to inspect the books, records and documents of the Agency pertaining to the Site as pertinent to the purposes of this Agreement. For purposes of this Section 706, "books, records and documents" include, without limitation, plans, drawings, specifications, ledgers, journals, statements of account, financial statements, profit and loss statements, contracts, purchase orders, invoices, loan documents, computer printouts, correspondence and memoranda.

Section 707. Approval by the Agency or the Developer. Wherever this Agreement requires the Successor Agency or the Developer to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not be unreasonably withheld.

Section 708. Drawings, Plans and Data. If the Developer does not proceed with the purchase of the Site or with the construction, operation or maintenance of the Project as provided in this Agreement, and if this Agreement is terminated with respect thereto for any reason, the Developer shall deliver to the Successor Agency any and all drawings, maps, plans, data and other documents concerning the Site or Project, and the Successor Agency or any person or entity designated by the Successor Agency shall have the right to use such drawings, plans, data and documents.

Section 709. Commission and Fees. The Successor Agency shall not be liable or responsible for any real estate commissions, brokerage fees or finders fees which may arise from this Agreement. The Successor Agency and the Developer each represent that neither has engaged any broker, agent or finder in connection with this transaction.

Section 710. Compliance with Laws. Developer acknowledges that Developer, not the Successor Agency, is responsible for determining applicability of and complying with all local, state and federal laws, including but not limited to provisions of the California Labor Code, Public Contract Code and Government Code. The Successor Agency makes no express or implied representation as to the applicability or inapplicability of any such laws to this Agreement or the parties' respective rights or obligations hereunder, including but not limited to

payment of prevailing wages, competitive bidding, subcontractor listing, or similar or different matters. Developer further acknowledges that the Successor Agency shall not be liable or responsible in law or equity for any failure by Developer to comply with any such laws, regardless of whether the Successor Agency knew, could have known, or should have known, of the need for such compliance or whether the Agency failed to notify Developer of the need for such compliance.

Section 711. Entire Agreement; Waiver; Amendment.

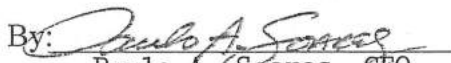
a. This Agreement is executed in two duplicate originals, each of which is Deemed to be an original. This Agreement includes 25 pages and three attachments (Exhibits A, B, and C), which together constitute the entire understanding and agreement of the parties.

b. This Agreement integrates all of the terms, conditions, agreements and understandings between the Successor Agency and the Developer concerning the Site, the Project and other matters described in the Agreement. This Agreement supersedes all negotiations and previous agreements between the parties with respect to all or any part of the above matters. However, none of the terms, covenants, agreements or conditions in this Agreement shall be deemed to be merged with the Deeds.

c. This Agreement shall continue in full force and effect before and after conveyance of title to or possession of the Site.


d. All waivers of the provisions of this Agreement must be in writing and signed by the duly authorized representative of the party making the waiver. All amendments to this Agreement must be in writing and signed by duly authorized representatives of the Successor Agency and the Developer.

Camarena Health

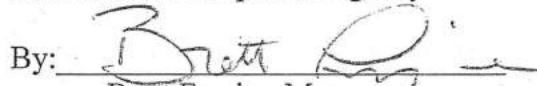
By: 
Paulo A. Soares, CEO
Camarena Health

Title

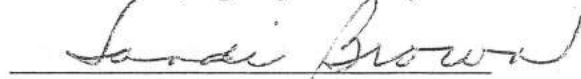
Approved as to Form
J. Brent Richardson, General
Counsel



Successor Agency to the Former
Madera Redevelopment Agency

By: 
Brett Frazier, Mayor

Attest:
Sandi Brown, Agency Secretary



ATTACH NOTARY ACKNOWLEDGEMENTS

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

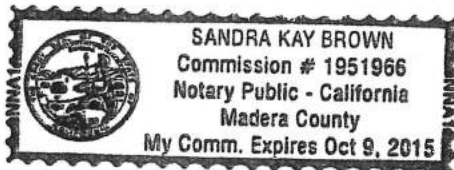
County of Madera

On June 14, 2012 before me, Sandra Kay Brown, Notary Public, personally appeared Brett Forrest Frazier

who proved to me on the basis of satisfactory evidence
be the person(s) whose names(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

Sandra Kay Brown

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

The information below is not required by law

Description of Attached Document

Title or Type of Document: **Disposition and Development Agreement by and between Successor Agency to the former Madera Redevelopment Agency and Camarena Health for 124 South 'A' Street**

Document Date: **June 13, 2012** Number of Pages: **37**

Signer(s) Other Than Named Above: **Paulo A Soares, J. Brent Richardson, Sandi Brown**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Madera

On June 13, 2012 before me, Sandra Kay Brown, Notary Public, personally appeared Paulo Alexandre Soares

who proved to me on the basis of satisfactory evidence be the person(s) whose names(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

Sandra Kay Brown

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

The information below is not required by law

Description of Attached Document

Title or Type of Document: **Disposition and Development Agreement by and between Successor Agency to the former Madera Redevelopment Agency and Camarena Health for 124 South 'A' Street**

Document Date: **June 13, 2012** Number of Pages: **37**

Signer(s) Other Than Named Above: **Brett Frazier, J. Brent Richardson, Sandi Brown**

LEGAL DESCRIPTION

EXHIBIT "A"

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

Lots 11, 12, 13 and 14 in Block 69 of the Town (now City) of Madera, according to Map entitled, "Map of Blocks 64 to 82, Inclusive, Town of Madera, &c.", filed and recorded in the office of the County Recorder of the County of Madera, State of California, November 10, 1904, in Volume 2 of Maps, at Page 9.

APN: 007-165-006

EXHIBIT B
SCOPE OF DEVELOPMENT

Site Development

The area of the Site is approximately 15,016 square feet. The Site at the time of conveyance will be a totally vacant parcel of land. Development of the Site by Developer shall include construction of a 16,000± square foot medical/dental center and parking facilities and shall include grading, construction, and all off-site improvements required by the City as a condition of issuing a building permit for the Site which is located at 124 South "a" Street (007-165-006) in the City of Madera. Developer shall be required to install underground facilities to serve the Site with water, sewer, and flood drainage as well as gas and electric utilities and landscaping of public right-of-way in accordance with any building permit requirements.

Construction of Medical/Dental Center

The Developer shall construct and occupy the medical/dental center in accordance with the floor plans and elevation designs illustrated on the floor plans and elevation designs to be approved by the Agency.

Quality of Construction

The quality of the construction shall be the average standard of the industry or better. Specifications for all materials, attachments, and/or appurtenances shall be of good quality and designed for maximum durability without the need for extraordinary maintenance. All structures shall be level, plumb, and true. Construction shall be by skilled trades people and technicians to insure a high degree of workmanship. The landscaping of the street frontage shall be subject to approval by the Agency and City.

EXHIBIT C

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Successor Agency to the
Former Madera Redevelopment Agency
428 E. Yosemite Avenue
Madera CA 93638
Attn: Executive Director
(Recorder's fee waived per Govt. Code §27383)

MAIL TAX STATEMENTS TO:

Camarena Health
344 East 6th Street
Madera, CA 93638

SPACE ABOVE THIS LINE FOR RECORDER'S USE

AFFIX DOCUMENTARY STAMP TAXES \$ _____ IN THIS SPACE

GRANT DEED

The SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY, hereinafter called "Grantor," acting to carry out its policies regarding the development of a medical/dental center hereby grants to CAMARENA HEALTH, hereinafter called "Grantee," all that real property situated in the County of Madera, State of California, described as follows:

SEE ATTACHED LEGAL DESCRIPTION

Hereinafter referred to as the "Property", subject however, to the following:

1. Easements of record;
2. The Disposition and Development Agreement executed by Grantor and Grantee, hereinafter referred to as the "Agreement;" and
3. Certain conditions, covenants, and restrictions as follows:

a. Grantee covenants and agrees for itself, and its successors and its assigns to or of the Property that the Grantee, and such successors and assigns, shall promptly begin and diligently prosecute to completion the development of the Property through the construction of the medical/dental/pharmacy center and improvements thereon provided to be constructed in the Agreement. Such construction and improvements hereinafter referred to as the "Improvements", and such construction, shall in any event be completed within 3 years from such date. It is intended and agreed that such agreements and covenants shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Grant Deed itself, be, to the fullest extent permitted by law and equity, binding for the benefit of the community and the Grantor; said agreements and covenants shall be enforceable by the Successor Agency to the Former Madera Redevelopment Agency against the Grantee and its successors and assigns to or of the Property or any interest therein. Promptly after completion of the Improvements on the Property in accordance with the provisions of the Agreement, Grantor will furnish Grantee with an appropriate instrument so certifying such completion. This certification shall be a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement and in this Grant Deed with respect to the obligation of Grantee, and its successors and assigns to construct the Improvements on the Property so indicated and the dates for the beginning and completion thereof; provided that such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligations of the Grantor to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the Improvements, or any part thereof.

Grantor shall also, as the Improvements are completed on the Property, provided the Grantee is not in default with respect to any of its obligations under the Agreement, certify to the Grantee that such Improvements have been made in accordance with the provisions of the Agreement. Such certification shall mean and provide: (1) that any party purchasing such parcel pursuant to the authorization contained in the Agreement shall not, because of such purchase or lease, incur any obligations with respect to the construction of the Improvements relating to such Property, and (2) that neither the

Grantor nor any other party shall thereafter have or be entitled to exercise with respect to any such individual part or parcel so sold or in the case of lease, with respect to the leasehold interest, any rights or remedies or controls that it may otherwise have or be entitled to exercise with respect to the Property as a result of a default or breach of any provisions of the Agreement or this Grant Deed by the Grantee or any successor in interest or assign, unless (i) such default or breach be by the purchaser or lessee, or any successor in interest to or assign of such individual part or parcel with respect to the covenants contained and referred to in Section 3.b of this Grant Deed, and (ii) the right, remedy, or control related to such default or breach.

b. (1) The Grantee, herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that Grantee itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them shall:

- (i) Build a 16,000 \pm square foot medical/dental center and parking facilities;
- (ii) Devote the Property to, and only to and in accordance with, the uses specified in the General Plan, which may hereafter be amended and extended from time to time;
- (iii) Not discriminate upon the basis of race, color, religion, sex, marital status, national origin, or ancestry in the sale, lease or rental or in the use or occupancy of the Property or any Improvements erected or to be erected thereon, or any part thereof;
- (iv) Not effect or execute any agreement, lease, conveyance, or other instrument whereby sale, lease, occupancy or use of the Property or any part thereof is restricted upon the basis of race, color, religion, sex, marital status, national origin, or ancestry.
- (v) Not discriminate against, or segregate, any person, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the Grantee itself, or any person claiming under or through it, establish or permit any such 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 premises herein conveyed;
- (vi) Comply with all applicable Federal, State and local laws, in effect from time to time prohibiting discrimination or segregation by reason of race, color, creed, religion, sex, marital status, national origin, or ancestry in the sale, lease, or occupancy of the Property.
 - (vii) Comply with regulations issued by the secretary of Housing and Urban Development set forth in 37 F.R. 22732-3 and all applicable rules and orders issued thereunder which prohibit the use of lead-based paint in residential structures undergoing federally assisted construction or rehabilitation and require the elimination of lead-based paint hazards.
 - (viii) Developer agrees that neither the Site or a portion thereof shall ever be used for a business in which the sale of alcohol is more than 50% of its gross receipts nor shall it be used for a tattoo parlor, body piercing, palm reader, card room, adult entertainment, Laundromat, homeless shelter or massage parlor.

(2) It is intended and agreed that the agreements and covenants provided in this subsection 3.b shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as specifically provided in this Grant Deed, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, Grantor, its successors and assigns, the City of Madera, the Successor Agency, any successor in interest to the Property or any part thereof, its successors and assigns and every successor in interest to the Property or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

It is further intended and agreed that the agreement and covenants provided in clauses 3.b (1) (i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) shall remain in effect without limitations as to time; provided, that such agreements and covenants shall be binding on Grantee itself, each successor in interest to the Property, and every part thereof, and each

party in possession or occupancy, respectively, only for such period as it shall have title to or an interest in or possession or occupancy of the Property or part thereof.

(3) In amplification, and not in restriction, of the provisions of the proceeding subsection, it is intended and agreed that Grantor shall be deemed a beneficiary of the agreements and covenants provided in subsection 3.b (1), both for and in their own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall run in favor of Grantor for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether Grantor remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. Grantor shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions or suits in law or equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled.

c. (1) In the event that prior to completion of the Improvements as certified by Grantor:

- (i) Grantee or its successor in interest shall default in or violate its obligations with respect to the construction of the Improvements, (including the nature and the dates for the beginning and completion thereof), or shall abandon or substantially suspend construction work, and any such default or violation, abandonment, or suspension shall not be cured, ended, or remedied within three (3) months [six (6) months, if the default is with respect to the date for completion of the Improvement] after written demand by the Grantor so to do; or
- (ii) Grantee or its successor in interest shall fail to pay real estate taxes or assessments on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by the Agreement, or shall suffer any levy or attachment to be made, or any materialmen's or mechanics' lien or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien not removed or discharged, or

provision satisfactory to Grantor made for such payment, removal, or discharge, within ninety (90) days after written demand by Grantor so to do; or

(iii) There is, in violation of the Agreement, any transfer of the Property or any part thereof, or any change in the ownership or distribution of the stock of the Grantee, or with respect to the identity of the parties in control of the Grantee or the degree thereof, and such violation shall not be cured within thirty (30) days after written demand by the Grantor to Grantee;

The Grantor shall have the right to reenter and take possession of the Property and to terminate (and revest in the Grantor) the estate conveyed by this Grant Deed to the Grantee, it being the intent that the conveyance of the Property to the Grantee is made upon condition subsequent to the effect that in the event of any default, failure, violation, or other action or inaction by the Grantee specified in clauses (i), (ii), and (iii) of this subsection (c) failure on the part of the Grantee to remedy, end, or abrogate such default, failure, violation, or other action or inaction, within the period and in the manner stated in said clauses, Grantor at its option may declare a termination in favor of the Grantor of the title, and of all the rights and interest, in the Property conveyed by this Grant Deed to the Grantee and that such title, and all rights and interest of the Grantee, and any assigns or successors in interest, in the Property, shall revert to the Grantor; provided, that such condition subsequent and any revesting of title as a result thereof in Grantor shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way (a) the lien of any mortgage or other instruments authorized by the Agreement and executed for the sole purpose of obtaining funds to construct the Improvements, and (b) any rights or interest provided in the Agreement for the protection of the holders of such mortgages or other instruments.

(2) Grantor shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this subsection 3.c, including the right to execute and record or file with the County Recorder of the County of Madera a written declaration of the termination of all right, title and interest of Grantee and its successors in interest and assigns in the Property and the revesting of title thereto in the Grantor; provided, that any delay by the Grantor in instituting or prosecuting any such actions, suits or proceedings, taking any such steps, or otherwise asserting its rights under this

Grant Deed shall not be a waiver of such rights or deprive Grantor of or limit such rights in any way, it being the intent of this provision that Grantor should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this paragraph 3.c.(2) because of concepts of waiver, laches, or otherwise to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved, nor shall any waiver by Grantor with respect to any specific default by Grantee under this subsection 3.c be a waiver of the rights of Grantor with respect to any other defaults by Grantee under this Grant Deed or with respect to the particular default except to the extent specifically waived in writing.

WITNESS the hands of the officers of Grantor and Grantee, attested by the official and corporate seals thereof this _____ day of _____, 2012.

CAMARENA HEALTH

SUCCESSOR AGENCY TO THE
FORMERMADERA REDEVELOPMENT
AGENCY

By: _____

By: _____

Brett Frazier, Mayor

Title

APPROVED AS TO FORM:

J. BRENT RICHARDSON

General Counsel

ATTEST:

SANDI BROWN

Agency Secretary,

By: _____

By: _____

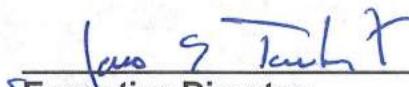
ATTACH NOTARY ACKNOWLEDGMENT

REPORT TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY

BOARD MEETING OF: June 18, 2012

AGENDA ITEM NUMBER: 4.2

APPROVED BY:


Executive Director

Subject: Consideration of a Resolution Acknowledging and Approving an Amendment to the Operation Civic Pride Agreement with Madera Sunrise Rotary for Improvements at Madera Sunrise Rotary Sports Complex

Summary: The Oversight Board will consider a resolution acknowledging and approving an amendment of an Operation Civic Pride Agreement with Madera Sunrise Rotary.

HISTORY/BACKGROUND

Operation Civic Pride was a grant program created by the former Redevelopment Agency. The program was intended to encourage non-profit and community organizations to participate in landscape and beautification projects. Previously approved projects include:

- Villa Landscaping – Landscaping of the Gateway Drive Entry Project
- Kiwanis Club – Landscaping of the Fresno River Trail
- Mountain Vista High School – Landscaping of the Yosemite/Tozer Entry Project (March 2006)
- Madera Rotary Club – Construct Rotary Madera monument visible from northbound lanes on Freeway 99
- Madera High School/Hinton's Historians – Construct Memorial Monument at Lee DaSilva Memorial Stadium
- Church of God Youth Group – Landscaping project at Thomas Jefferson Middle School
- Madera County Master Gardeners – Bulb planting project
- Mountain Vista High School – Landscaping of the Yosemite/Tozer Entry Project
- Madera Rotary Club – Mural painting on Rotary Monument at Rotary Park and landscaping at base of monument
- Madera Sunrise Rotary – Tree replacement along the Vernon McCullough Trail
- Howard 4-H Club – Community Pride Project – Planting at the Community Garden on Lake and Fourth Streets
- Madera Sunrise Rotary – Construction of entry sign and landscape improvements at Madera Sunrise Rotary Sports Complex
- Madera Coalition for Community Justice – Planting of vegetable garden and garden maintenance at Community Garden on Lake and Fourth Streets

Madera Sunrise Rotary was approved for a matching grant of \$23,128.00 to construct an entry sign and landscape improvements at the southeast corner of Tozer and Clinton Street. The project is illustrated below.



Due to higher than anticipated donations, only \$11,700.00 in grant funds were utilized for the entry sign project. Madera Sunrise Rotary is requesting that the scope of the grant project be amended so the remaining grant funds of \$11,428.00 previously approved can be used toward the construction of restroom facilities. The total cost of the project is estimated between \$52,428.00 and \$61,100.00.

The grant funds of \$11,428.00 were included in the Recognized Obligation Payment Schedule (ROPS) in the form of an open purchase order.

RECOMMENDATION

Staff recommends the Oversight Board adopt the resolution acknowledging and approving the amendment to the Operation Civic Pride grant agreement with Madera Sunrise Rotary.

JET:sb

Attachment:

- Resolution
- Request from Rotary
- Amended Agmt

RESOLUTION NO. OB ____

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY OF THE CITY OF MADERA, CALIFORNIA APPROVING AMENDMENT TO THE OPERATION CIVIC PRIDE GRANT TO MADERA SUNRISE ROTARY CLUB

WHEREAS, the Madera Redevelopment Agency has previously approved the Agency financing of the grant program for Operation Civic Pride; and

WHEREAS, such Project eliminates blight by providing for community involvement in the improvement of neighborhoods and will provide an incentive for future rehabilitation and development of the underdeveloped area; and

WHEREAS, Madera Sunrise Rotary Club (the "Recipient") has applied for an Operation Civic Pride Grant to provide for an Entry Sign at Madera Sunrise Rotary Complex (the "Project"); and

WHEREAS, the Successor Agency of the Former Madera Redevelopment Agency desires to add additional services to the original contract; and

WHEREAS, an Amendment to Agreement has been prepared and approved by the successor agency for use in connection with the Grant Program, a copy of which is on file in the office of the Executive Director of the Successor Agency of the Former Madera redevelopment Agency and referred to for further particulars.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY hereby finds, determines, resolves and orders as follows:

1. The above recitals are true and correct.
2. The Oversight Board has reviewed and considered the proposed Amendment to Agreement as approved by the Successor Agency to the former Madera Redevelopment Agency.
3. The proposed Agreement as presented by the Successor Agency to the former Madera Redevelopment Agency is hereby approved.
4. This resolution is effective immediately upon adoption.

* * * * *

PASSED AND ADOPTED by the Oversight Board to the Successor Agency to the former Madera
Redevelopment Agency of the City of Madera this 18th day of June 2012, by the following vote:

AYES:

NOES:

ABSENT:

Brett Frazier, Chairperson

ATTEST:
Agency Secretary



MAY 24 2012

ROTARY INTERNATIONAL

Service Above Self - He Profits Most Who Serves Best

Robert G. Bitter

Governor 87-88
District 5220
21475 Road 24
Madera, CA 93630

Phone: (559) 674-9551
Work: (559) 675-5547
Fax: (559) 674-8016
Email: rgbitter@theworks.com

May 24, 2012

To Whom It May Concern:

The Madera Sunrise Rotary Club is requesting to amend an existing Civic Pride Grant agreement currently in place by changing its scope to include bathroom construction in addition to the granite monument and landscaping. The Granite Monument and landscaping has been completed.

In the construction phase of the granite monument and landscaping, the club experienced significant savings from donations of volunteers and suppliers. Raymond Granite gave a significant discount on the three stones, concrete was donated and the stone carving was granted a discount from the initial quote.

It is the desire of the club to amend this existing grant to allow the remaining funds to be used for the purchase of materials to construct a bathroom facility amongst the two, soon to be four, baseball diamonds in Madera Sunrise Rotary Park. Madera Sunrise will use profits from their fund raisers to purchase construction materials as well.

Along with this letter we offer drawings and plans for the bathrooms as well as estimated cost. As with our previous construction of bathrooms and picnic facilities in the park, the labor will be largely that of the members of the club.

The granting of this request for amendment of the existing grant to utilize the remaining funds experienced from the generosity of members of our community will allow the Madera Sunrise Rotary Club to continue to improve the Sports Complex for the benefit of the youth in our community.

We are most appreciative of your consideration and support of this request.

In Rotary Service,

Robert G (Bob) Bitter

AMENDMENT TO AGREEMENT BETWEEN THE SUCCESSOR AGENCY OF THE FORMER
MADERA REDEVELOPMENT AGENCY AND MADERA SUNRISE ROTARY CLUB FOR
OPERATION CIVIC PRIDE GRANT FOR ENTRY SIGN AT MADERA SUNRISE ROTARY
SPORTS COMPLEX

This Amendment to the previous agreement titled "Amendment To Agreement Between The Madera Redevelopment Agency And Madera Sunrise Rotary Club For Operation Civic Pride Grant For Entry Sign At Madera Sunrise Rotary Sports Complex" dated November 12, 2008, is made and entered into this 13th day of June 2012, by and between the Successor Agency of the Former Madera Redevelopment Agency, hereinafter called "Grantor," and Madera Sunrise Rotary hereinafter called "Recipient".

WITNESSETH:

WHEREAS, the Grantor has provided for the Operation Civic Pride Grant Program to assist in the beautification and maintenance of public amenities located in the community.

WHEREAS, the Grantor wishes to engage the Recipient to assist the Grantor in utilizing such funds for the purpose of the Grant;

NOW THEREFORE, it is hereby agreed that the Agreement between the parties is amended in the following particulars only:

Section 1. Paragraph "a" of the "SCOPE OF WORK" is amended to read as follows:

A. Activities

The Recipient shall provide services in the form of work and maintenance activities described in the Operation Civic Pride Grant Application Form attached hereto as "Exhibit A" pursuant to the Operation Civic Pride Grant Program requirements.

The Recipient shall provide Materials, Labor and Maintenance for the Entry Sign at Madera Sunrise Rotary Sports Complex as provided in "Exhibit A" attached hereto and for Materials, Labor and Maintenance for new restroom facilities as provided in Exhibit "B" attached hereto and each being incorporated herein as though fully set forth herein

The Grantor shall provide funds in an amount not to exceed \$23,128.00 and Recipient shall provide matching funds in a like amount on a dollar for dollar basis. Funds shall be dispersed to Recipient upon receipt for an invoice therefore containing all of the information required by Grantor. Grant funds will be expended within 12 months and will be used to provide the materials and services listed in "Exhibits A and B".

Section 2. Section IV of the Agreement "BUDGET" is amended to read as follows:

The Budget for this Project shall be as listed on "Exhibits A and B".

The Recipient shall receive reimbursement for its costs and expenses in arrears as duly and properly invoiced together with the evidence of the expenditure of the matching funds in the amounts

included in the budget in "Exhibits A and B". The Recipient shall submit invoices with supporting documentation to the Grantor on a monthly basis, summarizing expenses (both reimbursable and matching) spent on this Program.

In some cases Grantor may authorize an advance of Grant Funds in an amount which does not exceed 20% of the total grant funds not yet provided to the Recipient. Within 30 days of such advance, Recipient shall provide Grantor with invoices evidencing the expenditure of all of the advance funds and/or return any funds not expended in 30 days from the date received by Recipient.

Recipient reserves the right to adjust the allocations between the budget line item but will not exceed the full amount of the annual budget listed nor the amount of the Grant provided by Grantor.

Section 3. Section VI of the Agreement "NOTICES" is amended to read as follows:

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantor: Mr. Jim Taubert, Executive Director, Successor Agency of the Former Madera Redevelopment Agency, 428 E. Yosemite Avenue, Madera, California 93638 (559) 661-5110

Recipient: Robert Bitter, 21475 Road 24, Madera California, 93638 (559) 674-9551

Section 4. Paragraph "A" of Section VII of the Agreement "General Conditions" is amended to read as follows:

The Recipient agrees to comply with all State and local laws, statutes, rules and regulations. The Recipient further agrees to utilize funds available under this Agreement in accordance with the Grant Program Guidelines and "Exhibits A and B".

Section 5. Exhibit "A" attached to this Amendment shall be added to and become a part of the original Agreement as Exhibit 'B'.

Section 6. All other provisions of the Agreement not inconsistent with this Amendment shall continue in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by and through their respective officers duly authorized on the date first written above.

GRANTOR:

Successor Agency to the
Former Madera Redevelopment
Agency

By: Brett Frazier

Brett Frazier, Mayor

RECIPIENT:

Madera Sunrise Rotary

By: Robert G. Bitter

Printed Name: Robert G. Bitter

Title: Executive Secretary

Fed. I.D.# 94-2589722

Attest: Sandi Brown

Sandi Brown, Agency Secretary

APPROVED AS TO FORM

J. Brent Richardson
J. Brent Richardson, General Counsel

OPERATION CIVIC PRIDE GRANT APPLICATION FORM

Please mail or deliver applications to:
Madera Redevelopment Agency, 5 East Yosemite Avenue, Madera CA 93638

1. Organization Name: Madera Sunrise Rotary
2. Tax Exempt ID Number (If applicable): _____
2. Organization Contact: Robert Bitter
3. Mailing Address: 21475 Road 24
4. City, State, Zip Code: Madera, CA 93638-9693
5. E-mail Address: rgbitter@theworks.com
6. Work Phone: 559-675-5545 Home Phone: 559-674-9551
7. Description of Organization/Group
(General background, purpose, experience with similar projects, if any.)
The Madera Sunrise Rotary Club, part of Rotary International,
has been engaged in local improvement projects for 37
years. Our members are dedicated to making Madera
even better. At Sunrise Rotary Park we have built a restroom,
a kiosk, a pavillion and landscape trees. We have
also improved dozens of parks in Ensenada, Mexico.
8. Description of Project: (state what you want to do and why)
This project will provide a new modern restroom
in the area of the softball fields in Sunrise
Rotary Park. The restroom will have block walls,

Modern fixtures, lighting, and handicapped persons will find it easy to use. At present, restroom facilities are not available in this part of the park.

9. Location of Project: At Sunrise Rotary Park near the Softball fields.

10. Anticipated Start Date: August 1, 2012

11. Anticipated Completion Date: May 1, 2013

12. Describe the maintenance required for the project: The restroom will need regular cleaning. Light bulb will have to be changed. Damage by vandals will have to be repaired. Painting will be needed every 10 years and roof repairs every 15 years.

13. If required, who will be responsible for project maintenance for the next three (3) years, and how often?

The City of Madera owns the park property. The City will provide routine maintenance on a continuing basis.

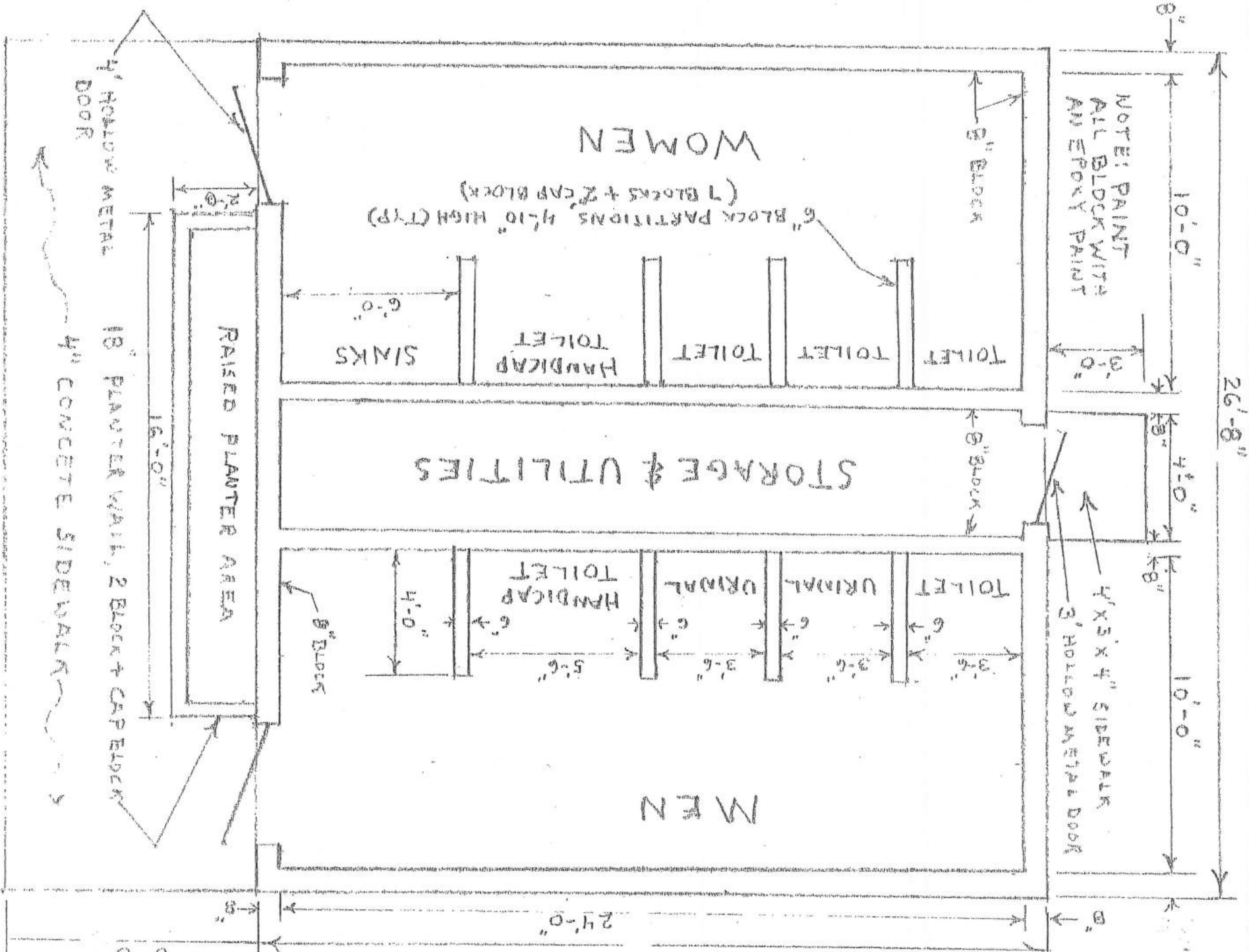
14. Please list materials that may be needed for this project. Concrete, reinforcing steel, concrete blocks, roofing structural items, roofing, painting, plumbing pipe (fittings & fixtures), electric lighting and appurtenances, and steel doors.

OPERATION CIVIC PRIDE
PROJECT SITE PLAN

Please include a sketch of the proposed project. Include as much detail as possible. If project involves landscaping, attach letter-size landscape plan approximately to scale. Provide "before" photos of site location.

See Attached Site Plan And Building Floor Plan

REV 2/20/12 FLOOR PLAN 1/4" = 1'



OPERATION CIVIC PRIDE MATCHING GRANT
LETTER OF INTENT

This letter confirms that Madera Sunrise Rotary will participate in the
Organization Name

Madera Redevelopment Agency Operation Civic Pride matching grant program in the completing
of a beautification project. The Madera Sunrise Rotary agrees to match the
Organization Name
amount of \$ 11,428.00.

If a City Building Permit is required, it is the responsibility of the organization to pay the
appropriate permit fees as dictated by the City of Madera. Also, if a licensed contractor is required, it
will be the responsibility of the organization to hire a licensed contractor(s). The organization
acknowledges that they are not entitled to a grant award until this application is reviewed by the
Madera Beautification Committee and approved by the Madera Redevelopment Agency Board. The
Agency Board has the right to require modifications to the project as a condition of approving and
issuing the grant award. Any grant award approved and issued to the organization must be used for
the purpose described on the application form. The organization recognizes that any and all changes
to the application and purpose for which a grant award would be used must be submitted to the
Madera Redevelopment Agency Executive Director by written request and shall be subject to
approval of the Agency Board. The organization also acknowledges that any grant award balance
remaining after the completion of the beautification project shall be returned to the Madera

Redevelopment Agency.
SUCCESSOR AGENCY TO THE FORMER
MADERA REDEVELOPMENT AGENCY

ORGANIZATION

Joe Talt
Executive Director

Robert A. Butler
Signature of Authorized Representative

5-30-2012
Date


5/30/12
Date

OPERATION CIVIC PRIDE
MAINTENANCE AGREEMENT

In that this beautification project will require ongoing maintenance/water from a public entity, this signed agreement confirms that Madera Sunrise Rotary has
(Organization Name)
presented their proposed beautification project to the *appropriate* department head for review.

The Madera Sunrise Rotary hereby agrees that they will maintain the
(Organization Name)
project, or have maintained, for a minimum of three (3) years after completion of the project. NOTE: THE CONSTRUCTION OF A NEW RESTROOM NEAR THE SOFTBALL FIELDS WILL REQUIRE THE MAINTENANCE OF CITY STAFF.

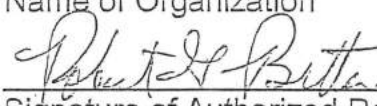
CITY OF MADERA


Parks & Community Services Director

May 30, 2012
Date

ORGANIZATION

Madera Sunrise Rotary
Name of Organization


Signature of Authorized Representative

5/30/12
Date

~~**MADERA COUNTY**~~

~~_____
Department Head
Engineering-General Services~~

~~_____
Date~~

~~**MADERA UNIFIED SCHOOL DISTRICT**~~

~~_____
Facilities Director~~

~~_____
Date~~

OPERATION CIVIC PRIDE
GRANT MATCH WORKSHEET

Project Name: Madera Sunrise Rotary Park, Softball Area Restroom

Organization Name: Madera Sunrise Rotary

1. Project Costs for Material/Services/Misc. Expenses (Include all hard costs for supplies, services, etc., as listed on the "Proposed Budget Expense Worksheet".)

a. <u>Materials & Service Costs Per Expense Worksheet</u>	\$ <u>23,400 or 25,900</u>
b. _____	\$ _____
c. _____	\$ _____
d. _____	\$ _____
e. _____	\$ _____
f. _____	\$ _____
g. _____	\$ _____

Total Amount \$ 23,400 or 25,900

2. In-Kind Donations (List all in-kind donations for materials, services and/or cash donations contributed toward the project, as listed on the "Proposed Budget Expense Worksheet".)

a. _____	\$ _____
b. _____	\$ _____
c. _____	\$ _____

Total Amount \$ -0-

3. Volunteer Labor (Estimate total volunteer hours provided by members and non-members of the organization as identified on the "Proposed Volunteer Hours" worksheet.)

2,200 Estimated Number of Hours (Hours x \$8.00/Hr.) \$ 17,600

4. Total Project Costs (Totals of #1, #2 & #3 - must equal or exceed grant funds requested from RDA in #5) \$ 41,000 or 43,500

5. Amount of Matching Grant Funds Requested from RDA: \$ 11,428.00

6. COMBINED PROJECT COST SUMMARY (Includes Total Project Costs (#4) and grant funds being requested (#5)) \$ 32,428 or 32,100

OPERATION CIVIC PRIDE
PROJECT PLAN AND TIMELINE

Project Name: Madera Sunrise Rotary Park, Softball Area Restroom

Organization Name: Madera Sunrise Rotary

Please list all tasks required to complete the proposed Operation Civic Pride Grant Project.

TASK	START DATE	COMPLETION DATE	PERSON OR COMMITTEE RESPONSIBLE FOR TASK
Order Materials	8/1/12	8/15/12	Robert Bitter
Excavate & Construct Footings & Floor	8/15/12	9/30/12	" "
Construct Concrete Block Walls	9/30/12	11/15/12	" "
Install Roof Structure & Roofing	11/15/12	12/15/12	" "
Install Steel Doors & Hardware	12/15/12	1/15/13	" "
Plumbing	8/15/12	5/1/13	" "
Electrical	8/15/12	5/1/13	" "
Painting	3/15/13	5/1/13	" "
Install Water Service			
Install Sewer Service			
Install Electrical Service			

OPERATION CIVIC PRIDE
PROPOSED BUDGET - EXPENSE WORKSHEET

Project Name: Madera Sunrise Rotary Park, Softball Area Restroom

Organization Name: Madera Sunrise Rotary

Amount requested from the Madera Redevelopment Agency \$ _____

MATERIALS/SUPPLIES/SERVICES AND IN-KIND DONATIONS OF SUPPLIES/SERVICES	FUNDING SOURCE	DESCRIPTION (Describe if expense is related to materials/supplies, services, or in-kind donations)	ESTIMATED EXPENSE
Concrete, Grout & Mortar		Materials	\$ 3,300
Mesh and Bar Reinforcing Steel		Materials	\$ 1,400
8" & 6" Concrete Blocks		Materials	\$ 4,600
Roof Structural Items		Materials	\$ 1,500
Roofing		Materials	\$ 1,300
Doors, Hardware & Vents		Materials	\$ 2,500
Plumbing Supplies		Materials	\$ 4,700
Electrical Supplies		Materials	\$ 2,800
Paint & Floor Stains		Materials	\$ 1,000
Equipment Rental		Services	\$ 300
Sewer, Water & Electrical Services		Materials	\$ 2,500
			\$
		TOTAL ESTIMATED EXPENSES	\$ 23,400

(Attach verification of In-kind donations and cost proposals/estimates)

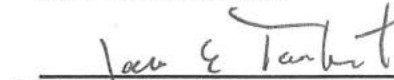
OR 25,000

REPORT TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY

BOARD MEETING OF: June 18, 2012

AGENDA ITEM NUMBER: 4.3

APPROVED BY:


Executive Director

Subject: Consideration of a Resolution Acknowledging and Approving an Agreement for Neighborhood Revitalization Services Funded by the City of Madera

Summary: The Oversight Board will consider a resolution acknowledging and approving an agreement for neighborhood revitalization services funded by the City of Madera.

HISTORY/BACKGROUND

On behalf of the City, the Successor Agency supervises a number of neighborhood revitalization programs. The activities include, but are not limited to the following:

- Public Nuisance
- Foreclosures
- Abandoned Vehicles
- Zoning
- Waste Tires
- Abandoned Buildings
- Graffiti
- Substandard Housing
- Neighborhood Outreach
- Illegal Dumping

Until recently, the program was funded with redevelopment tax increment, CDBG and the City's General Fund. Abx1 26 eliminated the use of redevelopment to fund these activities.

SITUATION

It is proposed that the Successor Agency/City of Madera enter into an agreement to utilize \$605,365.00 in CDBG funds to partially fund neighborhood revitalization activities.

RECOMMENDATION

Staff recommends the Oversight Board adopt the resolution acknowledging and approving the agreement with the City of Madera for neighborhood revitalization services.

JET:sb

Attachment:
-Resolution
-Agreement

RESOLUTION NO. OB 12-__

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY OF THE CITY OF MADERA, CALIFORNIA APPROVING THE 2012/2013 COMMUNITY DEVELOPMENT BLOCK GRANT AGREEMENT FOR SERVICES WITH THE CITY OF MADERA AND RATIFYING EXECUTION OF THE AGREEMENT BY THE EXECUTIVE DIRECTOR

WHEREAS, in connection with the approval and adoption of the State Budget for Fiscal Year 2011-2012, the California Legislature adopted, and the Governor signed, ABx1 26 (the "Dissolution Act"), which, after the California Supreme Court's ruling on December 29, 2011, has had the effect of dissolving all redevelopment agencies in the State of California; and

WHEREAS, the City of Madera has accepted the designation as the Successor Agency ("Agency") as that term is defined in the Dissolution Act, which has been authorized to wind down the business of the former Madera Redevelopment Agency; and

WHEREAS, the Executive Director of the Successor Agency supervises a number of neighborhood revitalization programs; and

WHEREAS, the Agreement for services funded by the City of Madera, California; to fund labor and overhead costs associated with enforcement of local ordinances, building and zoning codes within eligible CDBG census tracts is on file in the office of the City Clerk.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY hereby finds, determines, resolves and orders as follows:

1. The above recitals are true and correct.
2. The Oversight Board has reviewed and considered the Agreement for services funded by the City of Madera as approved by the Successor Agency to the former Madera Redevelopment Agency.

3. The proposed Agreement as presented by the Successor Agency to the former Madera Redevelopment Agency is hereby approved.

4. This resolution is effective immediately upon adoption.

* * * * *

PASSED AND ADOPTED by the Oversight Board to the Successor Agency to the former Madera Redevelopment Agency of the City of Madera this 18^h day of June 2012, by the following vote:

AYES:

NOES:

ABSENT:

Brett Frazier, Chairperson

ATTEST:

Agency Secretary

AGREEMENT FOR SERVICES FUNDED BY CITY OF MADERA

This Agreement is entered into, effective on the date of July 1, 2012.

PARTIES:

The City of Madera, hereafter referred to as "CITY", and the Successor Agency to the Former Madera Redevelopment Agency, hereafter referred to as the "CONTRACTOR."

RECITALS:

WHEREAS, the CITY has been designated as the sponsoring agency to administer and implement the program for the Community Development Block Grant (CDBG) activities of the CITY, and in accordance with the provisions of Title I of the Housing and Community Development Act of 1974, as amended, and the laws of the State of California; and

WHEREAS, the Madera City Council has determined that to fund labor and overhead costs associated with enforcement and oversight of local ordinances, building and zoning codes is eligible for funding under 24 CFR Part 570.201(c); and

WHEREAS, the CONTRACTOR has submitted a project plan and budget to carry out code enforcement inspections of privately owned vacant lots, tagging abandoned vehicles, inspecting housing units, businesses and organizations as complaints are filed by the public or identified by staff consistent with the intent and purpose of the provisions of Title I of the Housing and Community Development Act of 1974, as amended, and which has been approved by the CITY Council.

NOW THEREFORE, the parties hereto agree as follows:

1. Services

The CONTRACTOR shall provide all services and responsibilities as set forth in the project design, which is attached to this Agreement, marked as Exhibit "A," and incorporated herein by reference.

2. Funding and Method of Payment

a. Compensation

Payments shall be made after receipt and verification of actual expenditures incurred by the CONTRACTOR in the performance of this Agreement and shall be documented to the CITY by the fifteenth (15th) day of the month following the end of the quarter. Allowable expenditures under this Agreement are specifically established and attached hereto marked Exhibit "B" and incorporated herein by reference. The total obligation of the CITY under this Agreement shall not exceed \$605,368 in fiscal year 2012-2013. Any compensation not consumed by expenditures of the CONTRACTOR by the expiration of this Agreement shall automatically revert to the CITY.

b. Public Information

The CONTRACTOR shall disclose in all public information its funding source.

c. Lobbying Activity

The CONTRACTOR shall not directly or indirectly use any of the funds provided under this Agreement for publicity, lobbying, or propaganda purposes designed to support or defeat legislation pending before the Congress of the United States or the Legislature of the State of California.

d. Political Activity

The CONTRACTOR shall not directly or indirectly use any of the funds under this Agreement for any political activity or to further the election or defeat of any candidate for public office.

3. Fiscal Compliance

The CONTRACTOR shall be subject to the same fiscal regulations imposed on CITY by the U. S. Department of Housing and Urban Development for the use of Community Development Block Grant funds.

4. Compliance With Laws

If the CONTRACTOR receives CDBG funding under this Agreement, CONTRACTOR shall comply with all rules and regulations established pursuant to the Housing and Community Development Act of 1974 and its amendments. The CONTRACTOR and any subcontractors shall comply with all applicable local, State and Federal regulations, including but not limited to those requirements listed in Exhibit "C" attached hereto and incorporated herein by reference.

5. Contract Administrator

CITY shall retain the right to administer this Agreement so as to verify that CONTRACTOR is performing its obligations in accordance with the terms and conditions thereof. CONTRACTOR and CITY shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

6. Period of Performance

The CONTRACTOR shall commence performance under this contract July 7, 2012 and shall end its performance June 30, 2013, unless terminated sooner as provided for elsewhere in this Agreement. Agreement may be extended upon written approval of the CITY.

7. Records

a. Record Establishment and Maintenance

CONTRACTOR shall establish and maintain records in accordance with those requirements prescribed by CITY, with respect to all matters covered by this Agreement. CONTRACTOR shall retain all fiscal books, account records, and client files for services performed under this Agreement for at least

three (3) years from the date of the final payment under this Agreement or until all State and Federal audits are completed for that fiscal year, whichever is later. Pursuant to State and Federal law, it is the intent of the parties to this Agreement that the CONTRACTOR shall be reimbursed for actual costs incurred in the performance of this Agreement but that no profit is to accrue to the CONTRACTOR on account of such performance. CONTRACTOR shall follow its Code Enforcement Eligibility Guidelines as outlined in Exhibit E.

b. Reports/Required Notifications

The CONTRACTOR shall submit reimbursement claims with substantiating invoices and time cards signed by both the employee and applicable Department Head/Authorizing Official. Reports shall consist of the Quarterly Reporting Form. This form is contained in Exhibit "A-1" attached hereto and incorporated herein by reference.

The CONTRACTOR shall also furnish to the CITY such statements, records, reports, data, and information as the CITY may request pertaining to matters covered by this Agreement. In the event that the CONTRACTOR fails to provide such reports, it shall be deemed sufficient cause for the CITY to withhold payments until there is compliance. In addition, the CONTRACTOR shall provide written notification and explanation to the CITY within five (5) days of any funds received from another source to conduct the same services covered by this Agreement.

CITY shall notify CONTRACTOR in writing within thirty (30) days of any potential State or Federal exception discovered during an examination. Where findings indicate that program requirements are not being met and State and Federal participation in this program may be imperiled in the event that corrections are not accomplished by CONTRACTOR within thirty (30) days, written notification shall constitute CITY's intent to terminate this Agreement.

CONTRACTOR shall report to CITY promptly and in written detail, each notice of claim of copyright infringement received by CONTRACTOR with respect to all subject data delivered under this Agreement. CONTRACTOR shall not affix any restrictive markings upon any data. If markings are affixed, CITY shall have the right at any time to modify, remove, obliterate, or ignore such markings.

c. CDBG Reporting Requirements

The CITY will inform CONTRACTOR in writing if CDBG funds are provided under this Agreement, which require CONTRACTOR to submit an application or to complete a record as an integral part of receiving these funds.

CONTRACTOR shall submit with each quarterly invoice copies of paid invoices/receipts, copies of cash receipts or checks used to pay each invoice submitted, copies of time cards and related pay stubs for reimbursement.

8. Assignment

CITY and CONTRACTOR may not assign, or transfer their obligation of this Agreement or any rights hereunder without the prior written consent of the other party.

9. Subcontracts

If the CONTRACTOR should propose to subcontract with one or more third parties to carry out a portion of those services described in Exhibit "A" insofar as it deems proper or efficient, any such subcontract shall be in writing and approved as to form and content by the CITY prior to execution and implementation. Any such subcontract, together with all other activities performed, or caused by the CONTRACTOR, shall not allow compensation greater than the total project budget contained in Exhibit "B." An executed copy of any such subcontract shall be received by the CITY before any implementation and shall be retained by the CITY.

The CONTRACTOR shall be responsible to the CITY for the proper performance of any subcontract. Any subcontractor shall be subject to all of the same terms and conditions that the CONTRACTOR is subject to under this Agreement. No officer or director of the CONTRACTOR shall have any direct monetary interest in any subcontract made by the CONTRACTOR. A direct monetary interest contrary to this paragraph shall be deemed to exist, if an officer or director of the CONTRACTOR is also an owner, officer, or director of a corporation, association, or partnership subcontracting with the CONTRACTOR.

In addition, if the CONTRACTOR receives CDBG funds under this Agreement, the subcontractor shall be subject to CDBG federal regulations, including those listed in Exhibit "C."

10. Conflict of Interest

No officer, employee, or agent of the CITY who exercises any function or responsibility for planning and carrying out of the services provided under this Agreement shall have any direct or indirect personal financial interest in this Agreement. The CONTRACTOR shall comply with all Federal, State and local conflict of interest laws, statutes, and regulations, which shall be applicable to all parties and beneficiaries under this Agreement and any officer, employee, or agent of the CITY.

11. Discrimination

a Eligibility for Services

The CONTRACTOR shall prepare and make available to the CITY and to the public all eligibility requirements to participate in the program plan set forth in Exhibit "A." No person shall, on the grounds of race, color, national origin, sex, religion, age, or disability status, be excluded from participation in, and denied the benefits of, or be subjected to discrimination with respect to the services funded under this Agreement.

The CONTRACTOR's services shall be accessible to the physically disabled, and the services of a translator, signer or assistive listening device shall be made available. CONTRACTOR, in its marketing materials, shall specify assistance to access its services is available for deaf and hard-of-hearing persons by calling 711 or 1-800-735-2929 and, for voice users, 1-866-735-2922 for TTY Relay Services. CONTRACTOR shall comply with requirements set forth in Exhibit D, Accessibility for Persons with Disabilities to Non-Housing Programs funded by Community Development Block Grant Funds – Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, and the Architectural Barriers Act.

b. Employment Opportunity

The CONTRACTOR shall comply with the CITY policy, the Community Development Block Grant regulations, and the Equal Employment Commission guidelines, which forbids discrimination against any person on the grounds of race, color, national origin, sex, religion, age, familial status or disability status in employment practices. Such practices include retirement, recruitment advertising, hiring, layoff, termination, upgrading, demotion, transfer, rates of pay or other forms of compensation, use of facilities, and other terms and conditions of employment.

c. Suspension of Compensation

If an allegation of discrimination occurs, the CITY shall withhold all further funds until the CONTRACTOR can show by clear and convincing evidence to the satisfaction of the CITY that funds provided under this Agreement were not used in connection with the alleged discrimination.

d. Nepotism

Except by written consent of the CITY, no person shall be employed by the CONTRACTOR who is related by blood or marriage or who is a member of the Board of Directors or an officer of the CONTRACTOR. In the event HUD determines a CDBG-funded CONTRACTOR'S organization/agency operations violate federal rules and regulations with regard to nepotism and/or conducts business and a conflict of interest issue arises, then CONTRACTOR shall accept all responsibility to return any CDBG funds received from CITY.

12. Termination

a. This Agreement may be immediately terminated by CITY for cause where in the determination of CITY, any of the following conditions exist: (1) an illegal or improper use of funds, (2) failure to comply with any terms of this Agreement, (3) a materially incorrect or incomplete report, (4) an improper performance of services.

b. Any one of or combination of the above conditions will constitute grounds for suspension or termination of the Agreement. In no event shall any payment by the CITY hereunder constitute a waiver by the CITY of any breach of this Agreement or any default which may then exist on the part of the CONTRACTOR, nor shall such payment impair or prejudice any remedy available to the CITY with respect to the breach of default. When there is a breach of this Agreement, as defined by this section, the CITY may, in its sole discretion, immediately suspend or terminate this Agreement.

c. CITY shall have the option to terminate this Agreement without obligation of CITY to reimburse CONTRACTOR from the date the Federal or State Government withholds or fails to disburse funds to CITY, in the event such government withholds or fails to disburse funds, CITY shall give CONTRACTOR notice of such funding limitation or termination within a reasonable time after CITY receives notices of same.

d. Upon thirty (30) days written notice to the other party, either party may terminate this Agreement without cause. Notice shall be deemed served upon mailing.

13. Amendments

Adjustment of any line item within the total approved budget contained in Exhibit "B" or changes in the nature or scope of the program plan set forth in Exhibit "A" may be approved in writing by the City Administrator, or his designee.

14. Administration

This Agreement shall be administered by the City of Madera Grants Administration Division.

15. Evaluation

The CITY shall monitor and evaluate the performance of the CONTRACTOR under this Agreement to determine to the best possible degree the success or failure of the services provided under this Agreement and the adequacy of the program plan contained in Exhibit "A." The CONTRACTOR shall participate in evaluation of the program.

CONTRACTOR shall cooperate fully with CITY, State and Federal agencies, which shall have the right to monitor and audit all work performed under this Agreement.

CONTRACTOR shall also agree to on-site monitoring and personal interviews of participants, CONTRACTOR's staff, and employees by appropriate CITY staff on at least a quarterly basis.

16. Governing Law

Any controversy or claim arising out of or relating to this Agreement which cannot be amicably settled without court action shall be litigated only in Madera, California. The rights and obligations of the parties and all interpretations and performance of this Agreement shall be governed in all respects by the laws of the State of California.

17. Reversion of Assets

The CONTRACTOR must obtain prior written approval from the CITY whenever there is any modification or change in the use of any property acquired or improved, in whole or in part, using CDBG funds. If any real or personal property acquired or improved with CDBG funds is sold and/or is utilized by the CONTRACTOR for a use which does not qualify under the CDBG program, the CONTRACTOR shall reimburse the CITY in an amount equal to the current fair market value of the property, less any portion thereof attributable to expenditures of non-CDBG funds. These requirements shall continue in effect for the life of the property. In the event the CDBG program is closed-out, the requirements of this Section shall remain in effect for activities or property funded with CDBG funds, unless action is taken by the Federal government to relieve the CITY of these obligations.

18. Breach of Agreement

In the event the CONTRACTOR fails to comply with any of the terms of this Agreement, the CITY may, at its option, deem the CONTRACTOR's failure as a material breach of this Agreement and utilize any of the remedies set forth in 24 CFR 85.43 or that it deems appropriate. Should the CITY deem a breach of this Agreement material, the CITY shall immediately be relieved of its obligations to make further payment as provided herein. In addition to the Agreement being terminated by the CITY in

accord with a material breach of this Agreement by the CONTRACTOR, this Agreement may also be terminated for convenience by the CITY in accord with 24 CFR 85.44.

19. No Third Party Beneficiaries

This Agreement is not intended to create and does not create any rights in or benefits to any third party, nor will it be deemed to confer rights or remedies upon any person or legal entity not a party to this Agreement.

20. Indemnification

IN THE EVENT HUD DETERMINES A CDBG-FUNDED CONTRACTOR HAS VIOLATED FEDERAL RULES AND REGULATIONS AND HUD REQUIRES REPAYMENT OF CDBG FUNDS, THEN CONTRACTOR SHALL REPAY ANY CDBG FUNDS WITHIN 90 DAYS OF A WRITTEN REQUEST FROM CITY.

21. Entire Agreement

This Agreement constitutes the entire agreement between CONTRACTOR and CITY with respect to the subject matter hereof and supersedes all previous negotiations, proposals, commitments, writings, advertisements, publications and understandings of any nature whatsoever unless expressly included in this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective officers thereunto duly authorized on the date first written above.

CITY OF MADERA:

**SUCCESSOR AGENCY TO THE
FORMER MADERA REDEVELOPMENT
AGENCY**

By: _____
Brett Frazier, Mayor

By: _____
Jim Taubert, Executive Director

Date: _____

Date: _____

ATTEST:

APPROVED AS TO LEGAL FORM:

By: _____
Sonia Alvarez, City Clerk

By: _____
Brent Richardson, City Attorney

Date: _____

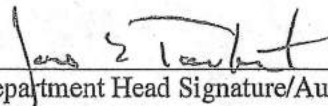
Date: _____

**CITY OF MADERA
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
PROJECT PROPOSAL FORM
2012/2013**

DATE SUBMITTED: February 27, 2012

GENERAL INFORMATION

Name of Department/Organization: Neighborhood Revitalization Program
Address: 428 East Yosemite Avenue, Madera CA 93638
Contact Person: James E. Taubert, Executive Director
Phone: (559) 661-5110

Concurrence: 
Department Head Signature/Authorizing Official


B. ACTIVITY DESCRIPTION


1. **Summary** (Description of proposed project and anticipated accomplishment. If appropriate, include diagram of the area):

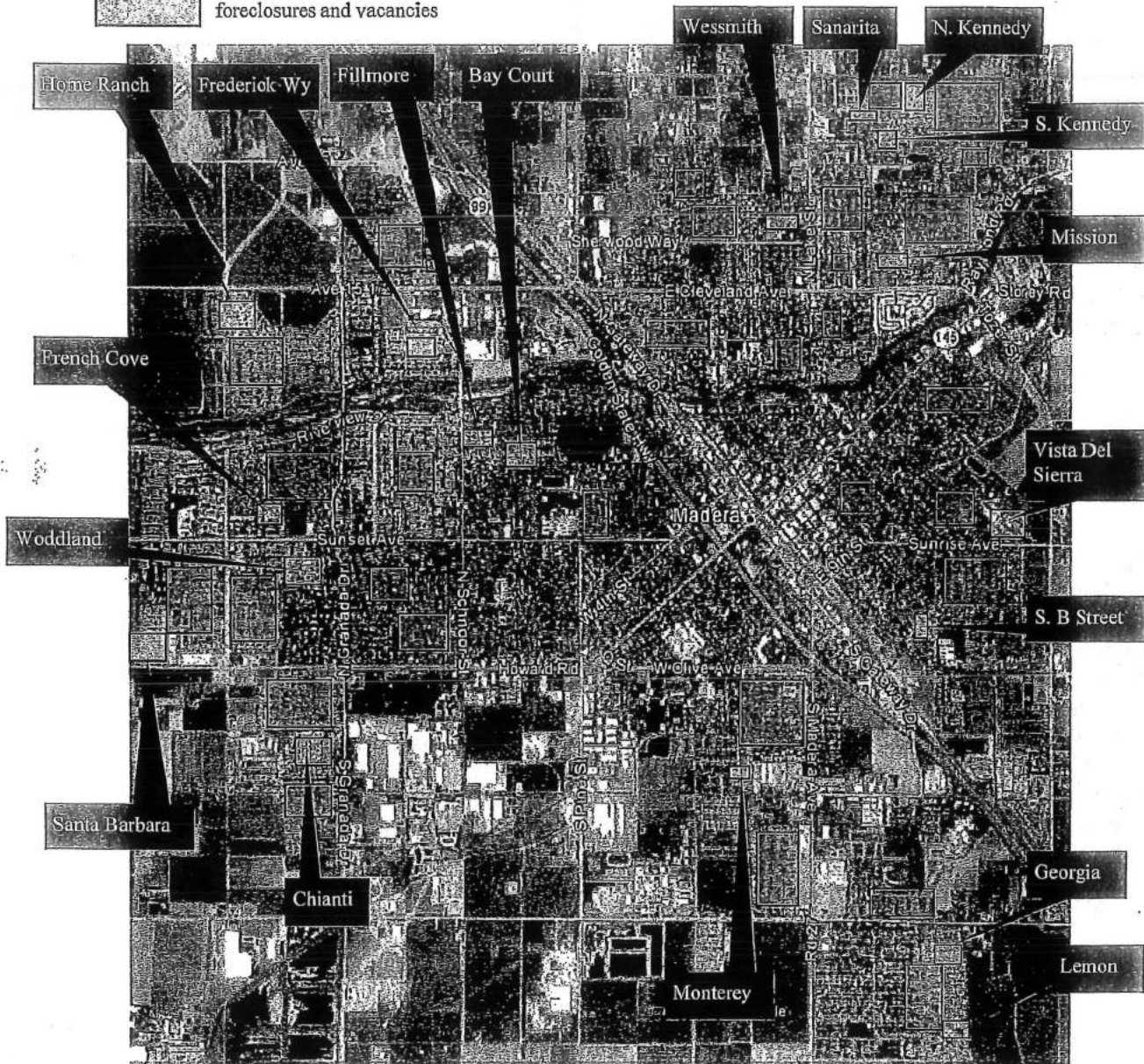
This summary describes the proposed project and anticipated accomplishment. It encompasses the Department's achievements with past CDBG funding and the Department's intent and method to accomplish next year's anticipated achievements.

Code enforcement activities of the Neighborhood Revitalization Department continue to be heavily impacted by the number of foreclosed properties which decrease property values and produce blight throughout the City. Owners and lenders are required to register the foreclosed properties and the income derived from both registration fees and penalties have provided an opportunity to reinvest into the targeted CDBG neighborhoods. There are currently 361 registered properties which are monitored and addressed by enforcement when blight is evident. The Department is expected to lose the funding support of the Madera Redevelopment Agency this next fiscal year and shall change the manner and methodology in which to accomplish community expectations, blight removal through enforcement and abatement of nuisances causing blight.

EXHIBIT A

 Neighborhoods with
Neighborhood Networks

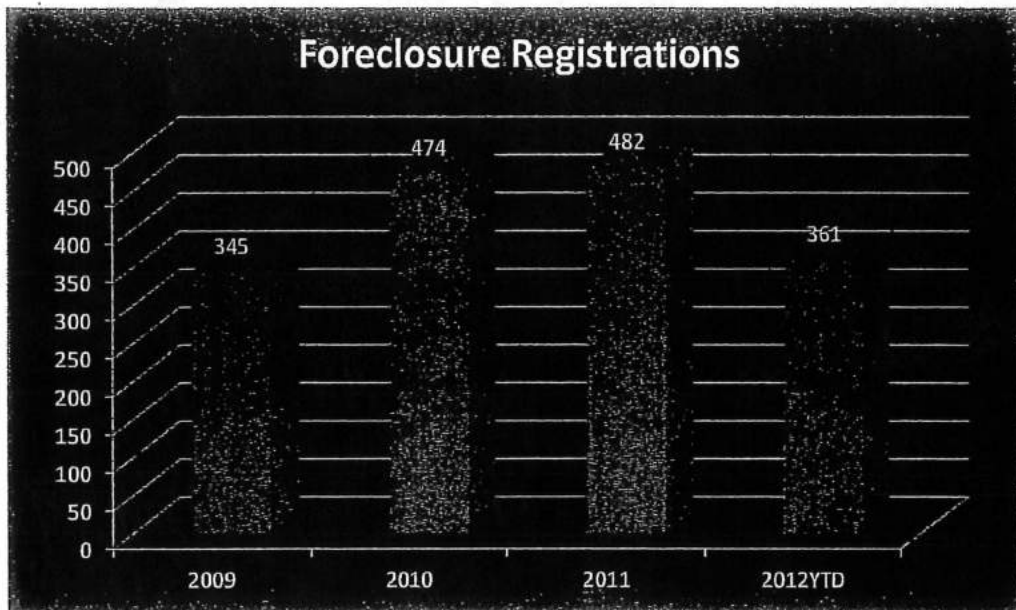
 Areas most impacted by
foreclosures and vacancies



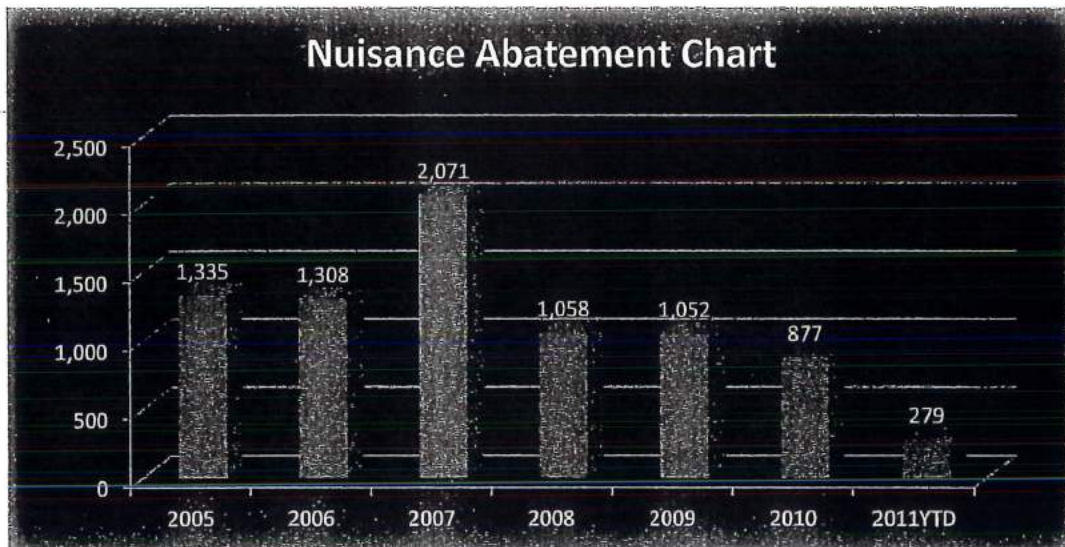
Historical Accomplishments

The Madera City Council established the Neighborhood Revitalization Department in 2002 with the primary focus of eliminating blight within eligible CDBG census tracts throughout Madera. Projects have been created by the Neighborhood Revitalization Department to alleviate those conditions of blight and encourage property owners to reinvest into their property with the desired result of raising property values. The following has been accomplished by the Department since fiscal year 2002:

125,798 Graffiti incidences removed
9,368 Public Nuisances Removed
9,289 Abandoned, inoperable and disabled vehicles removed
159,402 Waste tires removed
1,466.82 Tons of trash, junk and debris removed
1,662 Foreclosed properties registered and inspected (since fiscal year 2009)



Department staff has performed and accomplished clearly defined goals as shown above through the removal and reduction of graffiti incidences, abandoned vehicles, waste tires, public nuisances, trash, foreclosed property blight, junk and debris decreases conditions of blight and offers safety and security for families residing there. Staff's efforts have attempted to raise the quality of life and strengthen Madera's neighborhood image by creating public forums for public dialogue by developing neighborhood networks, citizen participation in the decision making process by holding citizen academies as tools to create citizen empowerment and leadership.



Projected Goals of the Project

The goals of this Department parallel the goals set forth by HUD by recognizing the fundamental necessity of partnering with federal and local governments, the private sector, community organizations and local residents with the network concept as a tool in problem-solving in order to achieve much greater success in community revitalization efforts. Even though impacted by a reduction in staff this next fiscal year, staff shall coordinate the marshaling of resources to facilitate the Department's ability to engage in comprehensive community revitalization strategies. In doing so, the following targets shall be pursued by Neighborhood Revitalization Department staff during fiscal year 2012/2013:

- Removal of 16,000 Graffiti incidences**
- Disposal of 1,000 Abandoned, Disabled, Inoperable Vehicles**
- Abating 900 Public Nuisances**
- Clearing 20,000 Waste Tires**
- Abate 100 Substandard Housing Units**
- Remove blight from 300 Foreclosed Properties**
- Build 30 viable Neighborhood Networks and Associations**

Approach to achieve the projected goals

The Department's approach to eradicating blight has sent a clear message to the community. As a result, residents have demanded a higher quality of living within their neighborhoods. Our long range goal is to reduce blight within the targeted neighborhoods through the combined efforts of neighborhood revitalization, collaborative efforts with city, county and state agencies and through the partnership we have developed with our citizen volunteers through graffiti watch and networks. Citizen empowerment is essential for the purposes of problem-solving. However, empowerment requires a specific and achievable goal. To accomplish that goal, citizens must

commit specific time and energy to create an action plan so that property owners know their neighborhood standards; those standards be established by their neighborhood; and those standards be a requirement for each property owner to maintain. This is also called a neighborhood bill of rights and responsibilities. To this end neighborhood associations will combine already existing neighborhood networks and resources as a viable and stable association of resident families who will commit to neighborhood standards to eradicate blight.

Our ultimate aim is to bridge the gap between resident volunteerism and participation in city sponsored functions, community education, formation of networks and identification with their neighborhoods. We have developed neighborhood block groups composed of 6 to 25 families committed to eradicating blight and focusing upon crime awareness within their neighborhood networks. This past year, this department has witnessed a significant increase in neighborhood participation with the advent of 16 neighborhoods. Due to this approach, the result has been favorable to a slight reduction of criminal activity through the decrease of graffiti, burglary, and theft within those affected neighborhoods.

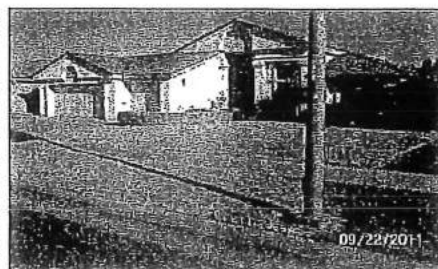
Staff shall implement the following methodology to continue meeting the CDBG goal of reducing blight and the deterioration of buildings and properties throughout the City of Madera:

- ♦ New and older housing stock will be inspected and evaluated for blight, substandard housing conditions, and impact upon the surrounding neighborhoods.
- ♦ Community dialogue shall be instituted to create working forums to gauge citizen views on neighborhood action, current development activity, City programs and trends Maderans will likely encounter.
- ♦ Collaborative agency dialogue shall be developed and shaped to meet current challenges of vacant foreclosed properties and abandoned structures, graffiti arrests, convictions, appropriate sentencing, and consequently blight reduction within the CDBG target areas.
- ♦ Hold community workshops delivering a plan to increase neighborhood livability and continue to raise neighborhood standards.
- ♦ Counter the bleak economic forecast by encouraging Maderans to reinvest into their neighborhoods with department-sponsored neighborhood clean-up, re-planting events, and neighborhood workshops.
- ♦ Respond to complaints of substandard housing by renters residing within that housing by contacting the landlord and requiring sufficient repairs are made to the housing units within a reasonable time frame.
- ♦ Educate property owners and managers to meet the minimum health and safety standards when renting or leasing property to tenants.
- ♦ Staff will offer alternatives to property owners to deter property deterioration and devaluation rather than maintain untenable conditions for residents.
- ♦ Encourage property owners to reinvest into their neighborhoods by offering information through problem-solving workshops by inviting representatives from banks and lending institutions, law-firms that would be willing to discuss neighborhood options and successful revitalization strategies that would bring together the community's stakeholders creating affiliates that:
 - ♦ Obtain commitments to community building projects;
 - ♦ Make Madera attractive for investments, thereby creating a market for profits;

- ❖ Generate community participation to ensure that the benefits of economic activity are reinvested in the community for long-term development; and
- ❖ Foster the growth of resident-based initiatives through networks and associations to identify and address their housing and economic needs.

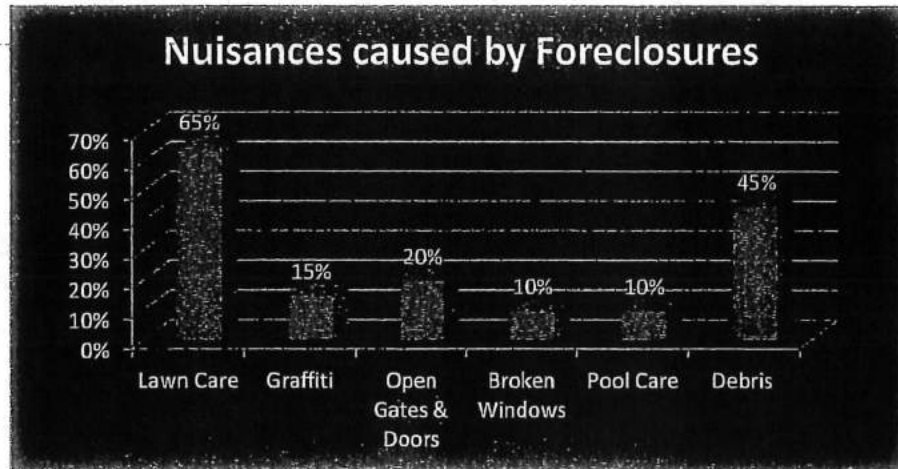
Bank Foreclosures have been on a constant rise in Madera in the last three years and have contributed to the decrease in property values. The Foreclosure ordinance made effective in 2008 has created a limited safeguard for the City to require lenders and banks to register, maintain and repair property deficiencies through the following process:

A database that tracks foreclosed homes at risk of becoming, or that has already become deteriorated has been created. Lenders must register the properties at \$55.00 per property annually. Once a home is registered, Neighborhood Revitalization Department sends a Preservation Specialist to the property. The specialist looks at the specific code points including: the structural condition of the home, windows and doors, pool barriers, yard debris, trash, abandoned property, lawn condition and graffiti. In most cases, after the inspection, a letter is sent to the responsible party indicating what problems must be remedied. The letter also notes that a re-inspection will be made and that a notice of violation shall be recorded against the property all within thirty (30) days. The Department does not rely on the good will of the lending institution to participate in the registry as a \$1,000.00 fine can be issued against the property owner daily for those who fail to register or maintain their property.



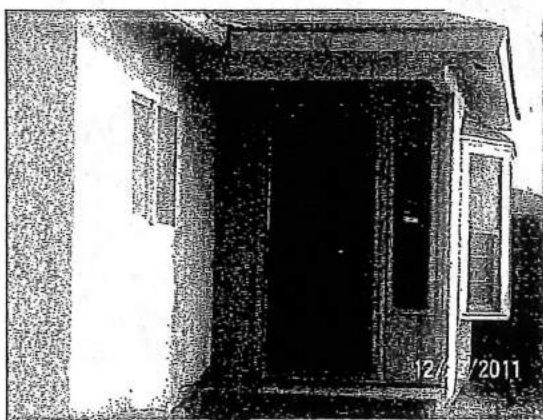
Vacant and foreclosed homes and empty lots pose considerable problems for the rest of the neighborhoods.

The continued national economic crisis has affected nearly every neighborhood in Madera through these bank owned foreclosures. This is due to the fact that these properties leave the structures vacant, accessible to vandalism (when not inspected weekly as required), presenting fire hazards, neglected landscaping, green pools, graffiti, trash, junk and debris. We currently have had three-hundred sixty-one (361) foreclosed vacant foreclosed homes this past fiscal year.

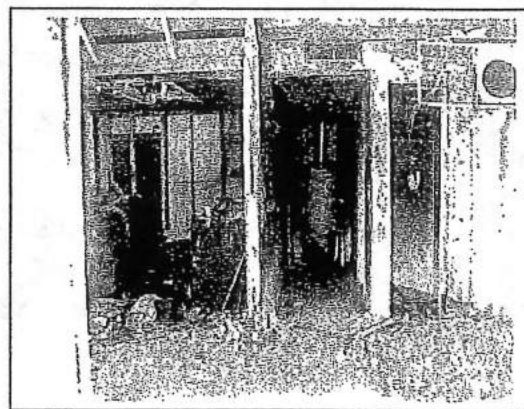


The above graph depicts the percentage of actual times cases are impacted by these nuisances. Should these cases be left in the hands of the banks and lenders without the aid of code enforcement, the percentage of these nuisance types would actually increase upon each property and neighborhoods with minimal impact by these nuisances would slide into blighted properties with a pronounced decrease in their property values. A prime example of this issue is when "open gates and doors" are evident on a property, vandals and homeless enter these properties and eventually cause severe damage to the structure, filling it with debris, graffiti, break windows and tear out the fixtures.

Initially, the foreclosure problem existed in the newly constructed areas of the city. Eventually the foreclosure problem spread to the CDBG census tracts where disinvestment became evident. We noticed that more homes were left vacant and unsecured. A few were accessed and as a result, there were structure fires due to the occupants trespassing into the structures.

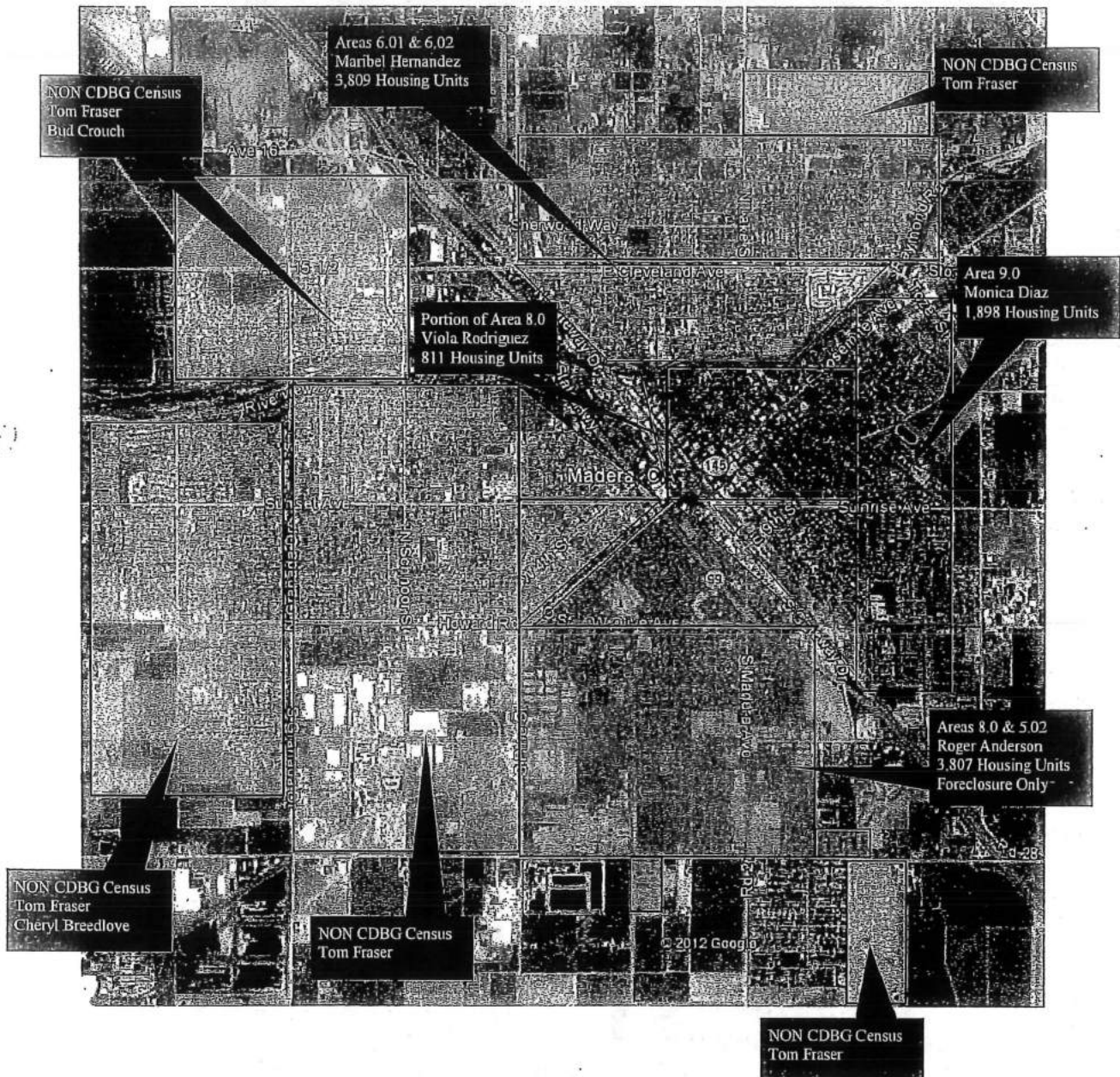


Foreclosed structure in Census Tract 6.01



Fire Damage to a Foreclosure

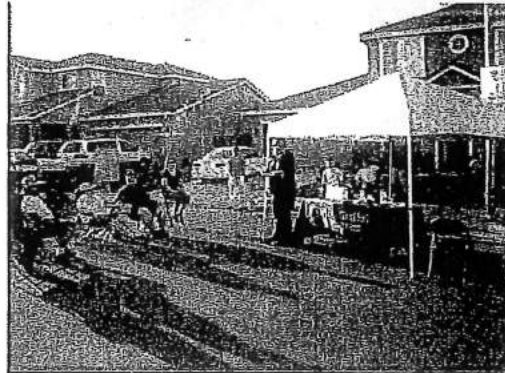
The City of Madera and CDBG census tracts have been divided into manageable areas for enforcement purposes, neighborhood networks and neighborhood association boundaries to focus on reaching CDBG goals focusing on the coordinating the delivery of local resources to residents for the purpose of property clean-ups, substandard housing refurbishment, graffiti removal, tire removal and vehicle abatement.



In 2011/2012, the Neighborhood Revitalization Department received CDBG funding in the amount of \$590,617.00. The proposed program is to revitalize the defined target areas whose boundaries are set forth within the eligible CDBG census tracts 5.02, 6.01, 6.02, 8 and 9. Revitalizing these defined areas may require a longer time period and more resources than can be provided by a single CDBG grant to the locality. The elements of the proposed program parallel those of the grant and are as follows:

Neighborhood Networks

The creation of strong neighborhoods with a sense of ownership in their community is the mortar necessary in establishing neighbor relationships, ties to the neighborhood adding to a higher quality of life. Neighborhood Networks provide the forum for residents to express their needs, provides an opportunity to discuss ideas to create a higher standard of living reducing blight, develop blight prevention measures and to take action with other neighbors to achieve these goals.

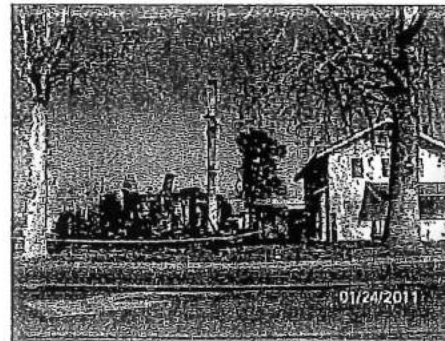
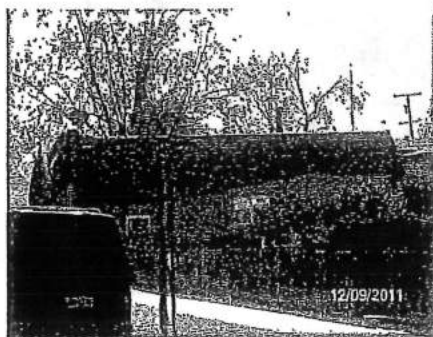
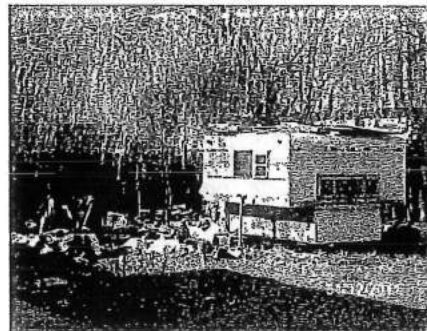
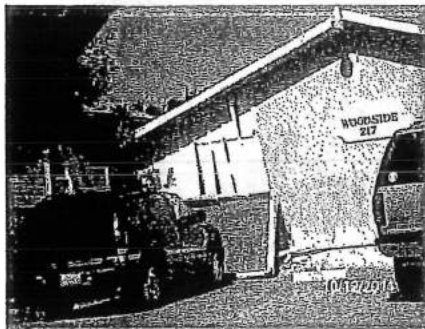


Abatement/Enforcement

For the past nine years the primary funding sources for abatement enforcement activities has been CDBG, General Fund and Redevelopment tax increment. Because proactive enforcement maintains a visible presence within the targeted neighborhoods, there exists a resident awareness and improved property maintenance standards in neighborhoods within the CDBG eligible Census Tracts and throughout the City.

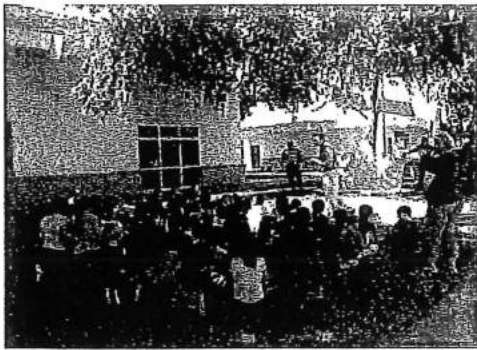
Program accomplishments for the past nine and one-half years are outlined below:

	2002/03 FY	2003/04 FY	2004/05 FY	2005/06 FY	2006/07 FY	2007/08 FY	2008/09 FY	2009/10 FY	2010/11 FY	2011/ 12 FY YTD
Abandoned Vehicles	301	649	1,015	991	1,042	1,100	1,143	1,319	994	735
Tires	15,180	133,871	14,107	13,040	11,888	42,634	19,130	18,237	20,437	4,749
Shopping Carts	271	1,020	49	158	388	136	444	36	38	2
Sign Violations	0	85	12	5	3	50	179	20	45	0
Public Nuisance	142	530	716	1,335	1,308	2,071	1,058	1,052	877	279
Graffiti	2,689	5,739	2,639	8,434	15,406	24,637	21,768	21,461	16,080	6,945
Trash Tonnage Removed	-	-	142.87	142.99	28.71	5.76	95.10	692.99	339.00	19.4

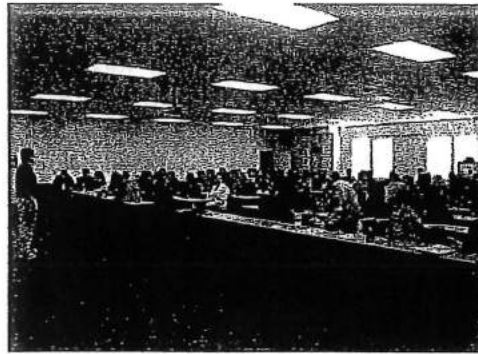


Education to the Community

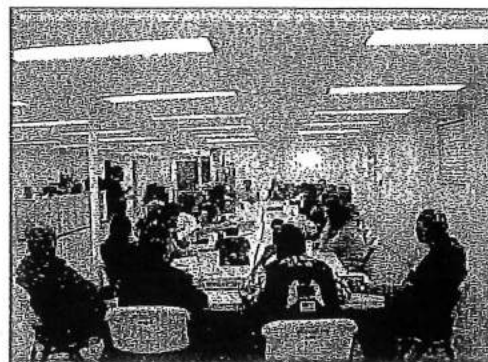
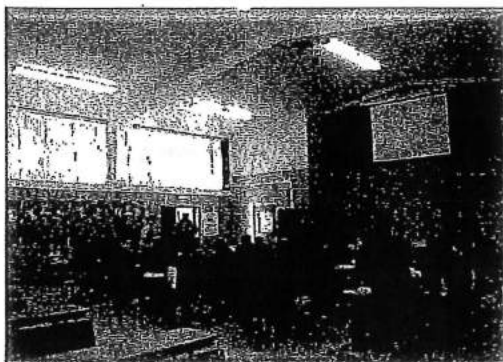
Education to the community through workshops, citizens academy and neighborhood networks solidify the departments' message announcing ways of reducing blight and preventing the deterioration of our neighborhoods. The message is loud and clear as the department uses every avenue to deliver this message be it news media, high school functions, block leadership meetings and service club presentations. Neighborhood leaders and residents are informed of key factors to increase their investment in their neighborhoods. Surveys are conducted within each neighborhood, properties are rated and residents are informed of those findings. Meetings are held within each neighborhood and recommendations are made to the residents informing them of their investment options relating to their properties. Residents are provided with measurable standards with which to enhance their properties. The department continues to offer information to service clubs, community organizations and to schools of the various programs and services offered.



Mayor Pro Tem Andy Medellin offering a word of advice to Third Grade Children



Special Employee Presentation



Anticipated Accomplishments

This next fiscal year, we are anticipating losing the equivalent of seven employees due to economic factors involving the loss of revenue received from Madera Redevelopment Agency and from CDBG, the case load and demand shall remain the same. It is anticipated that we will experience minimal increase in voluntary compliance due to increased citizen participation. We are expecting revenue from increased fines and penalties from banks and lenders through the foreclosed property process. Banks and lenders tend to bring the properties into full compliance when they have an opportunity to sell these foreclosed properties.

The code enforcement process is typically initiated in several ways:

- ⇒ In response to a complaint by an individual.
- ⇒ Observation of a code violation by City staff as they patrol the community and do their jobs.
- ⇒ As a consequence of an action (i.e. an application for a building permit or a request for a zoning variance).

The City relies on residents to help identify possible code violations, particularly in these areas:

- ◊ Blight caused by properties during the foreclosure process
- ◊ Front yard storage of machinery, inoperable vehicles and equipment
- ◊ Graffiti on public or private property
- ◊ Shopping carts on streets, sidewalks, etc.
- ◊ Illegal dumping of garbage and debris
- ◊ Abandoned and/or inoperable vehicles
- ◊ Illegal dumping of oils and other hazardous materials into storm drains
- ◊ Overgrown foliage blocking stop signs, impeding sight of driveways or making corners dangerous
- ◊ Parking regulations in residential neighborhoods
- ◊ Residential businesses causing traffic/noise problems
- ◊ Un-maintained, abandoned and vacant buildings
- ◊ Substandard dwelling structures

We anticipate that actions related to public nuisances caused by foreclosed abandoned conditions within residential housing, excessive trash and abandoned vehicles may decrease activity levels of previous years. People are recognizing that City officials are no longer indifferent to conditions of blight in CDBG Census Tracts. City residents are becoming increasingly aware of the relationship between property maintenance and property values and are contacting the department. It is apparent that residents desire a higher maintenance standard in their neighborhoods and throughout the City and are willing to make the investment necessary to sustain that standard.

In fiscal year 2012/2013, we anticipate removing 1,100 abandoned vehicles including eligible CDBG and non-eligible CDBG census tract areas. Due to increased citizen awareness, citizens have been increasing their complaints about inoperable or abandoned vehicles in their neighborhoods. There are two persons dedicated to the removal of abandoned, inoperable or wrecked vehicles and are responsible for their identification and removal.

We anticipate removing 5,800 tires from the CDBG census tract in fiscal year 2012/2013 from alleys, empty lots and public right of way. We have applied for and received grant funding for the removal of waste tires from alleys, empty lots and the City's public right of way. The current waste tire grant funds a partial full time position creating the opportunity to remove blight caused by waste tires within the eligible target area.

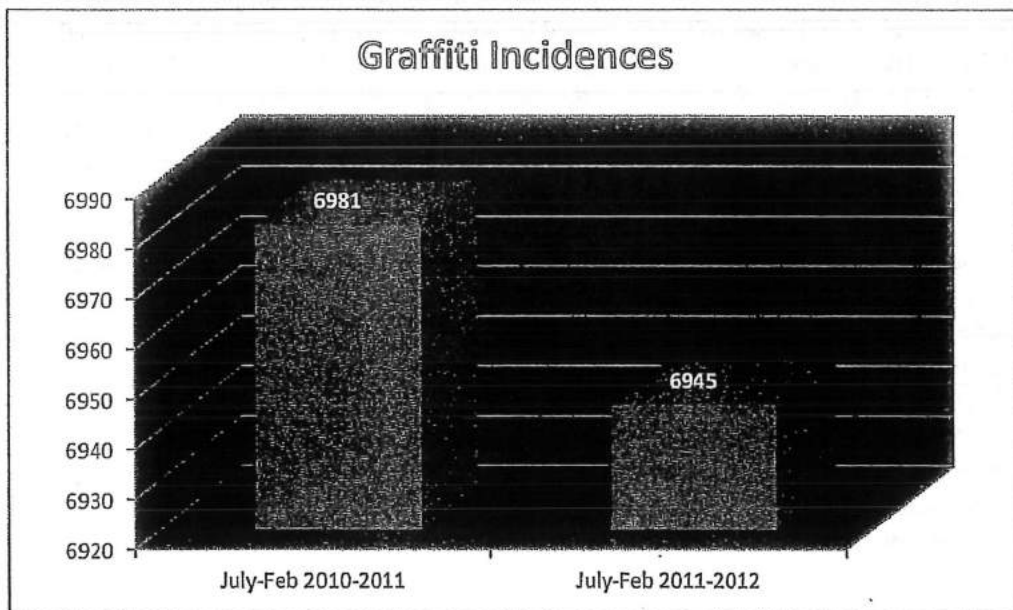
The amount of anticipated removal of public nuisances within the CDBG census tract is expected to be approximately 900 cases. This is a decrease from last year. We are experiencing the heightened activity by our code enforcement staff to attend to the blight caused by foreclosed properties which may cause a decrease in the abatement of public nuisance violations. The removal of 900 cases of blight caused by public nuisances is still substantial and will impacted the CDBG census tract considerably. Anticipated public nuisance violations to be removed amount to 900 city-wide. We arrived at that number by averaging the amount of public nuisance cases we have had in the past and the amount of cases currently being received and how quickly the cases are being closed by current staffing levels. This also takes into account the proposed decrease in staffing levels in the next fiscal year.

Following are violations that are becoming more apparent to the citizens through the use of personal contact, neighborhood networking and media coverage:

- Empty, vacant and vandalized residential structures
- Trash and debris in the right of way and on private property,
- Appliances in public view,
- Overgrown shrubbery and weedy yards,
- Outdoor storage of household equipment in public view,
- Machinery, equipment and mechanical parts in the front and rear yard areas,
- Repairing and servicing in any set-back area of any vehicles,
- Vehicle lawn parking

Declining property values, numerous foreclosures, vacant buildings, increased storage of used furniture and materials are expected to increase and add to the blight of public nuisances within our neighborhoods. Therefore, entire neighborhoods are organized by our staff to voluntarily remove blight from their areas. Staff has organized groups such as the Hughes Neighborhood in CDBG census tract 8.00 around the High School area; Sierra-Colombia network north of Cleveland Avenue in CDBG census tract 6.01; Lincoln network north of the river in CDBG census tract 6.02, Kenny Court network in CDBG census tract 9 where over 80 concerned citizens have been organized by staff to clean trash, landscape and remove graffiti and watch for each other's homes. There are some 1,500 citizens in Madera who have committed their time and on some occasions their resources to remove visual and physical blight of graffiti, trash and debris. Below and on the following page are photos of their participation.

We anticipate removing 16,000 graffiti incidences from the CDBG census tract. Graffiti incidences have been reduced and the graffiti team has been maximizing efficiency removing the graffiti. That efficiency will further be maximized by reducing the graffiti abatement crew by another two full time persons this next fiscal year and by making use of the California Conservation Corps. Of the 6,945 graffiti incidences removed within the city, (86%) have occurred within the CDBG census tract. The remainder, (14%), have been removed from the non-CDBG census tract. We quantified this amount by taking the last eighteen months showing a significant decrease in graffiti throughout the city. We are currently into 6,945 incidences within seven months into this fiscal year.

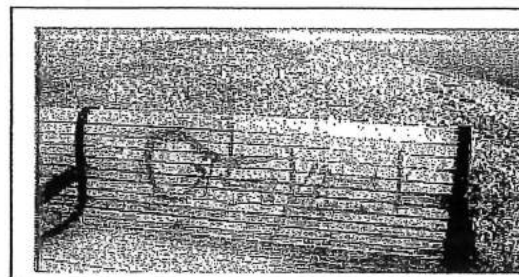
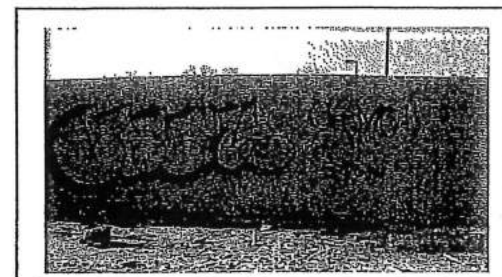
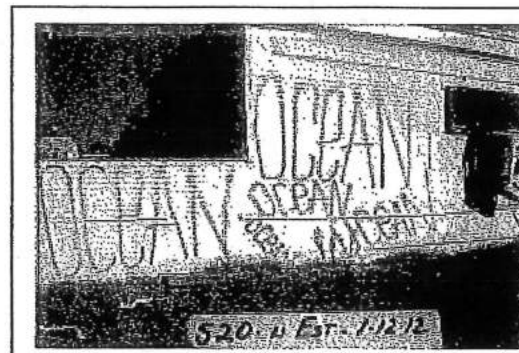
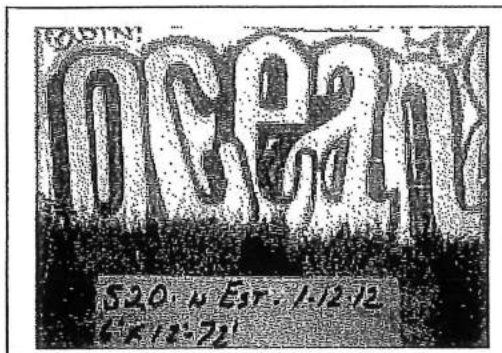
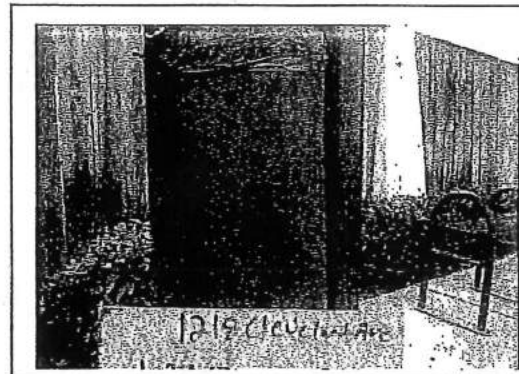
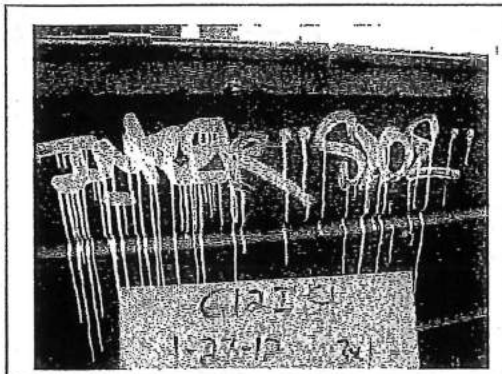
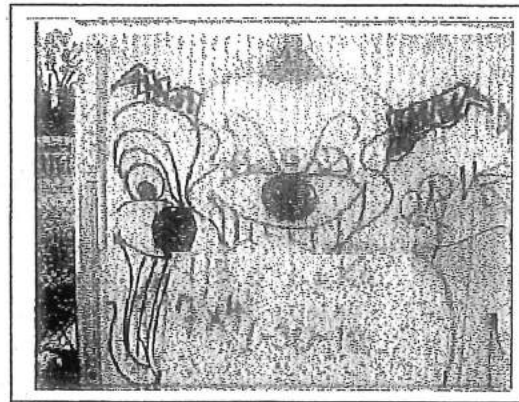
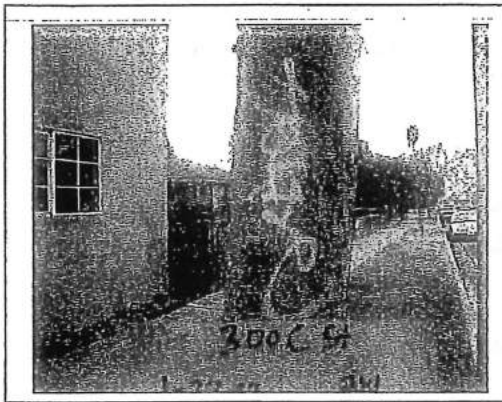


The above graph reflects that graffiti has declined but has stabilized in that declination from the previous year. This is due to the department's collaborative efforts with various agencies throughout the City and County of Madera, the efforts of our citizens (1,500) in Madera removing and reporting graffiti when they see it, the current implementation of the graffiti ordinance and the enforcement and education efforts by the Department's Preservation Specialists.

Impact of Graffiti Vandalism to our City

- ♦ Visual blight appears throughout the community
- ♦ Damage is caused to buildings
- ♦ Property values are reduced
- ♦ Causes negative impacts to reinvestment funding
- ♦ Creates a feeling of insecurity
- ♦ Is a gateway to more serious crimes

The following page is a depiction of this blight and its impact



Potential variables affecting anticipated outcomes:

1. Staffing Level

The Neighborhood Revitalization Department has had a fairly stable work-force. Our anticipated outcomes assume this will be maintained as turnover creates training issues.

- California Conservation Corps (CCC) we maintain 3 paid staff members to assist with our graffiti abatement crew and tire clean-up crew.
- Community Improvement Service Program (CISP) The program maintains four to nine convicted juveniles to expend community service hours with our department.

The following chart shows the staff members, where they work, case load, the amount of cases they have closed from year to date and the average number of days it takes to close their cases. Their numbers are impacted by the foreclosure cases in their designated areas.

Employee	Census Tract	Current Case Load	Cases Closed FY 2011/12	Average # of Days to Close Case
Roger Anderson	8 & 5.02	44	55	120 Days
Viola Rodriguez**	8	74	78	180 Days
Monica Diaz	9	127	126	120 Days
Tom Fraser	City	81	157	90 Days
Maribel Hernandez	6.01 & 6.02	86	166	90 Days
Cheryl Breedlove	City Foreclosures	32	6	45 Days
Bud Crouch	City Foreclosures	23	8	45 Days
Robert Pole*	CDBG tracts & City West Side	58	558	45 Days
Lou Donaldson*	CDBG tracts East Side	60	279	45 Days

*Abandoned vehicles, commercial vehicles and parking vehicles on the lawn.

**Waste Tire Enforcement Coordinator

2. Staff Training

There are currently six (6) staff members within the code enforcement staff which will be reduced to four (4) full time staff and four (4) part time staff to handle various cases.

3. Graffiti

Projections are based on the recent efforts the City and joint departments are taking to prevent, remove and educate the public on Graffiti. The Graffiti team is conducting graffiti removal with the recommendations made by Boyles and Associates, a graffiti consultant firm, which has given direction to our abatement staff in its approach to the reduction of graffiti and which staff has been using for the past three years.

4. Growth

Capitalizing on the Redevelopment Agency's five year implementation plan (2008-2013), the department is taking properties on the outskirts of the City 13 new subdivisions totaling 1,003 lots in the CDBG census tract have brought new property owners to the city unexpectedly impacting the neighborhoods with numerous foreclosures. Blight is evident in newer neighborhoods and as a result, investors and first time home owners are contacting this office to complain of the blight. An additional 683 acres have been added to the CDBG eligible census tract last year with a considerable amount of additional blight which is being addressed at a slower pace than expected.

2. Need (Explain why project is needed):

For most of the past three (3) decades, neighborhoods in CDBG eligible census tract were largely ignored and major capital projects were focused in wealthier areas of the City. The strategy for the problems in these older neighborhoods can best be described as one of containment. The problems were acknowledged but attempts were made to keep them "localized" so they wouldn't spread to the west side of Madera. The consequences of this strategy were predictable and property values declined.

Property maintenance standards have a significant impact on private investment decisions. Due to decades of neglect, many of our CDBG neighborhoods have residents who are there by necessity and not by choice. Property values are lower and yet the percentage of renter occupied units (49.0%) are lower than the number of owner-occupied units (51.0%). Code enforcement staff has been instrumental in slowly decreasing the disinvestment of property owners and stimulating reinvestment into their neighborhoods. Additionally, if code enforcement ceases this activity, then we can expect citizens to pack up and move to a more satisfactory environment or stoically accept their living conditions as they decrease and fall back into a blighted slum.

A majority of the structures within the eligible census tracts were constructed prior to 1970. Over time, families with higher incomes tended to invest in newer subdivisions being developed to the west. The advent of the housing boom has resulted in those families moving into new subdivisions in the north, south and east sides of the city. Many of those were failed ventures resulting in the loss of homes due to foreclosures.

3. **Estimated Cost of Project – \$462,000.00 requested Funding**
and source of estimate (if available): Attached is the preliminary budget for 2012/2013.

<u>Code Enforcement Personnel</u>	<u>FTE 12</u>	<u>FTE 13</u>	<u>Budget FY 11-12</u>	<u>Budget FY 12-13</u>	<u>% Increase</u>	<u>% Time in CDBG Tracks</u>	<u>Projected \$ CDBG Tracks</u>
Coordinator Position	1	0	102,640	-	-100.0%	49%	\$ -
Graffiti Personnel	5	2	329,346	135,004	-59.0%	78%	\$ 105,265
Neighborhood Revitalization Specialist	6	4	449,352	313,051	-30.3%	48%	\$ 149,815
Neighborhood Outreach Specialist	2	2	123,068	91,729	-25.5%	53%	\$ 48,625
PT Code Enforcement Consultant	1.5	4.0	59,315	159,660	169.2%	48%	\$ 76,637
Office Assistant	2.5	1.5	113,810	68,972	-39.4%	66%	\$ 45,547
PT Office Assistant	.5	.5	12,873	12,873	0.0%	48%	\$ 6,144
Maintenance and Operations			397,731	394,746	-0.8%	56%	\$ 221,465
TOTAL	18.5	14	\$ 1,588,133	\$ 1,176,035			\$ 653,499

The projected expenditure of funds in the CDBG tracks will cost \$653,499.00. The percentage of each employee's cost is indicated as to the percentage of their salary within the CDBG tracks. The requested funding is \$462,000.00 to cover a significant portion of the department's costs of salaries, maintenance and operations in the CDBG tracks. The two positions listed as "Neighborhood Outreach Specialists" are currently existing positions specifically designed and actively involved in the development of the Block Leadership, Anti-Graffiti and Downtown Revitalization Programs. These two positions coincide with HUD's overall strategic neighborhood approach by encouraging participation of all of the stakeholders, particularly residents, in the development of a more comprehensive revitalization strategy where we bring in all of the affected parties into the process from the beginning, thus gaining their trust and garnering needed financial support.

The chart on the following page shows the total percentage requested from CDBG sources. The other sources of funding are indicative of non-CDBG activities but which are used for leveraging purposes and contribute to the entire city blight reduction activities. These include Abandoned Vehicle Service Authority, Waste Tire Grants for waste tire clean-up and waste tire amnesty events, City General Funds for activities in the non-CDBG areas, Fine and Penalties used for training and to off-set what the budget cannot sustain, such as equipment and safety supplies.

Code Enforcement Funding	Budget FY 11-12	Budget 12-13	% Increase
CDBG ¹	\$ 590,617	462,000	-22%
AVA	48,000	48,000	0%
Tire Grants	94,976	91,965	-3%
City General Fund ²	259,070	259,070	0%
Fines & Penalties	290,000	290,000	0%
Vacant Building Ordinance	18,000	-	-100%
Graffiti Ordinance	-	-	
Yard Sale Ordinance	2,500	-	-100%
Abandoned Property Registration Fees	25,000	25,000	0%
Redevelopment Agency ³	259,070	-	-100%
Total	\$1,588,133	\$1,176,035	

¹ CDBG funds salaries only.

² City General Fund pays for salaries & administrative transfer.

³ Redevelopment Agency funded primarily M&O, small portion of salaries

⁴ Based on time allocation (Jul-Dec 2011)

Activities we do that are not CDBG Funded but compliment CDBG Funded Activities

<u>Activity</u>	<u>Fund Source</u>
• Graffiti abatement (outside CDBG area)	General Fund
• Public nuisance enforcement (outside CDBG area)	RDA
• Substandard housing enforcement (outside CDBG area)	RDA/Gen Fund
• Abandoned vehicle abatement (outside CDBG area)	General Fund
• Zoning enforcement	Fines/Penalties
• Uniform Building Code enforcement	Fines/Penalties
• Uniform Fire Code enforcement	Fines/Penalties
• Pressure washing sidewalks (Downtown /City Hall)	General Fund
• Alley Clean up/Dumping Fees	General Fund
• School presentations	General Fund
• Storm Assistance to Public Works	General Fund
• Assist City-wide Curbside Clean-up	General Fund
• Clean-up homeless camps under bridges	General Fund
• Trash pick up/Vacant lots	General Fund
• Television pick up	General Fund
• Shopping carts removal	General Fund

4. **Timetable**

The starting date for the activity is July 1, 2011.

C. **ENVIRONMENTAL IMPACTS**

Not applicable.

D. **PROGRAM ELIGIBILITY**

To be eligible for funding, a project must either benefit low and moderate-income persons or prevent/eliminate slums or blight. Indicate how the proposed project meets this requirement. Projects that primarily benefit handicapped or senior citizens meet the criteria for benefiting low and moderate-income persons.

1. **Primarily benefits low and moderate income persons.**

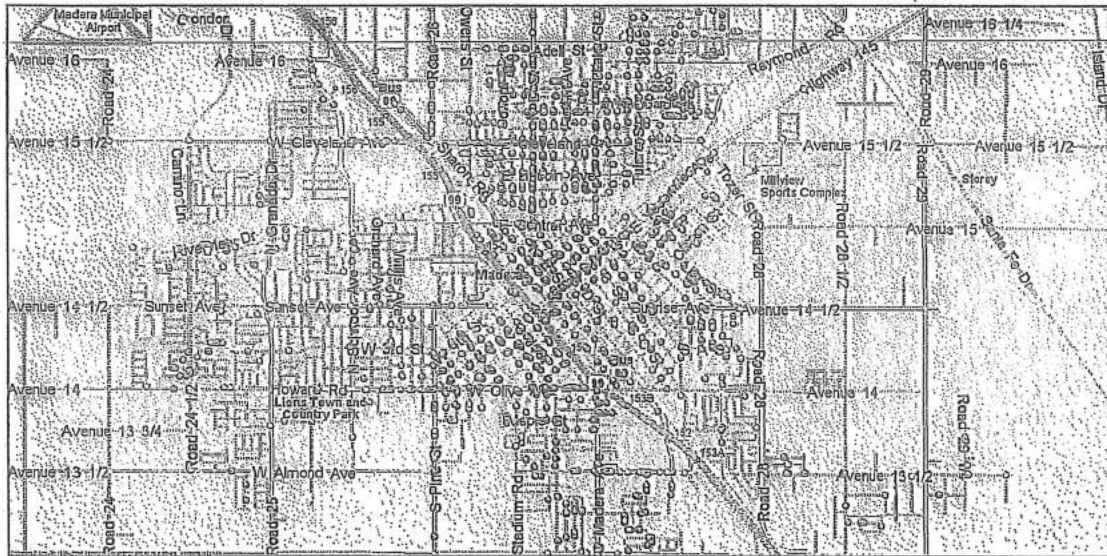
a) **Number of persons served annually:**

Code enforcement occurs city-wide, however, activities have been heavily concentrated in CDBG eligible census tracts where significant numbers of very low, low and moderate income residents are known to reside. (*Census data FFIEC 2009 Census file.*)

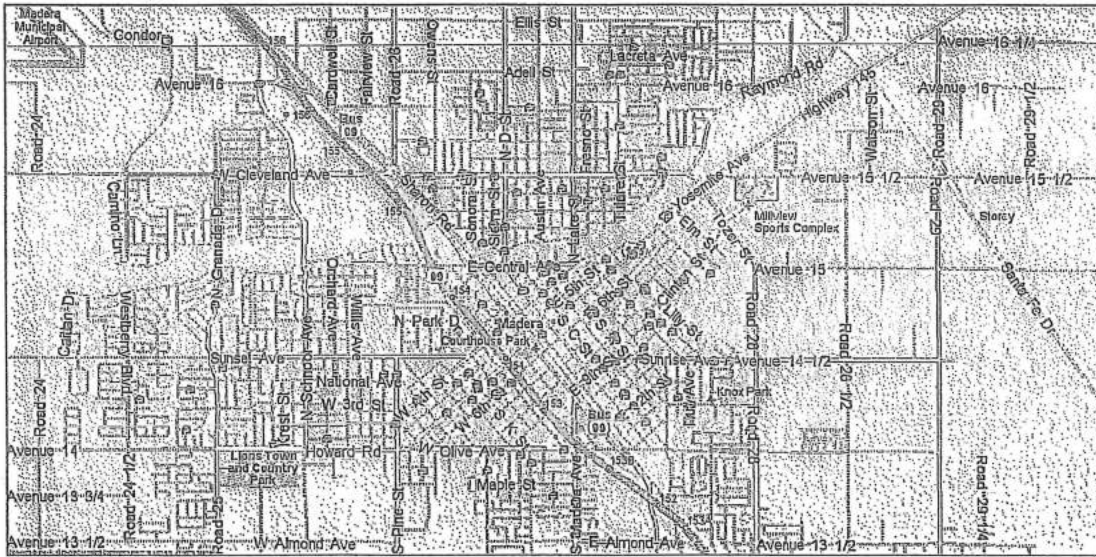
CDBG Census Tract	Number of Units	Population	Median Income
5.02	2,581	9,513	\$44,044
6.01	2,557	9,330	\$34,836
6.02	1,252	4,600	\$28,363
8	2,037	6,711	\$29,846
9	1,898	7,821	\$28,728
Total	10,325	37,975	

The pin maps on the following pages provide a visual representation of the location of department activities.

Graffiti Pin Map



Substandard Housing Pin Map



Substandard housing is a dwelling unit that is either dilapidated or unsafe, thus endangering the health and safety of the occupant, or that does not have adequate plumbing or heating facilities. The effect of substandard housing is the reduction of habitable housing stock within the community, a potential hazard and nuisance and the reduction of property values. The result of substandard housing abatement in the community is the retention of habitable housing stock and stable property values.

Assumption: The total households served and impacted have been 656, assuming an average of 8 homes per street where the substandard home was removed.

In CDBG 6.01 there are 2,557 housing units and 9,330 residents. Between February 1, 2011 to January 2012, there have been 12 substandard housing incidents removed, thus serving 96 households within this census tract.

In CDBG 6.02 there are 1,252 housing units and 4,600 residents. Between February 1, 2011 to January 2012, there have been 14 incidences removed, thus serving 112 households within this census tract.

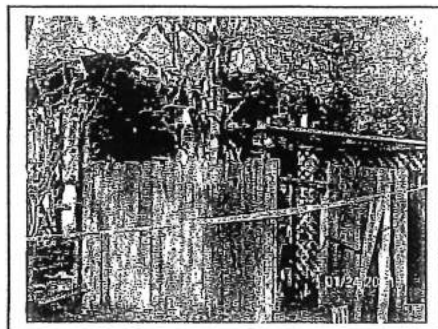
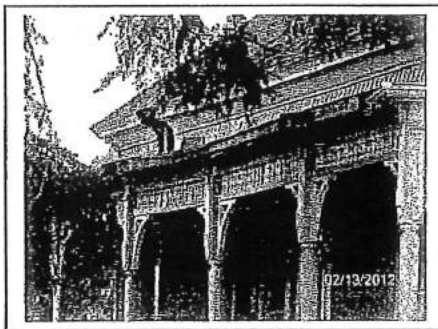
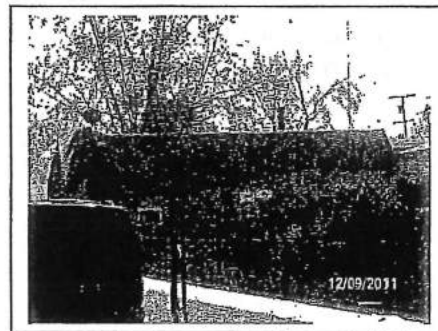
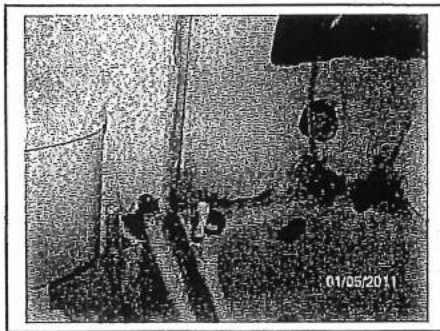
In CDBG 8 there are 2,037 housing units and 6,711 residents. Between February 1, 2011 to January 2012, there have been 28 substandard incidences removed, thus serving 224 households within this census tract.

In CDBG 9 there are 1,898 housing units and 7,821 residents. Between February 1, 2011 to January 2012, there have been 24 substandard incidences removed, thus serving 192 households within this census tract.

In CDBG 5.02 there are 2,581 housing units and 9,513 residents. Between February 1, 2011 to January 2012, there have been 4 substandard incidences removed, thus serving 32 households within this census tract.

Census Tract	Units in Need of Rehabilitation	Dilapidated Units	Percent of Total Rehabilitation	Rehabilitation Need as of % of Total Housing Units
5.02	110	4	4.5	1.1
5.03	8	1	0.3	0.1
5.04	0	0	0.0	0.0
5.05	0	0	0.0	0.0
6.01	223	4	9.0	2.2
6.02	518	5	21.0	5.1
7.00	231	0	9.4	2.3
8.00	647	7	26.2	6.4
9.00	732	26	29.6	7.2
Total	2,469	52	100.0	24.3

City of Madera 2003 Housing Element



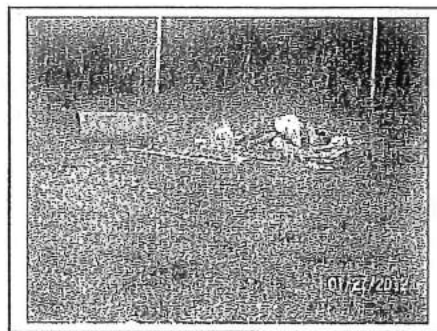
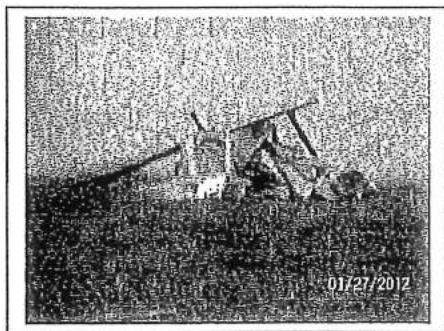
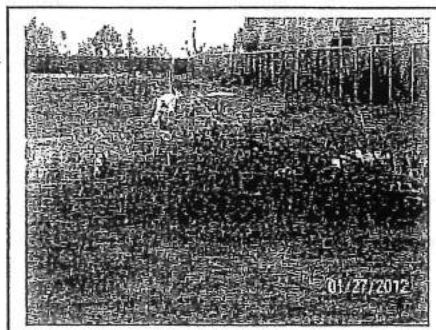
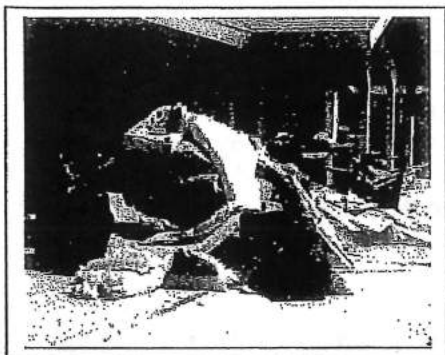
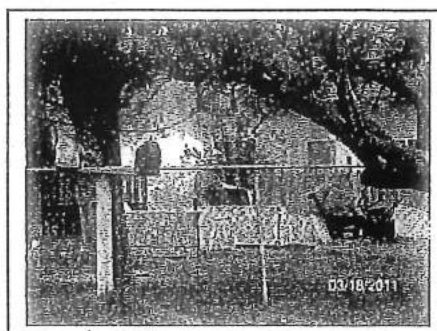
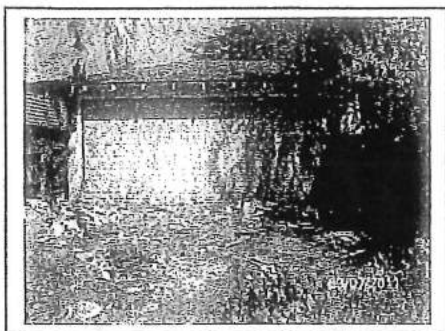
This is a detailed street map of Madera, California. The map shows a dense network of streets, including major thoroughfares like Highway 99 (State Route 99) running north-south and Highway 205 (State Route 205) running east-west. Other significant roads include Highway 198 (State Route 198) and Highway 16 (State Route 16). The map also depicts various landmarks and facilities, such as the Madera Municipal Airport in the northwest, the Madera Sports Complex in the east, and the Madera Community Center in the center. The map is oriented with North at the top, and the city's layout is characterized by a grid system with streets labeled by name and number.

Assumption: The total households served in this census tract amount to 3,476 assuming an average of 8 homes per street where the public nuisance was removed. When staff inspects these neighborhoods, it is usually either of the two sides or the front household which complains. When staff investigates, it is apparent that the two side households and one to the front are impacted by the blight.

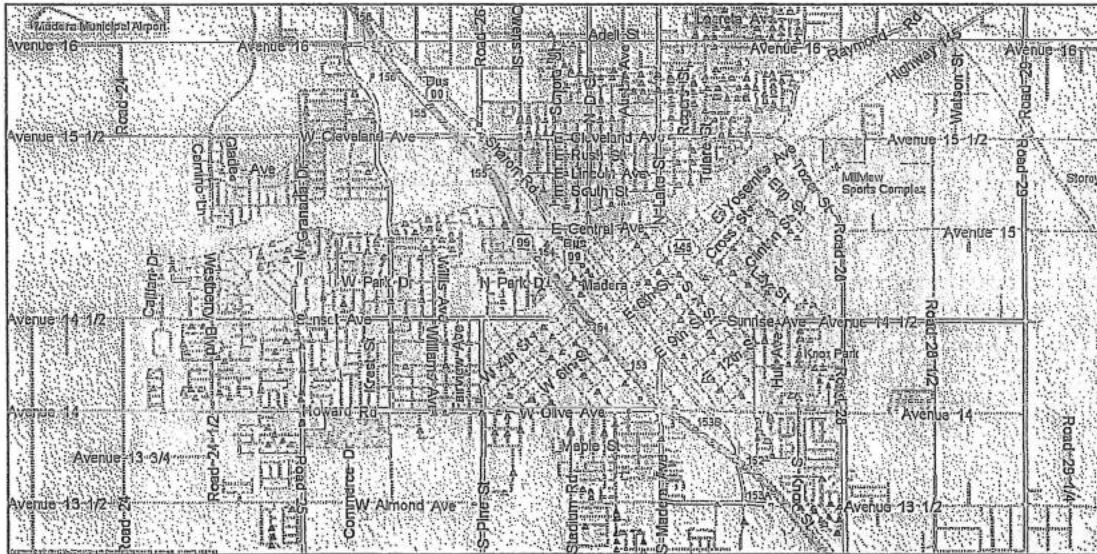
In CDBG 6.02 there are 1,252 housing units and 4,600 residents. Between February 1, 2011 to January 2012, there have been 148 public nuisance incidences removed, thus serving all 1,252 households within this census tract.

In CDBG 9 there are 1,898 housing units and 7,821 residents. Between February 1, 2011 to January 2012, there have been 65 public nuisance incidences removed, thus serving 520 households within this census tract.

In CDBG 5.02 there are 2,581 housing units and 9,513 residents. Between February 1, 2011 to January 2012, there have been 39 public nuisance incidences removed, thus serving 312 households within this census tract.



Inoperable Vehicles Pin Map



The accumulation and storage of abandoned, wrecked, dismantled, or inoperative vehicles, or parts thereof, on private or public property is found to create a condition tending to reduce the value of private property, promotes blight and deterioration, invites plundering, creates fire hazards, to constitute an attractive nuisance creating a hazard to the health and safety of minors, creates a harborage for rodents and insects, and is found to be injurious to the health, safety and general welfare.

Assumption: Due to the geographic distribution of abandoned and wrecked vehicle incidences and impact of abandoned vehicles as a blight condition, it is assumed that all residents of this census tract benefited from this activity.

In CDBG 6.01 there are 2,557 housing units and 9,330 residents. Between February 1, 2011 to January 2012, there have been 284 abandoned vehicles removed, thus serving all households within this census tract.

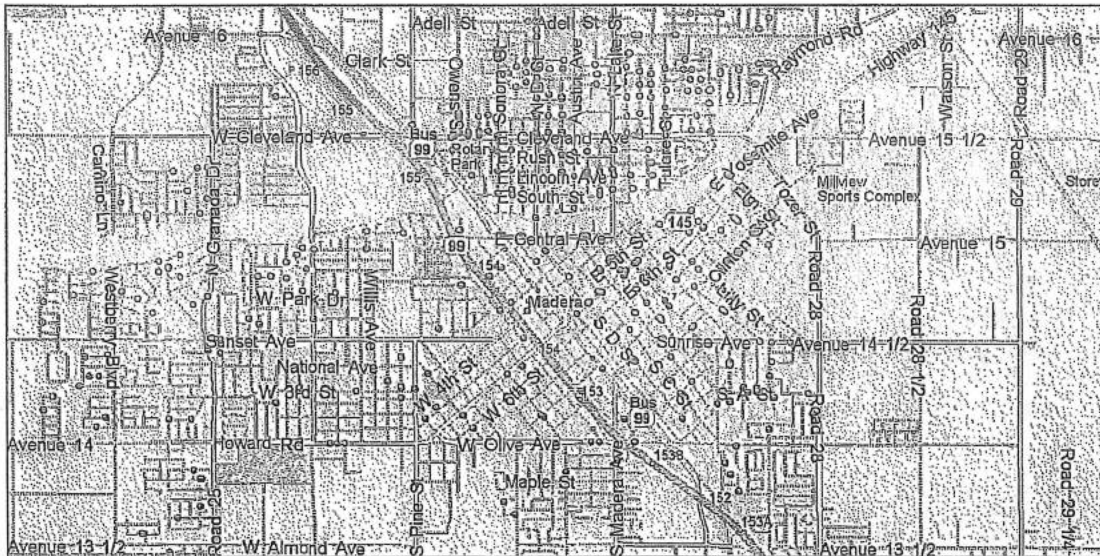
In CDBG 6.02 there are 1,252 housing units and 4,600 residents. Between February 1, 2011 to January 2012, there have been 65 abandoned vehicles removed, thus serving all households within this census tract.

In CDBG 8 there are 2,037 housing units and 6,711 residents. Between February 1, 2011 to January 2012, there have been 78 abandoned vehicles removed, thus serving all households within this census tract.

In CDBG 9 there are 1,898 housing units and 7,821. Between February 1, 2011 to January 2012, there have been 197 abandoned vehicles removed, thus serving all households within this census tract.

In CDBG 5.02 there are 2,581 housing units and 9513 residents. Between February 1, 2011 to January 2012, there have been 63 abandoned vehicles removed, thus serving all households within this census tract.

Zoning Violations Pin Map



A Zone district is a portion of the city within which certain uses of land and buildings are permitted or prohibited and within which certain yards and other open spaces are required and certain height limitations are established for buildings. Any building or structure set up, erected, constructed, operated, or maintained contrary to the provisions of the zoning ordinance are declared unlawful and a public nuisance. The effect of zoning violations restricts the viable use of private property within the community, a potential health and safety hazard. The result of zoning violations abatement in the community is the retention of properties most efficient use and the reduction of blight and health and safety hazards.

Assumption: The total amount of households affected and impacted by zoning violation removal totals 3,248 assuming an average of 8 homes per street where the zoning violation was removed.

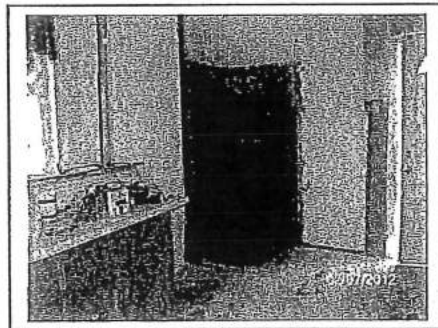
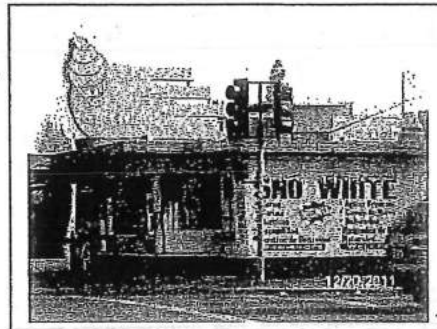
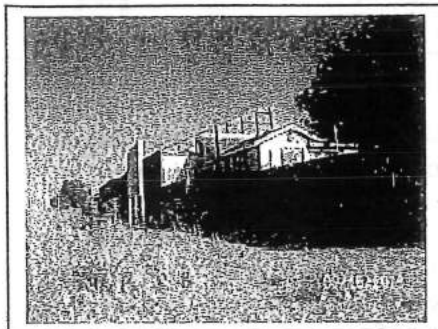
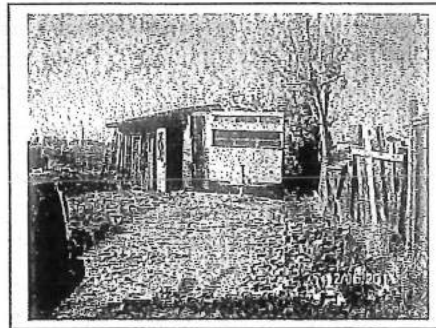
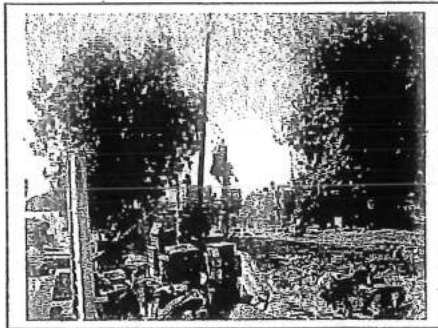
In CDBG 6.01 there are 2,557 housing units and 9,330 residents. Between February 1, 2011 to January 2012, there have been 158 zoning incidences removed, thus serving 1,264 households within this census tract.

In CDBG 6.02 there are 1,252 housing units and 4,600 residents. Between February 1, 2011 to January 2012, there have been 37 zoning incidences removed, thus serving 296 households within this census tract.

In CDBG 8 there are 2,037 housing units and 6,711 residents. Between February 1, 2011 to January 2012, there have been 72 zoning incidences removed, thus serving 576 households within this census tract.

In CDBG 9 there are 1,898 housing units and 7,821. Between February 1, 2011 to January 2012, there have been 104 zoning incidences removed, thus serving 832 households within this census tract.

In CDBG 5.02 there are 2,581 housing units and 9,513 residents. Between February 1, 2011 to January 2012, there have been 35 zoning incidences removed, thus serving 280 households within this census tract.



b) Number of City residents served annually

According to the City of Madera 2008 Draft Housing Element, there are 34,433 residents in CDBG census tracts and 56,710 residents city wide. According to the U.S. Department of

Finance, as of January 1, 2010, there are 61,416 residents city wide. Historically, CDBG census tracts account for 72% of our department's activities. This is illustrated as follows:

Code Enforcement Activities
2002 to Present

Activities	CDBG Areas	Non-CDBG Areas
Abandoned Vehicles	5,701 (71%)	2,275 (29%)
Graffiti	93,721 (82%)	20,760 (18%)
Public Nuisance	4,044 (78%)	1,130 (22%)
Tires	41,811 (89%)	4,462 (11%)

The entire City benefits even though Code Enforcement activities tend to be focused in CDBG census tracts. The pin-maps clearly show the assortment of violations one would encounter throughout Madera. This impacts both the image and self-esteem of our residents. If the violations are not addressed, it will impact our ability to attract new private investment (including sales tax generators) to the area. Ultimately this can impact (positively or negatively) available funding for other City services.

Total City residents served is 61,416.

2. How will the proposed project prevent or eliminate slums or blight?

Section 33031 of the Public Health and Safety Code provides a specific definition of blight. It is as follows:

Physical Conditions (subdivision (a)):

- (i) Building which are unsafe or unhealthy for persons to live or work
- (ii) Factors that substantially hinder the economically viable use of lots or buildings
- (iii) Incompatible adjacent or nearby uses which prevent economic development
- (iv) Subdivided lots of irregular form and shape and inadequate size for property usefulness and development that are in multiple ownership.

Economic Conditions (subdivision (b)):

- (i) Depreciated or stagnant property values or impaired investments, including, but not limited to, the existence of hazardous wastes.
- (ii) High business vacancies, low lease rates, high turnover rates, abandoned buildings, vacant lots within an area developed for urban use and served by utilities.
- (iii) A lack of necessary commercial facilities usually found, such as banks, grocery stores, etc.
- (iv) Residential overcrowding or an excess of bars or liquor stores or adult uses which have led to problems of public safety or welfare.
- (v) A high crime rate that constitutes a serious threat to public safety and welfare.

The activities of the Neighborhood Revitalization Program are specifically targeting economic and physical conditions of blight. Activities have focused on the following area.

1. Graffiti

There are two (2) types of graffiti in Madera. The first is "gang graffiti" which relates to specific gangs. The second is "tagger" graffiti that relates to a particular person or crew. Graffiti impacts the economic condition of blight in that it indicates a disenfranchisement of the neighborhood to their community. The prevalence of graffiti sends a message to both residents and visitors. If it is not abated it becomes an indicator that crime, poverty and poor property maintenance is a commonly accepted practice. Ultimately it becomes a disincentive for private investment and negatively impacts property values.

Approximately 90% of the graffiti in Madera can be attributed to taggers. There are 15-20 "hot spots" within the City. It is our goal to eliminate graffiti within 48 hours of a report being filed. We have reduced over 80% of the graffiti tags within the city limits within the past two years. It is our goal to reduce 95% of the graffiti tags within the next five years, thus reducing incidents of blight and criminal activity through development of at least thirty (30) dedicated neighborhood networks this year, educational presentations, continual collaborative efforts to identify, quantify and locate graffiti gangs and taggers to arrest, convict and punish them for graffiti activities; make all parents and guardians of graffiti taggers fully responsible for the actions of their children as allowed in California State Civil Code.

2. Abandoned Vehicles

A major part of urban blight involves problems with discarded, abandoned or neglected vehicles. This includes the never-ending repair or restoration project. A pattern of disinvestment occurs when the cityscape becomes a scattering of abandoned vehicles.

Abandoned vehicles become a target of vandals, dangerous to children and a home to rodents and stray animals. They usually have some amounts of old gasoline and oil, often leaking onto the ground and into the sewer or storm drainage facilities.

Much like waste tires, abandoned vehicles are a consumer issue where the older vehicles become too expensive to repair. They are discarded alongside the roadway or upon a driveway in public view and a newer vehicle replaces the discarded vehicle. This compounds the abandoned vehicle issue and we educate the public along with the issuance of a notice of violation and an explanation of the law when they are available to discuss the issue. Our goal is to sufficiently educate neighborhood block leaders and residents so they can become self-enforcing throughout the city.

3. Substandard Buildings

Substandard and vacant buildings have a negative and immediate impact on the value of surrounding properties. They intend to discourage new private investment in the neighborhoods where they are located. Substandard dwellings are both a health & safety issue and a direct crime to landlords and property owners. They produce more evident problems such as rodents, cockroaches, bed bugs (a recent rise in occurrence), respiratory illnesses due to water intrusion by evidence of mildew, rotting sheetrock, wood-rot, and waterlogged window-sills. According

to the recent release census data, there are over 7,500 rentals consisting of single-family and multi-family units, most of which are over twenty (20) years or older with much needed attention. We have been reviewing how most other cities nationally and within California have dealt with this issue and we have made a finding that unless rental units are locally regulated, most landlords put minimal reinvestment into their units while collecting considerable rent from unsuspecting tenants. We have also found that most tenants will not contact local authorities for fear of landlord reprisal. Most of these regulatory programs are fee based, educational and affect only the worst violators of substandard housing law. Such a program would parallel with HUD's strategic objectives by eliminating slums and blight; preventing deterioration of property; and expanding and improving the quantity and quality of public services principally for low and moderate-income persons.

During the past year, abatement occurred at two (2) properties within CDBG census tracts. Activities ranged from court-ordered board-overs to demolition.

4. Conditions of Weeds, Trash, Junk and Debris

It is unlawful for any owner or occupant to permit the accumulation of rubbish, trash, solid waste or excessive trash or debris on their property. Excessive debris includes discarded furniture/appliances, scrap building materials, motor vehicle parts, tires or plant material/weeds. This blight is considered a physical blight which attributes a theme of economic blight to the neighborhood. It can start with one yard, and unless the problem is immediately resolved, the rest of the neighborhood may be affected.

During the past fiscal year 2011/2012, department actions led to removal of 339 tons of debris. In some cases, the property owner removed the debris but most of the tonnage was removed with public funding with liens being placed on the property. In every case the blighted condition was having a negative impact on surrounding property values.

5. The number of foreclosed properties has grown in all census tracks throughout the City, adding blight throughout the surrounding neighborhoods. Unemployment has reached an all time high of 21% subtracting from a proportionate amount of residents ability to reinvest in their neighborhoods. Vacant/derelict lots, graffiti, abandoned structures and abandoned vehicles contribute to the distress and deterioration of CDBG Census Tract neighborhoods. Trash infested vacant structures, vacant lots piled with trash and debris and junked cars diminish the quality of life and lower surrounding property values. Nine (9) years of proactive code enforcement have not overcome three (3) decades of neglect. Absent public intervention and CDBG funding, conditions of physical blight will accelerate and property values will continue to decline. As property values decline, so does the will of the tenant and landlord to continue their investment to these neighborhoods, thus, an economic blight ensues alongside the physical blight. Therefore, code enforcement's first and foremost efforts must be aimed at reversing this trend within the CDBG census tracts by working with and partnering with community neighborhood groups to develop the interest of reinvestment.

E. CITIZEN PARTICIPATION

1. There has been considerable citizen support for Neighborhood Revitalization activities as evidenced by the following:

- a) 471 Graffiti Removal Consent forms were signed by property owners allowing staff to remove graffiti from private property when present.
- b) North Kennedy Estates neighborhood network established their first neighborhood watch with the assistance of the Madera Police Department.
- c) CDBG census tract 6.01, Sanarita neighborhood network established a citizens group of ten (10) households and activated their first neighborhood watch and have held neighborhood meetings to identify needs and services to assist residents in the area to curb blight in their neighborhood.
- d) CDBG census tract 6.01 Mission Street neighborhood network initially consisting of four (4) households have held one (1) neighborhood meeting to attempt a solution to curbing crime.
- e) CDBG census tract 5.02 Monterey Street neighborhood network composed of five (5) households have held three (3) meetings to set up a neighborhood watch group for safety concerns and to curb blight caused by graffiti.
- f) CDBG census tract 9 South B Street neighborhood network consist of eight (8) households and have met ten (10) times and are concerned with crime, youth problems, and blight caused by graffiti.
- g) CDBG census tract 6.02 Wessmith Way neighborhood network impact seventeen (17) householders who are concerned with local crime and vandalism caused by graffiti and have held two (2) meetings.
- h) CDBG census tract 9 Vista Del Sierra neighborhood network have ten (10) households with twelve (12) residents have met three (3) times and are concerned with setting up a neighborhood watch and have participated in National Trio Day activities.
- i) Neighborhood Network meetings are being held amongst eleven (11) other neighborhood networks in non-CDBG eligible neighborhoods with the main concern of curbing criminal activity and blight caused by graffiti vandalism within their neighborhoods.

The strategic plan of this program is to reverse blight and disinvestment; preserve and build clean and safe neighborhoods, and to create opportunities for development and reinvestment.

2. Note complaints that have been received.

17,215 complaints have been received regarding code enforcement and graffiti complaints since 2002.

3. Evidence of collaboration with other agencies within the community.

Collaborative efforts occurred on the following projects:

- a) Graffiti Education and Eradication Program

- (1) Mayor Brett Frazier, Mayor Pro Tem Andy Medellin, Council members Robert Poythress, Sally Bompreszi, and Gary Svanda.
 - (2) Third Grade students at Alpha, John Adams, Berenda, Ceasar Chavez, Parkwood, and Desmond Elementary Schools.
 - (3) Presentations made
 - Madera Breakfast Lions
 - Madera Evening Lions
 - Latinas Unidas
 - Madera High School PTA
 - Club Yes-Sierra Vista
 - Madera Interact
 - Madera Unified Teachers Association
 - (4) Monthly meetings with twenty (20) participating agencies
 - California Highway Patrol
 - Caltrans
 - Chowchilla Police Department
 - City of Madera Parks & Community Services
 - City of Madera Building Department
 - City of Madera Neighborhood Revitalization
 - City of Madera Public Works Department
 - City of Madera Solid Waste Department
 - Madera Chamber of Commerce
 - Madera County Code Enforcement Department
 - Madera County District Attorney's Office
 - Madera County Economic Development Commission
 - Madera County Farm Bureau
 - Madera County Office of Education
 - Madera County Probation Department
 - Madera Irrigation District
 - Madera Police Department
 - Madera Unified School District
 - Pacific Gas & Electric
 - Resource Management Agency
 - (5) 79 Public presentations have been made to inform and educate the public concerning graffiti and reinvestment into their community.
- b) Tire Amnesty Day
- (1) Madera County RMA
 - (2) Board of Supervisors
 - (3) Probation (Boot Camp)
 - (4) Sheriff (COPS Program)
 - (5) City of Chowchilla
 - (6) Madera District Fairgrounds
 - (7) Madera Rescue Mission
 - (8) Madera Farm Bureau
- c) National Trio Day/Riverwalk Improvement Project
- (1) Madera Community College

- (2) Madera Center – Americorp – Monica Nolasco
- (3) Madera Parks and Recreation Department
- d) Abandoned Vehicle Authority
 - (1) Madera County RMA
 - (2) Madera County Counsel
 - (3) California Highway Patrol
 - (4) Department of Motor Vehicles
 - (5) City of Chowchilla
 - (6) Brent Richardson, City Attorney
- e) Fourth Street Church of God Faith based community service
 - (1) Fourth Street Church of God volunteers
- f) Substandard Property Inspections
 - (1) City Building Division
 - (2) Madera County Environmental Health
 - (3) San Joaquin Valley Air Pollution Control District
 - (4) Brent Richardson, City Attorney

CITY OF MADERA

Quarterly Activity Report

Contract Period: July 1, 2012 to June 30, 2013

NAME OF ORGANIZATION: Successor Agency to the Former Madera
Redevelopment Agency
428 East Yosemite
Madera, CA 93638

PROJECT TITLE: Code Enforcement/Graffiti Removal

QUARTER AND YEAR OF REPORT: _____, 20__

I. CLIENT INFORMATION:

1. Total number of incidents (code and graffiti) this quarter: _____
2. Number of unduplicated incidents (code and graffiti) this quarter: _____
3. Number of unduplicated incidents (code and graffiti) year-to-date: _____
4. Number of incidents not addressed this quarter: _____

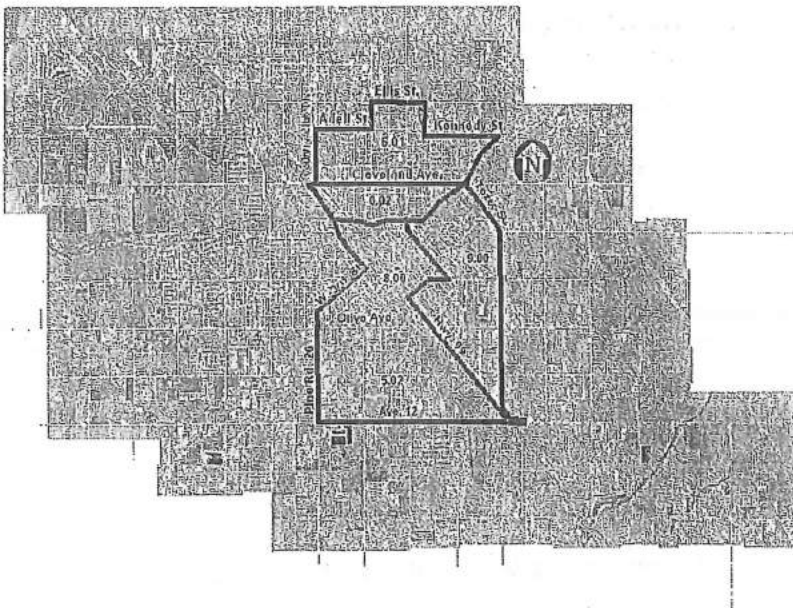
Reason(s) incidents were not addressed:

**DEMOGRAPHIC INFORMATION OF THE INCIDENTS ADDRESSED THIS
QUARTER: (Items 5 through 10.)**

5. Type of Incident: Code Enforcement: _____ Graffiti Removal: _____
6. ZIP Code: 93637 _____ 93638 _____

Exhibit A -1

10. Census Tract:



5.02 ____ 6.01 ____ 6.02 ____ 8.00 ____ 9.00 ____

Note: To locate an address's Census Tract, enter the address, city, state and zip code at <http://factfinder.census.gov/servlet/AGSGeoAddressServlet>. The Census Tract number will be located in the results window.

II. LONG RANGE OBJECTIVES:

Exhibit A -1

III. SHORT RANGE OBJECTIVES:

IV. SPECIFIC ACTIVITIES:

V. OPERATION NARRATIVE:

**RETURN ACTIVITY REPORTS BY THE 15TH OF THE MONTH FOLLOWING THE
END OF EACH QUARTER TO:**

**Jorge Antonio Rojas
Program Manager - Grants
CITY OF MADERA
205 West Fourth Street
Madera, CA 93637
Phone: (559) 661-3693
Fax: (559) 674-2972
Email: jrojas@cityofmadera.com**

REPORT PREPARED BY: _____

Date: _____

Exhibit A -1

SOCIAL/PUBLIC SERVICE REQUIREMENTS

- A. Federal Common Rule Requirements, including, but not limited to, Executive Order 11246, as amended by Executive Orders 11375 and 120860 and implementing regulations issued at 41 CFR Chapter 60; Davis-Bacon Act as amended (40 U.S.C. 276 a to a-7 and 29 CFR, Part 5); Copeland "Anti-Kick Back" Act (18 U.S.C. 874 and 29 CFR, Part 3); Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330 and 29 CFR, Part 5); Section 306 of the Clean Air Act (42 U.S.C. 0857 (h); Section 506 of the Clean Water Act (33 U.S.C. 1368); Executive Order 11738; Environmental Protection Agency Regulations (40 CFR Part 15); and applicable sections of 24 CFR 85. Also in the common rule are mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with Energy Policy and Conservation Act (Pub L. 94 - 163).
- B. Office of Management and Budget Circulars No. -21, A-102 revised, A-87, A-110, A-122 and A-128 as they relate to the acceptance and use of Federal funds under this program.
- C. Executive Order 11063, as amended by Executive Order 11259, and implementing regulations at 24 CFR Part 107, as they relate to non-discrimination in housing.
- D. The Architectural Barriers Act of 1968 (42 U.S.C. 4151).
- E. Clean Air Act of 1970 (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).
- F. Bidding requirements contained in the California Public Contracts Code.
- G. The relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) and HUD implementing regulations, 24 CFR Part I as it relates to prohibiting discriminatory action under any activity receiving Federal funds.
- H. Provisions of the California Water Code Section 55350 et. sequens.
- I. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352) and implementing regulations 24 CFR Part I as it relates to prohibiting discriminatory action under any activity receiving Federal funds.
- J. Title VIII of the Civil Rights Act of 1968, (Pub. L. 90-284) as amended and implementing regulations 24 CFR 107 as it relates to fair housing.

EXHIBIT C

- K. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112) as amended and implementing regulations when published for effect as they relate to non-discrimination against the handicapped.
- L. The Age Discrimination Act of 1975, (Pub. L. 94-135) as amended, and implementing regulations contained in 10 CFR Part 1040 and 45 CFR Part 90.
- M. The lead based paint requirements of 24 CFR Part 35 Subpart B issued pursuant to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.).
- N. Section 109 of the Housing and Community Development Act of 1974, as amended, and the regulations issued pursuant thereto (24 CFR Section 570.601) as it relates to prohibiting discriminatory actions and activities funded by Community Development Funds.
- O. Section 3 of the Housing and Urban Development Act of 1968, as amended and implementing regulations at 24 CFR Part 135.
- P. Executive Order 11988 relating to the evaluation of flood hazards and Executive Order 11288 relating to the prevention, control and abatement of water pollution.
- Q. The flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234).
- R. No member, officer or employee of the Grantee, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, and that it shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this certification.
- S. Additionally, all conflict requirements noted in 24 CFR 570.611 shall be complied with by all parties.
- T. Title I of Section 104(b)(5) of the Housing and Community Development Act as amended and implementing regulations at 24 CFRE 570.200 relating to Special Assessments.
- U. Section 106 of the National Historic Preservation Act and implementing regulations at 36 CFR Part 800.
- V. The Endangered Species Act of 1973, as amended, and implementing regulations at 50 CFR Part 402.

- W. Title I of the Housing and Community Development Act of 1974, as amended, and implementing regulations contained in 24 CFR Part 570 and in 24 CFR Part 85.
- X The use of CDBG funds by a religious organization shall be subject to those conditions as prescribed by HUD for the use of CDBG funds by religious organizations in accordance with Section 570.200(j) of the Federal CDBG regulations.
- Y. All contracts shall include a "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions" as required by 29 CFR Part 98.

U.S. Department of Housing and Urban Development
COMMUNITY PLANNING AND DEVELOPMENT

Special Attention of:

All Secretary's Representatives
All State/Area Coordinators
All CPD Office Directors
All FHEO Field Offices
All CDBG Grantees

Notice CPD- 00-10

Issued: December 26, 2000

Expires: December 26, 2001

Subject: Accessibility for Persons with Disabilities to Non-Housing Programs funded by Community Development Block Grant Funds -- Section 504 of the Rehabilitation Act of 1973, the Americans With Disabilities Act, and the Architectural Barriers Act

I. Purpose

The purpose of this Notice is to remind recipients of Federal funds under the Community Development Block Grant (CDBG) Program of their obligation to comply with Section 504 of the Rehabilitation Act of 1973, HUD's implementing regulations (24 CFR Part 8), the Americans with Disabilities Act, (ADA) and its implementing regulations, (28 CFR Parts 35, 36), and the Architectural Barriers Act (ABA) and its implementing regulations (24 CFR Parts 40, 41) in connection with recipients' non-housing programs. This Notice describes key compliance elements for non-housing programs and facilities assisted under the CDBG programs. However, recipients should review the specific provisions of the ADA, Section 504, the ABA, and their implementing regulations in order to assure that their programs are administered in full compliance.

Applicability

This Notice applies to all non-housing programs and facilities assisted with Community Development Block Grant Funds (e.g. public facilities and public improvements, commercial buildings, office buildings, and other non-residential buildings) and facilities in which CDBG activities are undertaken (e.g., public services). A separate Notice is being issued concerning Federal accessibility requirements for housing programs assisted by recipients of CDBG and HOME program funds.

II. Section 504 of the Rehabilitation Act of 1973

Section 504 of the Rehabilitation Act of 1973, as amended, provides "No otherwise qualified individual with a disability in the United States ... shall, solely by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance...". HUD's regulations implementing the Section 504 requirements can be found at 24 CFR Part 8.

Distribution: W-3-1

EXHIBIT D

Part 8 requires that recipients ensure that their programs are accessible to and usable by persons with disabilities. Part 8 also prohibits recipients from employment discrimination based upon disability.

The Section 504 regulations define "recipient" as any State or its political subdivision, any instrumentality of a State or its political subdivision, any public or private agency, institution organization, or other entity or any person to which Federal financial assistance is extended for any program or activity directly or through another recipient, including any successor, assignee, or transferee of a recipient, but excluding the ultimate beneficiary of the assistance. (24 CFR §8.3) For the purposes of Part 8, recipients include States and localities that are grantees and subgrantees under the CDBG program, their subrecipients, community-based development organizations, businesses, and any other entity that receives CDBG assistance, but not low and moderate income beneficiaries of the program. CDBG grantees are responsible for establishing policies and practices that they will use to monitor compliance of all covered programs, activities, or work performed by their subrecipients, contractors, subcontractors, management agents, etc.

Non-housing Programs

New Construction -- Part 8 requires that new non-housing facilities constructed by recipients of Federal financial assistance shall be designed and constructed to be readily accessible to and usable by persons with disabilities. (24 CFR §8.21(a))

Alterations to facilities -- Part 8 requires to the maximum extent feasible, that recipients make alterations to existing non-housing facilities to ensure that such facilities are readily accessible to and usable by individuals with disabilities. An element of an existing non-housing facility need not be made accessible, if doing so, would impose undue financial and administrative burdens on the operation of the recipients program or activity. (24 CFR §8.21 (b))

Existing non-housing facilities - A recipient is obligated to operate each non-housing program or activity so that, when viewed in its entirety, the program or activity is readily accessible to and usable by persons with disabilities. (24 CFR §8.21 (c))

Recipients are not necessarily required to make each of their existing non-housing facilities accessible to and usable by persons with disabilities if when viewed in its entirety, the program or activity is readily accessible to and usable by persons with disabilities. 24 CFR §8.21(c)(1) Recipients are also not required to take any action that they can demonstrate would result in a fundamental alteration in the nature of its program or activity or cause an undue administrative and financial burden. However, recipients are still required to take other actions that would not result in such alterations, but would nevertheless ensure that persons with disabilities receive the benefits and services of the program. (24 CFR §8.21(c)(iii))

Historic Preservation - Recipients are not required to take any actions that would result in a substantial impairment of significant historic features of an historic property. However, in such cases where a physical alteration is not required, the recipient is still obligated to use alternative means to achieve program accessibility, including using audio-visual materials and devices to depict those portions of

an historic property that cannot be made accessible, assigning persons to guide persons with disabilities into or through portions of historic properties that cannot be made accessible, or otherwise adopting other innovative methods so that individuals with disabilities can still benefit from the program. (24CFR §8.21(c)(2)(ii))

Accessibility Standards

Design, construction, or alteration of facilities in conformance with the Uniform Federal Accessibility Standards (UFAS) is deemed to comply with the accessibility requirements for nonhousing facilities. Recipients may depart from particular technical and scoping requirements of UFAS where substantially equivalent or greater accessibility and usability is provided. (24 CFR §8.32) For copies of UFAS, contact the HUD Distribution Center at 1-800-767-7468; deaf, hard of hearing, or speech-impaired persons may access this number via TTY by calling the Federal Information Relay Service at 1-800-877-8339.

Where a property is subject to more than one law or accessibility standard, it is necessary to comply with all applicable requirements. In some cases, it may be possible to do this by complying with the stricter requirement, however, it is also important to ensure that meeting the stricter requirement also meets both the scoping and technical requirements of overlapping laws or standards.

Employment

Section 504 also prohibits discrimination based upon disability in employment. See 24 CFR Part 8, Subpart B.

Section 504 Self Evaluations

The Section 504 regulations required recipients of Federal financial assistance to conduct a self-evaluation of their policies and practices to determine if they were consistent with the law's requirements. This self evaluation was to have been completed no later than July 11, 1989. Title II of the ADA imposed this requirement on all covered public entities. The ADA regulations required that ADA self evaluations be completed by January 26, 1993, although those public entities that had already performed a Section 504 self evaluation were only required to perform a self-evaluation on those policies and practices that had not been included in the Section 504 review.

The regulatory deadlines are long past. However, self-evaluation continues to be an excellent management tool for ensuring that a recipient's current policies and procedures comply with the requirements of Section 504 and the ADA.

Involving persons with disabilities in the self-evaluation process is very beneficial. This will assure the most meaningful result for both the recipient and for persons with disabilities who participate in the recipient's programs and activities. It is important to involve persons and/or organizations representing persons with disabilities, and agencies or other experts who work regularly with accessibility standards.

Important steps in conducting a self-evaluation and implementing its results include the following:

- Evaluate current policies and practices and analyze them to determine if they adversely affect the full participation of individuals with disabilities in its programs, activities and services. Be mindful of the fact that a policy or practice may appear neutral on its face, but may have a discriminatory effect on individuals with disabilities.
- Modify any policies and practices that are not or may not be in compliance with Section 504 or Title II and Title III of the ADA regulations. (See 24 CFR Part 8 and 28 CFR Parts 35, 36.)
- Take appropriate corrective steps to remedy those policies and practices which either are discriminatory or have a discriminatory effect. Develop policies and procedures by which persons with disabilities may request a modification of a physical barrier or a rule or practice that has the effect of limiting or excluding a person with a disability from the benefits of the program.
- Document the self-evaluation process and activities. The Department recommends that all recipients keep the self-evaluation on file for at least three years, including records of the individuals and organizations consulted, areas examined and problems identified, and document modifications and remedial steps, as an aid to meeting the requirement at 24 CFR Part 8.55.

The Department also recommends that recipients periodically update the self-evaluation, particularly, for example, if there have been changes in the programs and services of the agency. In addition, public entities covered by Title II of the ADA should review any policies and practices that were not included in their Section 504 self-evaluation and should modify discriminatory policies and practices accordingly.

III. The Americans With Disabilities Act of 1990

The Americans With Disabilities Act of 1990 (ADA) guarantees equal opportunities for persons with disabilities in employment, public accommodations, transportation, State and local government services, and telecommunications. Unlike Section 504 which applies only to programs and activities receiving Federal financial assistance, the ADA applies even if no Federal financial assistance is given.

The U.S. Department of Justice enforces Titles I, II, and III of the ADA, although the Equal Employment Opportunity Commission investigates administrative complaints involving Title I.

Title I prohibits discrimination in employment based upon disability. The regulations implementing Title I are found at 29 CFR Part 1630. The Equal Employment Opportunity Commission (EEOC) offers technical assistance on the ADA provisions applying to employment.

These can be obtained at the EEOC web site www.eeoc.gov, or by calling 800-669-3362 (voice) and 800-800-3302 (TTY).

Detroit, MI	313 226-7908 x8055	313 226-6280
Milwaukee, WI	414 297-3214 x8100	414 297-3214
Columbus, OH	614 469-5737 x8240	614 469-5737 x8170
Indianapolis, IN	317 226-6303 x6790	317 226-7654
Little Rock, AK	501 324-6375	501 324-6296
Oklahoma City, OK	405 553-7569	405 553-7426
Kansas City, KS	913 551-5485	913 551-5834
Omaha, NE	402 492-3181	402 492-3109
St. Louis, MO	314 539-6524	314 539-6327
New Orleans, LA	504 589-7212 x3047	504 589-7219
Fort Worth, TX	817 978-5934 x5951	817 978-5870
San Antonio, TX	210 475-6820 x2293	210 475-6885
Albuquerque, NM	505 346-7271 x7361	505 346-7327
Denver, CO	303 672-5414 x1326	303 672-5437
San Francisco, CA	415 436-6597	415 436-6569
Los Angeles, CA	213 894-8000 x3300	213 894-8000 x3400
Honolulu, HI	808 522-8180 x264	808 522-8180
Phoenix, AZ	602 379-4754	602 379-6699 5261
Seattle, WA	206 220-5150 x3606	206 220-5170
Portland, OR	503 326-7018	503 326-3349
Manchester, NH	603 666-7640 x7633	
Anchorage, AK	907 271-3669	
Houston, TX		713 313-2274

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EXHIBIT E

COMMUNITY DEVELOPMENT BLOCK GRANT CODE ENFORCEMENT ELIGIBILITY GUIDELINES

I. ELIGIBILITY OF CODE ENFORCEMENT ACTIVITIES

Section 570.202(c) of the CDBG regulations authorizes "code enforcement in deteriorating or deteriorated areas where such enforcement together with public improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area."

Eligible costs under code enforcement include: (1) costs incurred for inspections for code violations (including salaries and overhead); and (2) the enforcement of code requirements (including salaries, overhead and legal proceedings). When using the LMA national objective, the area must be primarily residential and at least 51% of the residents must be low- and moderate-income persons.

Code enforcement and rental inspections taking place in CDBG target areas, defined as "low- and moderate-income areas is not sufficient to comply with the eligibility requirements of §570.202(c) cited above. To be considered an eligible area in which CDBG-funded code enforcement activities may be undertaken, the area must be "deteriorating or deteriorated," as defined by the grantee. Please note that this definition need not necessarily be comparable to HUD's standards for designating a slum or blighted area under §570.208(b)(1)(i) and (ii) unless the activity is to be claimed under that national objective.

Documents as follows include:

- ▶ the City's definition of "deterioration" for purposes of this provision;
- ▶ the specific boundaries of the areas to be considered eligible for CDBG-funded code inspections;
- ▶ a sufficient description of the conditions in each area to support a determination that the area qualifies as deteriorating or deteriorated under the City's definition;
- ▶ a strategy for using code enforcement together with other activities to arrest the decline in each area;
- ▶ a description of the special efforts that are undertaken and resources used to help the eligible and affected property owners; and
- ▶ such other information as may be necessary to determine the impact that the code enforcement and other activities are having on the decline of the area during the time the CDBG-assisted code enforcement is being carried out.

EXHIBIT E

Supporting documentation of the property owners or the addresses referred to Neighborhood Revitalization should be maintained. In addition, the Neighborhood Revitalization Program should have policies and procedures in place to maintain information provided by property owners in the CDBG target area who received violation citations.

II. INELIGIBLE COSTS

Regulations at 24 CFR 570.207(a)(2) state that CDBG funds are not eligible to be used to carry out the regular responsibilities of the local government. Thus the Neighborhood Revitalization Program must show how it will actually calculate the amount of code inspection costs to be charged to the CDBG program.

The Neighborhood Revitalization Program should conduct regular monitoring reviews of the activity to assess whether code enforcement is meeting the scope of services as defined in the CDBG LMA national objective.

The City should have in place a memorandum of understanding between the Neighborhood Revitalization Program to ensure that the CDBG funds spent for code enforcement activities meet HUD requirements and are not used to carry out the regular responsibilities of the local government.

The code inspection direct costs charged to the CDBG program must be based on appropriate time distribution records that should reflect an after-the-fact distribution of the actual activity of each CDBG-funded employee. Additionally, if the City is recovering indirect costs as well as direct costs, it must implement a cost allocation plan that is acceptable under the requirements of OMB Circular A-87.

The costs associated with inspections for the purpose of processing applications for rehabilitation assistance and overseeing such rehabilitation are not eligible under Code Enforcement. Costs associated with these activities may be eligible under other CDBG eligibility categories. The costs associated with correcting the code violations identified during inspections are not eligible under this activity; however, these costs may be eligible under other CDBG eligible activity categories such as rehabilitation activities.

III. ADDITIONAL RESOURCES

Community Development Block Grant (CDBG) Program Eligibility Determination - Housing Court Code Enforcement, (October 1, 1992) *available at*
<http://hpaduwp054.hud.gov/offices/cpd/communitydevelopment/rulesandregs/memoranda/hsgcrt92.cfm>.

OIG Audit Report 2008-AT-1004 (January 9, 2008) *available at*
<http://www.hud.gov/offices/oig/reports/files/ig0841004.pdf>

OMB CIRCULAR A-87 REVISED (May 10, 2004), *available at*
http://www.whitehouse.gov/omb/circulars_a087_2004

