

RECORDING REQUESTED BY:

CITY OF EL CERRITO

When Recorded Mail To:

City Clerk
City of El Cerrito
10890 San Pablo Ave.
El Cerrito, CA 94530

*Exempt from Recorder's Fees
Pursuant to Government Code §§ 27383, 6103*

Space above this line for Recorder's use

DRAFT DEVELOPMENT AGREEMENT

BETWEEN THE

CITY OF EL CERRITO

AND

**THE EDWARD AND LORETTA BIGGS REVOCABLE TRUST
DATED MARCH 22, 2011**

FOR 1715 ELM STREET

THIS DEVELOPMENT AGREEMENT (“**Agreement**” or “**Development Agreement**”) is made and entered into in the City of El Cerrito on _____ 2014, by and between the City of El Cerrito, a municipal corporation (“**City**”) and The Edward and Loretta Biggs Revocable Trust dated March 22, 2011 (“**Developer**”) pursuant to the authority of §§ 65864 *et seq.* of the California Government Code and El Cerrito Municipal Code, Chapters 19.14 and 19.41. City and Developer are, from time-to-time, individually referred to in this Agreement as a “party,” and collectively as “parties.”

RECITALS

A. California Government Code §§ 65864 *et seq.* (“Development Agreement Law”) and Chapter 19.41 of the El Cerrito Municipal Code (“**Chapter 19.41**”) authorize the City to enter into a development agreement for the development of real property with any person having a legal or equitable interest in such property in order to establish certain development rights in such property. Chapter 19.14 of the El Cerrito Municipal Code (“**Chapter 19.14**”) requires a development agreement for all projects for which Planned Development District zoning is approved.

B. Developer owns the real property located at 1715 El Street in the City (APN 502-112-038) and that is more particularly described in Exhibit A attached hereto and is incorporated herein by reference (the “**Property**”).

C. The proposed development of the Property includes the relocation and renovation of an existing historical single-family detached house on the Property, the construction of 14 new one- and two-bedroom dwelling units, and the preservation of an existing creek on 0.42 acre site (the “**Project**”).

D. Developer has applied for and City has approved or is processing, various land use approvals in connection with the Project, including, without limitation, a General Plan Amendment; Planned Development District zoning; a Planned Development Use Permit; Design Review; a subdivision map and condominium plan; and this Development Agreement. All such approvals, collectively, together with any approvals or permits now or hereafter issued with respect to the Project, are referred to as the “**Project Approvals**.” None of the Project Approvals take effect until the Development Agreement takes effect.

E. City desires the timely, efficient, orderly and proper development of the Project.

F. The City Council has found that, among other things, this Development Agreement is consistent with its General Plan, as amended, and has been reviewed and evaluated in accordance with the Development Agreement Law and Chapters 19.14 and 19.41.

G. City and Developer have reached agreement and desire to express herein a Development Agreement that will facilitate development of the Project, subject to conditions set forth herein.

H. The El Cerrito Planning Commission approved a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Project on April 16, 2014 by the adoption of Planning Commission Resolution No. PC14-XX. The Mitigated Negative Declaration analyzed the environmental impacts of this Agreement. No significant unavoidable impacts were identified in the Mitigated Negative Declaration.

I. On _____, __ 2014, the City Council adopted Ordinance No. ____ approving this Development Agreement (the “**Approving Ordinance**”). The Approving Ordinance states that it will take effect on _____ (the “**Ordinance Effective Date**”).

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual promises, obligations and covenants herein contained, City and Developer agree as follows:

AGREEMENT

1. Description of Property.

The Property that is the subject of this Agreement is described in Exhibit A attached hereto.

2. Interest of Developer.

The Developer owns the Property.

3. Relationship of City and Developer.

It is understood that this Agreement is a contract that has been negotiated and voluntarily entered into by the City and Developer and that the Developer is not an agent of the City. The City and Developer hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making the City and Developer joint venturers or partners.

4. Effective Date, Term, and Termination.

4.1. Effective Date. The effective date of this Agreement shall be the Ordinance Effective Date (“**Effective Date**”).

4.2. Term. The term of this Agreement shall commence on the Effective Date and extend 10 years thereafter, unless said term is otherwise terminated or

modified pursuant to the provisions of this Agreement. As authorized by California Government Code Sections 65863.9 and 66452.6(a)(1), the terms of the Project Approvals shall be the longer of: (a) the term of this Agreement; or (b) the term normally given each approval under controlling law.

4.3. Termination.

4.3.1. Termination on Sale of Individual Lots. Notwithstanding the foregoing Section 4.2, the provisions of this Agreement shall terminate with respect to any individual lot and such lot shall be released from and shall no longer be subject to this Agreement (without the execution or recordation of any further document or the taking of any further action) upon the lot being finally subdivided and sold or leased to a member of the public or any other ultimate user. City shall cooperate with Developer, at no cost to City, in executing in recordable form any document that Developer (including any successor to the title of the Developer in and to any of the aforescribed lots) may submit to confirm the termination of this Agreement as to any such lot. For purposes of this Section 4.3.1, each reference to a "lot" shall be deemed to include an individual dwelling unit that is a standalone structure or constructed within a multi-unit building, whether leased as an apartment or single-family home or sold as a condominium or similar interest in the Property.

4.3.2. Termination Upon Completion of Project. Notwithstanding the foregoing Sections 4.2 and 4.3.1, upon completing construction of the Project and satisfying all terms and conditions of this Agreement and the Project Approvals, Developer may send City written notice terminating this Agreement. City shall cooperate with Developer, at no cost to City, in executing in recordable form any document that Developer (including any successor to the title of Developer in and to any portion of the Property) may submit to confirm the termination of this Agreement.

5. Use of the Property.

5.1. Right to Develop. Developer shall have the vested right to develop the Project on the Property in accordance with the terms and conditions of this Agreement, the Project Approvals (as and when issued), and any amendments to any of them as shall, from time to time, be approved pursuant to this Agreement. (Such amendments, once effective, shall become part of the law Developer is vested into without an additional amendment of this Agreement.) Notwithstanding the foregoing or anything to the contrary herein, any amendment to the General Plan not in effect on the Effective Date shall not become part of the law Developer is vested into under this Agreement unless an additional amendment of this Agreement is entered into between Developer and City in accordance with state and City laws.

5.2. Permitted Uses. The permitted uses of the Property, the density and intensity of use, the maximum height, bulk, and size of proposed buildings, the provisions for reservation or dedication of land for public purposes, the location and maintenance of on-site and off-site improvements, the location of public utilities, and other terms and conditions of development applicable to the Property, shall be those set forth in this Agreement, the Project Approvals and any amendments to this Agreement or the Project Approvals, subject to the provisions of Section 5.1.

5.3. Rules Regarding Permitted Uses. For the term of this Agreement, the City's ordinances, resolutions, rules, regulations and official policies governing the permitted uses of the Property and governing density and intensity of use of the Property and the maximum height, bulk and size of proposed buildings shall be those in force and effect on the Effective Date of this Agreement.

5.4. Rules Regarding Design and Construction. Unless otherwise expressly provided in Section 5 of this Agreement, the ordinances, resolutions, rules, regulations and official policies governing design, improvement and construction standards and specifications applicable to the Project shall be those in force and effect at the time of the applicable discretionary approval, whether the date of that approval is prior to or after the date of this Agreement. Ordinances, resolutions, rules, regulations and official policies governing design, improvement and construction standards, and specifications applicable to public improvements to be constructed by Developer shall be those in force and effect at the time of the applicable discretionary approval, whether the date of that approval is prior to or after the date of this Agreement.

5.5. Building and Other Codes Applicable. The Project shall be constructed in accordance with the provisions of the Building, Mechanical, Plumbing, Electrical, and Fire Codes and Title 24 of the California Code of Regulations, relating to Building Standards, in effect at the time of approval of the appropriate building, grading, encroachment or other construction permits for the Project.

6. Subsequently Enacted Rules and Regulations.

6.1. New Rules and Regulations. Consistent with Government Code section 65866, during the term of this Agreement, the City may apply new or modified ordinances, resolutions, rules, regulations and official policies of the City, whether adopted by the City or through the referendum or initiative process ("**New City Laws**") to the Property, which were not in force and effect on the Effective Date of this Agreement and which are not in conflict with those applicable to the Property as set forth in this Agreement and are not in conflict with the Project Approvals. Without limiting the generality of the foregoing, or any other provision of this Agreement, a New City Law shall be deemed to conflict

with this Agreement to the extent it limits or controls the timing of construction or occupancy of the Project.

6.2. Approval of Application. Nothing in this Agreement shall prevent the City from denying or conditionally approving any subsequent land use permit or authorization for the Project on the basis of such New City Laws except that such subsequent actions shall be subject to any conditions, terms, restrictions, and requirements expressly set forth herein.

7. Subsequently Enacted or Revised Fees, Assessments and Taxes.

Notwithstanding anything to the contrary contained herein, the Project shall be subject to subsequently enacted or revised fees, assessments and taxes adopted by the City after the Effective Date of this Agreement. Nothing in this Agreement creates a vested right for the Project in the amount or type of fees, assessments and taxes in effect on the Effective Date of this Agreement.

8. Amendment or Cancellation.

8.1. Modification Because of Conflict with State or Federal Laws. The Project and Property shall be subject to state and federal laws and regulations and this Agreement does not create any vested right in state and federal laws and regulations in effect on the Effective Date. In the event that state or federal laws or regulations enacted after the Effective Date of this Agreement prevent or preclude compliance with one or more provisions of this Agreement or require changes in plans, maps, or permits approved by the City, the parties shall meet and confer in good faith in a reasonable attempt to modify this Agreement to comply with such federal or state law or regulation. Any such amendment or suspension of the Agreement shall be subject to approval by the City Council in accordance with Chapter 8.56 of the Municipal Code.

8.2. Amendment by Mutual Consent. This Agreement may be amended in writing from time to time by mutual consent of the parties hereto and in accordance with the procedures of state law and Chapter 19.41.

8.3. Insubstantial Amendments. Notwithstanding the provisions of the preceding Paragraph 8.2, any amendments to this Agreement that do not relate to (a) the term of the Agreement as provided in Paragraph 4.2; (b) the permitted uses of the Property as provided in Paragraph 5.2; (c) the density or intensity of use of the Project; (d) the maximum height or size of proposed buildings; or (e) monetary contributions by Developer as provided in this Agreement, shall not, except to the extent otherwise required by law, require notice or public hearing before either the Planning Commission or the City Council before the parties may execute an amendment hereto.

8.4. Cancellation By Mutual Consent. Except as otherwise permitted herein, this Agreement may be canceled in whole or in part only by the mutual consent of the parties or their successors in interest, in accordance with the provisions of Chapter 19.41.

9. Annual Review.

9.1. Review Date. The annual review date for this Agreement shall be between June 1 and July 1, 2015 and thereafter between each June 1 and July 1 during the Term.

9.2. Initiation of Review. Developer shall initiate annual review of this Agreement by submitting an annual application. Developer shall submit with such application a report to the City's Community Development Director describing the Developer's good faith substantial compliance with the terms of this Agreement during the preceding year and include supporting evidence. Such report shall include a statement that the report is submitted to the City pursuant to the requirements of Government Code Section 65865.1 and of this Agreement. The report shall comply with Section 19.41.050 of Chapter 19.41. The burden of proof by substantial evidence of compliance is upon the Developer.

9.3. Finding of Compliance. Within thirty (30) days after Developer submits its report hereunder, the City's Community Development Director shall review Developer's submission to ascertain whether Developer has demonstrated good faith substantial compliance with the material terms of this Agreement. If the Community Development Director finds and determines, in consultation with the City Manager and the City's Public Works Director, that Developer has in good faith substantially complied with the material terms of this Agreement, or does not determine otherwise within 30 days after delivery of Developer's report, then the annual review shall be concluded. If the Community Development Director initially determines that such report is inadequate in any respect, then he or she shall provide written notice to that effect to Developer, and Developer may supply such additional information or evidence as may be necessary to demonstrate good faith substantial compliance with the material terms of this Agreement. Following consultation with the City Manager and the City's Public Works Director, if the Community Development Director concludes that Developer has not demonstrated good faith substantial compliance with the material terms of this Agreement, then he or she shall so notify Developer within 30 days after delivery of the additional information and prepare a report to the City Council with respect to the conclusions of the Community Development Director and the contentions of Developer with respect thereto.

9.4. City Council Hearing Regarding Non-Compliance. After submission of the staff report of the City's Community Development Director, the City Council shall conduct a noticed public hearing to consider the determination that Developer has not demonstrated good faith substantial compliance with the

material terms of this Agreement. At least ten (10) days prior to hearing, the Community Development Director shall provide to the City Council, Developer and to all interested persons requesting the same, copies of all staff reports and other information concerning Developer's good faith substantial compliance with the material terms of this Agreement and the conclusions and recommendations of the Community Development Director. At such hearing, Developer and any other interested person shall be entitled to submit evidence, orally or in writing, and address all the issues raised in the staff report on, or with respect or germane to, the issue of Developer's good faith substantial compliance with the material terms of this Agreement. If, after receipt of any written or oral response of Developer, and after considering all of the evidence at such public hearing, the City Council finds and determines, on the basis of substantial evidence, that Developer has not substantially complied in good faith with the material terms of this Agreement, then the City Council shall specify to Developer the respects in which Developer has failed to comply, and shall also specify a reasonable time for Developer to meet the terms of compliance, which time shall be not less than thirty (30) days after the date of the City Council's determination, and shall be reasonably related to the time necessary to adequately bring Developer's performance into good faith substantial compliance with the material terms of this Agreement.

If the areas of noncompliance specified by the City Council are not corrected within the time limits prescribed by the City Council hereunder, then the City Council may by subsequent noticed hearing extend the time for compliance for such period as the City Council may determine (with conditions, if the City Council deems appropriate), terminate, or modify this Agreement, or take such other actions as permitted under applicable law. Any notice to Developer of a determination of noncompliance by Developer hereunder, or of a failure by Developer to remedy the areas of noncompliance hereunder, shall specify in reasonable detail the grounds therefore and all facts demonstrating such noncompliance or failure, so that Developer may address the issues raised in the notice of noncompliance or failure on point-by-point basis in any hearing held by the City Council hereunder.

9.5. Meet and Confer Process. If either the City's Community Services Director or the City Council makes a determination that Developer has not demonstrated good faith substantial compliance with the material terms of this Agreement, then the City Manager and/or designated City Council representatives may initiate a meet and confer process with Developer pursuant to which the Parties shall meet and confer to determine a resolution acceptable to both Parties of the bases upon which the Community Services Director or City Council has determined that Developer has not demonstrated good faith substantial compliance with the material terms of this Agreement. The results and recommendations of the meet and confer process shall be presented to the City Council for review and consideration at its next regularly scheduled public meeting, including consideration of such amendments to this Agreement as may

be necessary or appropriate to effectuate the resolution through such meet and confer process, Developer shall be deemed to be in good faith substantial compliance with the material terms of this Agreement, only upon the City Council's acceptance of the results and recommendation of the meet and confer process.

9.6. Staff Reports. To the extent practical, the City shall deposit in the mail and fax or email to Developer a copy of all staff reports, and related exhibits concerning contract performance at least five (5) days prior to any annual review.

9.7. Costs. Costs reasonably incurred by the City in connection with the annual review shall be paid by Developer in accordance with the City's schedule of fees in effect at the time of review.

10. Default.

10.1. Other Remedies Available. Upon the occurrence of an event of default, the parties may pursue all other remedies at law or in equity that are not otherwise provided for in this Agreement or in the City's regulations governing development agreements, expressly including the remedy of specific performance of this Agreement.

10.2. Notice and Cure. Upon the occurrence of an event of default by either party, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not cured by the defaulting party within thirty (30) days after service of such notice of default, the nondefaulting party may then commence any legal or equitable action to enforce its rights under this Agreement; provided, however, that, if the default cannot be cured within such thirty (30) day period, the nondefaulting party shall refrain from any such legal or equitable action so long as the defaulting party begins to cure such default within such thirty (30) day period and diligently pursues such cure to completion. Failure to give notice shall not constitute a waiver of any default.

10.3. No Damages Against City. Notwithstanding anything to the contrary contained herein, in no event shall damages be awarded against the City upon an event of default or upon termination of this Agreement.

11. Estoppel Certificate.

Either party may, at any time, and from time to time, send written notice to the other party requesting such party to certify in writing that (a) this Agreement is in full force and effect and a binding obligation of the parties, (b) this Agreement has not been amended or modified either orally or in writing, or, if so amended, identifying the amendments, and (c) to the knowledge of the certifying party, the requesting party is not in default in the performance of its obligations under this Agreement, or, if in default, to describe therein the nature and amount

of any such defaults. A party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof, or such longer period as may reasonably be agreed to by the parties. City Manager of the City shall be authorized to execute any certificate requested by Developer. Should the party receiving the request not execute and return such certificate within the applicable period, this shall not be deemed to be a default, provided that such party shall be deemed to have certified that the statements in clauses (a) through (c) of this Section are true, and any party may rely on such deemed certification.

12. Mortgagee Protection; Certain Rights of Cure.

12.1. Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof after the date of recording this Agreement, including the lien for any deed of trust or mortgage (“**Mortgage**”). Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value, but all the terms and conditions contained in this Agreement shall be binding upon and effective against any person or entity, including any deed of trust beneficiary or mortgagee (“**Mortgagee**”) who acquires title to the Property, or any portion thereof, by foreclosure, trustee’s sale, deed in lieu of foreclosure, or otherwise.

12.2. Mortgagee Not Obligated. Notwithstanding the provisions of Section 12.1 above, no Mortgagee shall have any obligation or duty under this Agreement, before or after foreclosure or a deed in lieu of foreclosure, to construct or complete the construction of improvements, or to guarantee such construction of improvements, or to guarantee such construction or completion, or to pay, perform or provide any fee, dedication, improvements or other exaction or imposition; provided, however, that the Mortgagee shall not be entitled to devote the Property to any uses or to construct any improvements thereon other than those uses or improvements provided for or authorized by the Project Approvals or by this Agreement without new approvals by the City as may be required for such other uses or improvements.

12.3. Notice of Default to Mortgagee and Extension of Right to Cure. If the City receives notice from a Mortgagee requesting a copy of any notice of default given Developer hereunder and specifying the address for service thereof, then the City shall deliver to such Mortgagee, concurrently with service thereon to Developer, any notice given to Developer with respect to any claim by the City that Developer has committed an event of default. Each Mortgagee shall have the right during the same period available to Developer to cure or remedy, or to commence to cure or remedy, the event of default claimed set forth in the City’s notice. The City, through its City Manager, may extend the thirty-day cure period provided in Paragraph 10.2 for not more than an additional sixty (60) days upon request of Developer or a Mortgagee.

13. Severability.

The unenforceability, invalidity, or illegality of any provision, covenant, condition, or term of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.

14. Attorneys' Fees and Costs.

If the City or Developer initiates any action at law or in equity to enforce or interpret the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs in addition to any other relief to which it may otherwise be entitled. If any person or entity not a party to this Agreement initiates an action at law or in equity to challenge the validity of any provision of this Agreement or the Project Approvals, the parties shall cooperate in defending such action. Developer shall bear its own costs of defense as a real party in interest in any such action, and shall reimburse the City for all reasonable court costs and attorneys' fees expended by the City in defense of any such action or other proceeding.

15. Transfers and Assignments.

15.1. Right to Assign. Developer may wish to sell, transfer, or assign all or portions of its Property to another entity (each such other entity is referred to as a "Transferee"). In connection with any such sale, transfer, or assignment to a Transferee, Developer may sell, transfer, or assign to such Transferee any or all rights, interests, and obligations of Developer arising hereunder and that pertain to the portion of the Property being sold or transferred to such Transferee, provided, however, that no such transfer, sale, or assignment of Developer's rights, interests, and obligations hereunder shall occur without prior written notice to City and approval by the City Manager, which approval shall not be unreasonably withheld, conditioned or delayed.

15.2. Approval and Notice of Sale, Transfer or Assignment. The City Manager shall consider and decide on any transfer, sale, or assignment within ten (10) days after Developer's notice, provided all necessary documents, certifications, and other information are provided to the City Manager to enable the City Manager to determine whether the proposed Transferee can perform the Developer's obligations hereunder. Notice of any such approved sale, transfer, or assignment (which includes a description of all rights, interests and obligations that have been transferred and those which have been retained by Developer) shall be recorded in the official records of Contra Costa County, in a form acceptable to the City Manager, concurrently with such sale, transfer, or assignment.

15.3. Release Upon Transfer. Upon the transfer, sale, or assignment of all of Developer's rights, interests, and obligations hereunder pursuant to Paragraph 15.1 of this Agreement, Developer shall be released from the obligations under this Agreement, with respect to the Property transferred, sold, or assigned, arising subsequent to the date of City Manager approval of such transfer, sale, or assignment; provided, however, that if any Transferee approved by the City Manager expressly assumes all of the rights, interests, and obligations of Developer under this Agreement, Developer shall be released with respect to all such rights, interests, and assumed obligations. In any event, the transferee, purchaser, or assignee shall be subject to all the provisions hereof and shall provide all necessary documents, certifications, and other necessary information prior to City Manager approval.

15.4. Developer's Right to Retain Specified Rights or Obligations. Notwithstanding Paragraphs 15.1 and 15.2 and Paragraph 16, Developer may withhold from a sale, transfer, or assignment of this Agreement certain rights, interests, and/or obligations, which Developer shall retain, provided that Developer specifies such rights, interests, and/or obligations in a written document to be appended to this Agreement and recorded with the Contra Costa County Recorder prior to the sale, transfer, or assignment of the Property. Developer's Transferee shall then have no interest or obligations for such rights, interests and obligations, and this Agreement shall remain applicable to Developer with respect to such retained rights, interests, and/or obligations.

16. Agreements Run With the Land

All of the provisions, rights, terms, covenants, and obligations contained in this Agreement shall be binding upon the parties and their respective heirs, successors and assigns, representatives, lessees, and all other persons acquiring the Property, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever. All of the provisions of this Agreement shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to applicable laws, including, but not limited to, Section 1468 of the Civil Code of the State of California. Each covenant to do, or refrain from doing, some act on the Property hereunder, or with respect to any owned property (a) is for the benefit of such properties and is a burden upon such properties, (b) runs with such properties, and (c) is binding upon each party and each successive owner during its ownership of such properties or any portion thereof, and shall be a benefit to and a burden upon each party and its property hereunder and each other person succeeding to an interest in such properties.

17. Bankruptcy.

The obligations of this Agreement shall not be dischargeable in bankruptcy.

18. Indemnification.

Developer agrees to indemnify, defend and hold harmless the City, and its elected and appointed councils, boards, commissions, officers, agents, employees, and representatives from any and all claims, costs (including legal fees and costs) and liability for any personal injury or property damage which may arise directly or indirectly as a result of any actions or inactions by the Developer, or any actions or inactions of Developer's contractors, subcontractors, agents, or employees in connection with the construction, improvement, operation, or maintenance of the Project, provided that Developer shall have no indemnification obligation with respect to negligence or wrongful conduct of the City, its contractors, subcontractors, agents or employees or with respect to the maintenance, use or condition of any improvement after the time it has been dedicated to and accepted by the City or another public entity (except as provided in an improvement agreement or maintenance bond). If City is named as a party to any legal action, City shall cooperate with Developer, shall appear in such action and shall not unreasonably withhold approval of a settlement otherwise acceptable to Developer.

19. Insurance.

19.1. Public Liability and Property Damage Insurance. During the term of this Agreement, whenever Developer is conducting work on the Property pursuant to the Project Approvals, Developer shall maintain in effect a policy of comprehensive general liability insurance with a per-occurrence combined single limit of not less than One Million Dollars (\$1,000,000.00) with a One Hundred Thousand Dollar (\$100,000) self-insurance retention per claim. The policy so maintained by Developer shall name the City as an additional insured and shall include either a severability of interest clause or cross-liability endorsement.

19.2. Workers Compensation Insurance. During the term of this Agreement, whenever Developer is conducting work on the Property pursuant to the Project Approvals, Developer shall maintain Worker's Compensation insurance for all persons employed by Developer for work at the Project site. Developer shall require each contractor and subcontractor similarly to provide Worker's Compensation insurance for its respective employees. Developer agrees to indemnify the City for any damage resulting from Developer's failure to maintain any such insurance.

19.3. Evidence of Insurance. Prior to issuance of any permits for the Project, including grading permits, Developer shall furnish the City satisfactory

evidence of the insurance required in Sections 19.1 and 19.2 and evidence that the carrier is required to give the City at least fifteen (15) days prior written notice of the cancellation or reduction in coverage of a policy. The insurance shall extend to the City, its elective and appointive boards, commissions, officers, agents, employees, and representatives and to Developer performing work on the Project.

20. Notices.

All notices required or provided for under this Agreement shall be in writing. Notices required to be given to the City shall be addressed as follows:

City Manager
City of El Cerrito
10890 San Pablo Ave.
El Cerrito, CA 94530
Fax: (510) 864-7025
Email: sch@ci.el-cerrito.ca.us

Notices required to be given to Developer shall be addressed as follows:

The Edward and Loretta Biggs Revocable Trust dated March 22, 2011
271 Valley Lane
Fairfield, CA 94532
Fax: (707) 864-8150

A party may change its address by giving notice in writing to the other party. Thereafter, all notices shall be addressed and transmitted to the new address. Notices shall be deemed given and received upon personal delivery, or, if mailed, upon the expiration of 48 hours after being deposited in the United States Mail. Notices may also be given by overnight courier which shall be deemed given the following day, or by facsimile, which shall be deemed given upon verification of receipt if received before 5:00 p.m. on a regular business day or else on the next business day. The City will accept notice by email transmission, which shall be deemed given upon verification of receipt if received before 5:00 p.m. on a regular business day or else on the next business day. Developer may accept notice by email by providing notice to the City consistent with this section.

21. Agreement is Entire Understanding.

This Agreement constitutes the entire understanding and agreement of the parties.

22. Exhibits.

The following documents are referred to in this Agreement and are attached hereto and incorporated herein as though set forth in full:

Exhibit A Legal Description of Property

23. Counterparts.

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original.

24. Recordation.

The City shall record a copy of this Agreement within ten (10) days following the Effective Date.

[Execution Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

CITY OF EL CERRITO

DEVELOPER

The Edward and Loretta Biggs Revocable Trust dated March 22, 2011

Scott Hanin, City Manager

By: _____

Its: Trustee

Attest:

Cheryl Morse, City Clerk

Approved as to Form:

Sky Woodruff, City Attorney

(NOTARIZATION ATTACHED)

Exhibit A

Legal Description of the Property

The land referred to is situated in the State of California, County of Contra Costa, City of El Cerrito, and is described as follows:

Lots 12, 13 and 14, in Block "B" as designated on the map entitled "Map of Schmidt Village, Contra Costa County, California", filed June 27, 1896, in Book C of Maps, Page 70, Contra Costa County Records.

EXCEPTING THEREFROM: The Northeast 7.00 feet thereof, as described in the Deed to City of El Cerrito, recorded February 9, 1965, in Book 4801 Official Records of Contra Costa County, Page 144.

(Being APN 502-112-038)