

RESOLUTION NO. 19821 (N.C.S.)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALINAS
APPROVING A MEMORANDUM OF UNDERSTANDING AMONG THE
COUNTY OF MONTEREY, THE CITY OF SALINAS AND THE SALINAS
REGIONAL SPORTS AUTHORITY FOR THE DEVELOPMENT OF A
REGIONAL SOCCER COMPLEX**

WHEREAS, the County of Monterey ("County") owns certain property within the corporate limits of the City of Salinas ("City") located in the general vicinity of the intersection of Laurel Drive and Constitution Boulevard (the "Laurel – Natividad Complex"); and

WHEREAS, a portion of the Laurel – Natividad Complex, is currently leased by the County to City for use by City as a soccer complex ("Existing Site"), and another portion is leased to the Monterey County Vietnam Veterans Memorial Committee ("Veterans") for use as a permanent Vietnam Veterans' Memorial Park; and

WHEREAS, an adjoining portion of County owned land, approximately 42+ acres in size, currently maintained as open space, is also suitable for recreational use, although not currently developed (the "Expansion Site"); and

WHEREAS, the Salinas Regional Sports Authority ("Authority") is a California not for profit public benefit corporation whose mission is the development and operation of public recreation opportunities for the residents of the County; and

WHEREAS, the Authority intends to make application for approximately \$4.6 Million dollars for grant funds under the Statewide Park Development and Community Revitalization Program of 2008 (Proposition 84) for development of the site, no later than March 1, 2010; and

WHEREAS, the County, City and Authority (collectively, the "Parties") desire to cooperate in the development of the Property for the Project; and

WHEREAS, the City and parties desire to involve the Carr Lake property owners and other stakeholders as appropriate in the potential development of the Property;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Salinas that the Mayor is authorized and directed for an on behalf of the City of Salinas to execute the attached Memorandum of Understanding among the County of Monterey, the City of Salinas and the Salinas Regional Sports Authority for the Development of Regional Soccer Complex.

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MEMORANDUM OF UNDERSTANDING

among

THE COUNTY OF MONTEREY

and

THE CITY OF SALINAS

and

THE SALINAS REGIONAL SPORTS AUTHORITY

for the

DEVELOPMENT OF A REGIONAL SOCCER COMPLEX

RECITALS

WHEREAS, the County of Monterey ("County") owns certain property within the corporate limits of the City of Salinas ("City") located in the general vicinity of the intersection of Laurel Drive and Constitution Boulevard (the "Laurel – Natividad Complex"); and

WHEREAS, a portion of the Laurel – Natividad Complex, set forth as Parcel A on Exhibit 1 attached hereto, is currently leased to City for use by City as a soccer complex ("Existing Site"), and another portion is leased to the Monterey County Vietnam Veterans Memorial Committee ("Veterans") for use as a permanent Vietnam Veterans' Memorial Park; and

WHEREAS, an adjoining portion of County owned land, currently maintained as open space as set forth as Parcel B on Exhibit 1, is also suitable for recreational use, although not currently developed (the "Expansion Site"); and

WHEREAS, the Salinas Regional Sports Authority ("Authority") is a California not for profit public benefit corporation whose mission is the development and operation of public recreation opportunities for the residents of the County; and

WHEREAS, Authority desires to lease or sub-lease the Existing Site and the Expansion Site, (collectively referred to herein as the "Property") for the purpose of developing a regional soccer complex consistent with Authority's mission (the "Project"); and

WHEREAS, County, City and Authority (collectively, the "Parties") desire to cooperate in the development of the Property for the Project; and

WHEREAS, County is prepared to enter into a master lease ("Master Lease") with City whereby County will lease the Expansion Site to City and consent to the sub-lease of the Expansion Site by City to Authority for the development and use of the Expansion Site for the Project; and

WHEREAS, the Parties contemplate that the current lease for the Existing Site may be modified in order to unify a master lease for the Property for the purposes set forth herein;

NOW THEREFORE, the Parties agree as follows:

I. PURPOSE AND INTENT

The purpose and intent of this Memorandum of Understanding ("MOU") is to 1) acknowledge and memorialize the intention of County to lease the Expansion Site to City pursuant to the terms of the Master Lease; 2) acknowledge and memorialize the intention of City to lease the Expansion Site from County pursuant to the terms of the Master Lease, and thereupon sub-lease the Expansion Site to Authority; 3) protect the interests of the taxpayers of County and City, and provide for a reversion of the Expansion Site to County under appropriate circumstances; 4) describe the general parameters by which the Parties will cooperate in the development of the Expansion Site and the Property for the Project; and 5) convey to Authority sufficient management and control of the Expansion Site such that Authority may successfully obtain funding or financing for the Project, and develop and manage the Project.

It is the further intent and purpose of this MOU that, except as specifically stated above, until such time as 1) sufficient funding is obtained, 2) a lease for the Expansion Site is executed between County and City, 3) a sub-lease of the Expansion Site is executed between City and Authority, and 4) necessary development approvals are secured as required by law, this MOU and its subordinate documents do not constitute an entitlement for development, such development being the subject of other actions by public entities or of permits to be sought at later times. It is also the intent of the Parties that this MOU not constitute a "project" for purposes of the California Environmental Quality Act ("CEQA"), and that the future development of the Project be subject to all requirements of law, including CEQA. Execution of the MOU constitutes a good faith agreement to work toward the mutual policy objectives as outlined herein, reserving for the future any specific project approvals or plans. Any specific project approvals shall become effective if and only after such applications have been considered by the City Council in their sole discretion following the conduct of all legally required procedures, including without limitation, all required environmental review processes and all other applicable governmental approvals.

II. EFFECTIVE DATE AND TERM

This term of this MOU shall be thirty (30) years, effective as of March 1, 2010 ("Effective Date") and terminating on February 28, 2040, unless earlier terminated as provided in this MOU. If the Master Lease is executed as set forth in Section V, below, the term of this MOU shall be, without further action of the Parties, concurrent with the term of the Master Lease. If the Master Lease is extended pursuant to its terms, this MOU shall, without further action of the Parties, be extended to be concurrent with the full term of the Master Lease.

III. EARLY TERMINATION

In the event that the Master Lease described in Section V, below, is terminated pursuant to its terms, this MOU shall also terminate.

IV. THE PROJECT

A. Description

The current conceptual plan for the Project includes two lighted artificial turf fields, an indoor soccer arena with offices and classrooms, eight natural grass fields, picnic and play areas, accessory uses and structures such as snack bar, toilets and training rooms, and parking facilities, and including, but not limited to, the concept of a youth learning and sports after-school program, as depicted conceptually in Exhibit 2.

B. Financing

Except as specifically set forth herein, Authority shall be solely responsible for all costs associated with the planning, construction, management, operation, and maintenance of the Project. Authority shall prepare, and County and City shall have the right to approve, a financing plan ("Financing Plan") for the Project. The Financing Plan shall be approved by County and City prior to the issuance of any permits for development or construction of the Project, such approval not to be unreasonably withheld or delayed. The Financing Plan and Project pro forma shall specifically reflect the fair market value of County's land contribution by way of the Master Lease in such amount as County shall indicate to Authority. Authority represents to each County and City that the execution of this MOU is satisfactory for Authority's purpose in applying for grant funds under the Statewide Park Development and Community Revitalization Program of 2008 (Proposition 84), and neither County nor City shall be responsible for the completeness of any application therefore. The parties understand that should the grant be awarded, a Master Lease and Sub-Lease consistent with this MOU must be executed, and the Parties will endeavor to ensure that those documents satisfy the requirements of the Statewide Park Program.

C. Planning and Construction Activities

Except as specifically set forth herein, Authority will be solely responsible for planning and construction of the Project. Authority shall prepare, and County and City shall have the right to approve, a final conceptual plan for the Project ("Conceptual Plan"), which shall include a proposed development and construction schedule. County and City shall not unreasonably withhold or delay approval of the Conceptual Plan. The Project may be constructed in phases if proposed by Authority. The Conceptual Plan shall include provisions for assurance of completion, performance and security sufficient to ensure the completion of construction and payment of all costs associated with construction.

D. Operation, Management and Maintenance

Except as specifically set forth herein, Authority will be solely responsible for the operation, management and maintenance of the Project. Authority shall prepare and submit to County and City for approval a management plan ("Management Plan") for the Project which details how the Project will be managed, operated, and maintained, and how access to the facilities within the Project will be determined. The Management Plan must be approved by County and City prior to the issuance of a certificate of occupancy or completion and use of the Project. The Project shall at all times be operated, managed, and maintained consistent with the Management Plan. The Management Plan may not be amended in any material respect without the express written approval of County and City. County and City shall not unreasonably withhold or delay its approval of the Management Plan, or any amendment thereof.

V. MASTER LEASE

In order to facilitate obtaining funding or financing for the Project, County and City shall enter into a master lease ("Master Lease") for the Expansion Site by which County shall lease the Expansion Site to City. The Master Lease shall contain, at a minimum, the terms set forth in Exhibit 3, and such other terms as City and County may agree upon.

VI. SUB-LEASE

In order to facilitate obtaining funding or financing for the Project, City and Authority shall enter into a sub-lease ("Sub-lease") for the Expansion Site by which City shall sub-lease the Expansion Site to Authority. City and Authority agree to execute the Sub-lease within six (6) months of the Effective Date. The Sub-lease shall contain, at a minimum, the essential terms set forth herein, and such other terms as City and Authority may agree upon. Provided that that the Sub-lease contains all of the essential terms set forth herein and as are required by the Master Lease, County agrees to consent to the Sub-lease.

A. Essential Terms

1. The term shall be for a period of thirty (30) years, with a single option to extend the term for an additional twenty (20) years provided the Master Lease is similarly extended.
2. The default provisions of the Master Lease shall also apply to the Sub-lease.
3. The use shall be for the Project, as may be amended by the mutual agreement of the Parties, and the amendment of this MOU and the Master Lease. Any portion of the Expansion Site not used for the Project shall be held and used solely for open space purposes. For the purposes of this MOU, the term "open space" shall have the meaning set forth in Section 51075(a) of the Government Code.
4. Neither County nor City shall be liable in any manner for any costs associated with the use of the Expansion Site, for the Project or otherwise, by Authority, or any approved sub-lessee or assignee, including costs for planning, development, construction, operation, use or maintenance of the Expansion Site, either for the Project, or as open space or other approved recreational purposes.

Notwithstanding the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), the California Polanco Act (Health & Safety Code sections 33459-33459.8), or any other applicable law or statute, Authority understands and agrees that the Expansion Site will be leased in an "as-is" condition. Neither County nor City will be obligated to undertake any environmental remediation of the Expansion Site, or adjacent property, and Authority waives any right it may have, for itself or on behalf of any third-party, for recovery against County or County for contamination or remediation of the Expansion Site, or for remediation of adjacent property that may affect the Expansion Site. Authority shall defend, indemnify, and hold harmless County and City from and against any and all claims arising out of or related to the alleged contamination of the Expansion Site, or adjacent property to the extent the alleged contamination of adjacent property affects the use of the Expansion Site, or the remediation thereof, including all costs and attorneys fees associated therewith.

City and Authority shall cause any approved sub-lease to contain language similar to this Section VI (A) (4) to be included in any sub-lease for the Expansion Site.

5. Authority shall provide such policies of insurance as may be required by County and City, which insurance shall name County and City, their officers, employees, and agents as additional insureds.
6. In addition to the obligation to provide insurance, Authority shall defend, indemnify and hold County and City, their officers, employees, and agents, harmless from all claims, losses or damages of every kind resulting from or arising out of the lease of the Expansion Site by the Authority, except for the gross negligence or willful misconduct of County or City, their officers, employees or agents.
7. The Master Lease and any sub-lease may create a possessory interest tax. Neither County nor City shall be responsible for such possessory interest tax that may be assessed as a result of the Project, and Authority shall be fully responsible for such possessory interest tax. The Parties acknowledge that it is the intent of Authority to qualify for the Welfare Exemption pursuant to Revenue & Taxation Code Section 214.
8. Authority shall comply with all laws, and shall not unlawfully discriminate in the construction, operation, management, or maintenance of the Project.
9. The Project shall at all times be managed consistent with the approved Management Plan.

VII. CONDITIONS PRECEDENT

A. The following are conditions precedent to the use of the Expansion Site for the Project:

1. County and City approval of the Conceptual Plan and the Management Plan for the Complex: 9 months following the Effective Date.
2. County and City approval of the Financing Plan: 24 months following the Effective Date.
3. Authority shall receive all necessary approvals for the construction of the Project, or the first phase thereof if applicable, including the issuance of building and grading permits: 36 months following the Effective Date.
4. City shall have conveyed fee simple title to the property located at 101 W. Alisal St., Salinas California, and currently leased to County, subject to the conditions set forth in Section IX, below.

5. Compliance with the California Environmental Quality Act ("CEQA"). City shall be the lead agency for CEQA compliance with respect to the execution of this MOU and use of the Expansion Site for the Project or other approved use. City shall undertake any and all actions necessary to comply with CEQA for the execution of this MOU or use of the Expansion Site pursuant to its terms. County shall not be the lead agency, and shall be a responsible agency only for purposes of CEQA. Authority shall be responsible for all costs associated with such CEQA review and compliance.

VIII. CONSOLIDATED LEASE

The Parties shall endeavor to consolidate the existing lease between County, City and Veterans for the Existing Site, with the Master Lease and any applicable sub-lease for the Expansion Site, such that the Project shall be subject to a single master lease between County and City, and a single sub-lease between City and Authority, for the use of the Property. The Parties shall cooperate in good faith with each other toward such end. In the event such consolidation is achieved, the terms of this MOU as they relate to the Expansion Site shall be applicable to any consolidated lease for the Property, and the County and City shall enter into a master lease for the Property upon similar terms as set forth in the Master Lease, and such other terms as may be agreed upon between County and City.

IX. CONVEYANCE OF TITLE TO 101 W. ALISAL STREET

County currently leases from City that property commonly known as 101 W. Alisal Street. City shall convey fee simple title to such property to County at no cost provided that, for so long as the property is used for parking purposes, whether surface parking or structured parking, City shall have use of 38 parking spaces. If the property is maintained as surface parking, such parking shall be provided by County to City on terms consistent with the existing lease for the property (at no cost). If the property is developed as structured parking, City agrees to pay to County its fair share of such parking space for so long as City requires such parking. For so long as the property is used for parking, County shall make parking available to the public at nights and on weekends on such terms as are mutually agreed upon.

County agrees that City's designated redevelopment partner for the City's downtown redevelopment project shall have the opportunity to participate in any RFP or RFQ process County may undertake for development of 101 W. Alisal St.; however, County cannot guarantee that such person or entity shall be awarded the opportunity to develop the property.

The 101 West Alisal Street property shall not be conveyed by City in fee until the Conditions Precedent set forth in Section VII. A. 1-3 have been satisfied. In the event that the Master Lease is terminated as set forth herein, and if the 101 West Alisal Street

property has not been improved by County, County shall re-convey fee title to 101 West Alisal Street to City.

X. REVIEW AND AUDIT

At their own respective cost and expense, County and City shall have the right, upon reasonable notice, to review and audit the books and records of Authority with respect to the planning, construction, operation, management, and maintenance of the Project, and any records with respect to the maintenance of the Expansion Site prior to construction of the Project.

XI. FORCE MAJEURE

Should any Party be delayed in, or prevented, in whole or in part, from performing any obligation under this MOU by reason of the following: any act of God; strike; lockout or other industrial disturbance during the construction of the Complex; act of public enemy; blockade; war; insurrection; civil disturbance; explosion; riot; epidemic; landslide; earthquake; fire; storm; flood; washout; governmental restraint, action or inaction, either federal, state, municipal, civil or military; initiative; or, referendum, that Party shall be excused from performing that obligation for so long as the Party is delayed or prevented from performing, and for a period of thirty calendar days thereafter, and any affected deadlines shall be similarly extended.

XII. COMPLIANCE WITH LAWS AND NON-DISCRIMINATION

In the planning, construction, operation, management, and maintenance of the Project, and the maintenance of the Expansion Site prior to construction of the Project, Authority, its officers, employees and agents, shall comply with all federal, state, and local laws and regulations, and shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age, or sexual orientation.

XIII. INSURANCE AND INDEMNIFICATION

At all times during the term of this MOU, the Authority shall maintain in effect policy or policies of insurance as may be required by County and City, with minimum limits of liability as may be required by County and City, and shall cause County and City, and their officers, employees and agents to be named as additional insureds. Within thirty days of the execution of the Sub-lease, Authority shall file certificates of insurance with County and City evidencing the required coverage during the time in which the Expansion Site is to be used and maintained as open space. Prior to the commencement of construction of the Project, Authority shall file certificates of insurance with County and City evidencing the required coverage during the construction of the Project. Prior to the commencement of operation of the Project, Authority shall file with County and City certificates of insurance evidencing the required coverage for the operation, management,

and maintenance of the Project. Authority shall file new certificates within five days if any change is made to the policy or policies that would alter the information on the certificate then on file with County or City. Authority shall, without demand, send annual certificates to County and City evidencing the required coverage. Failure to maintain in effect the policy or policies of insurance as required by this section shall be an event of default pursuant to which County or City may terminate this MOU, the Master Lease or the Sub-lease.

In addition to the obligation to provide insurance, Authority shall defend, indemnify and hold County and City, their officers, employees, and agents, harmless from and against any and all claims, lawsuits, losses or damages of every kind, including costs and attorney's fees, resulting from or arising out of the use of the Expansion Site, or the planning, construction, operation, management or maintenance of the Project by Authority, including compliance with CEQA, except for the gross negligence or willful misconduct of County or City, their officers, employees or agents.

XIV. DEFAULT

A default shall exist pursuant to this MOU if 1) the Authority has not reasonably commenced development of the Project within five (5) years of the Effective Date; 2) the Project, or any phase of the Project if the Project is developed in phases, is not open and operating within eight (8) years of the Effective Date; 3) at any time following the Effective Date, the Expansion Site is not maintained or used as set forth in this MOU or the Master Lease; 4) at any time following the Effective Date, the Project is not operated, managed or maintained consistent with the Management Plan approved by County and City as set forth in this MOU; 5) the required policy or policies of insurance are not maintained in effect as required in Section X; or 6) there is a default pursuant to the terms of the Master Lease. In the event of a default pursuant to this section, and in addition to any other remedy available to County or City in law or equity, County or City may terminate this MOU, in which event the Master Lease shall also terminate, upon sixty (60) days written notice to Authority. During the sixty day notice period, Authority shall have the opportunity to cure the condition or conditions giving rise to the default, and if County and City find in their sole but collective discretion that the default has been cured, this MOU and the Master Lease shall not be terminated, but shall continue in force and effect. Notwithstanding the foregoing, County and City agree that if the default complained of is of such a nature that the same cannot be rectified or cured within the sixty (60) day period requiring such rectification or curing as specified in County's or City's written notice, then such default shall be tolled if, and for so long as, Authority within such sixty (60) day period has commenced to rectify and cure the default and continues thereafter with all due diligence to pursue such rectification and curing to its completion.

XV. CONFLICT IN PROVISIONS

In the event of any conflict in the interpretation or application of the provisions of this MOU and the Master Lease or Sub-lease, the provisions of this MOU shall prevail.

XVI. LIMITATION ON EFFECT OF MOU

This MOU (and any extension of the term) shall not obligate City or County to enter into any project agreements or approvals, to enter into any particular project agreement, or to enter into a project agreement on or containing any particular terms. By execution of this MOU (and any extension), neither County nor City are committing themselves to or agreeing to approve any land use entitlements, undertake any option, dispose or lease of any parcel, or any part thereof or undertake any other acts or activities relating to the subsequent independent exercise of discretion by County or City. Execution of this MOU by County and City is merely an agreement to work in good faith toward the mutual policy objectives as outlined herein, conduct a period of further review and negotiation in accordance with the terms hereof, reserving for subsequent County or City action the final discretion and approval regarding any project agreement or approval and all proceedings and decisions in connection therewith, including consideration of any changes to their respective General Plans, Redevelopment Plans, or County or City ordinances or resolutions, or the adoption of a specific plan or similar plan. Any project agreement or approval resulting from negotiations pursuant to this MOU shall become effective only if and after such project agreement has been considered and approved by the County's or City's governing board, in their sole discretion following conduct of all legally required procedures, including, without limitation, all required environmental review processes and all other applicable governmental approvals, and executed by duly authorized representatives of the City, County and Authority, as the case may be. Unless and until all necessary project agreements have been approved by the City and/or County, as the case may be, and executed by the relevant party or parties, no agreement drafts, actions, term sheets, outlines, deliverables, memoranda or other communications arising out of or in the course of performance of this MOU shall impose any legally binding obligation on any party to enter into or support entering into any project agreement or approval, or be used as evidence of any oral or implied agreement or promise to enter into any project agreement or other legally binding document. As such, City and County retain the absolute discretion before action on the project by City or County to (i) subject to the agreement of the parties, make such modifications to the project agreements and the project as may be necessary to mitigate significant environmental impacts or as may otherwise be necessary or appropriate, (ii) select other feasible alternatives to avoid significant environmental impacts, (iii) balance the benefits against any significant environmental impacts prior to taking final action if such significant impacts cannot otherwise be avoided or (iv) determine not to proceed with the project or any portion thereof. The parties also understand and agree that the fact that a parcel that is or becomes subject to this MOU is not owned by the City or County, does not constitute any commitment by either the City or County to acquire such parcel or to grant any right of any sort on the part of property owner to acquire or develop such parcel.

XVI. MISCELLANEOUS

A. Amendments

This MOU may be amended only by written agreement signed by all of the Parties.

B. Waivers

No waiver of any provision of this MOU will be valid unless it is in writing and signed by all of the Parties. Waiver by any Party at any time of any breach of this MOU cannot be deemed a waiver of or consent to a breach of the same or any other provision of this MOU. If a Party's action requires the consent or approval of any other Party, that consent or approval on any one occasion cannot be deemed a consent to or approval of that action on any later occasion or a consent or approval of any other action.

C. Binding Effect and Assignment

This MOU shall be binding upon and enure to the benefit of the Parties and their permitted successors, sub-lessees and assigns. This MOU may be assigned by Authority only upon the written concurrence of County and City; however, this MOU may not be assigned by Authority prior to the issuance of a certificate of completion or occupancy for the Project. This MOU is for the benefit only of the Parties, and no third parties are intended to be benefited by this MOU.

D. Governing Law

This MOU, and the Parties' performance under this MOU, will be exclusively governed by the laws of the State of California without regard to its conflict of law provisions.

E. Construction

The headings used in this MOU are for convenience only and will not affect the meaning or interpretation of this MOU. This MOU will not be construed against any Party as the principal draftsman. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively.

F. Capitalized Terms

Capitalized terms have the meanings given to them in this MOU.

G. Severability

If any term of this MOU is inconsistent with applicable law, then upon the request of any Party, the Parties will promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with law, but all parts of this MOU not affected by the inconsistency will remain in full force and effect.

H. Further Assurances

County, City and Authority agree to cooperate reasonably and in good faith with one another to implement the terms of this MOU, and to negotiate and execute any further agreements and perform any additional acts that are reasonably necessary to carry out the terms of this MOU.

I. Notices

Any notices or other communications to be sent by one Party to the other under this MOU shall be in writing and shall be given by personal delivery to the persons designated below, with copies delivered as indicated, or by U.S. Mail, return receipt requested, with copies mailed as indicated.

For County: County Administrative Officer
168 W. Alisal Street
Salinas, CA 93901-2439

Copy: County Counsel
168 W. Alisal Street
Salinas, CA 93901-2439

For City: City Manager
City of Salinas
200 Lincoln Avenue
Salinas, CA 93901

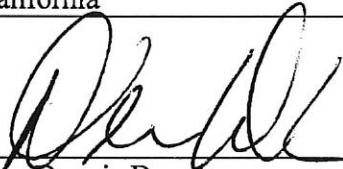
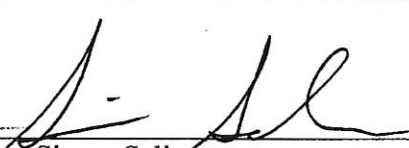

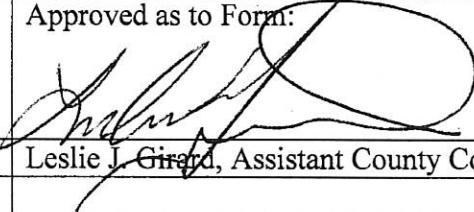

Copy: City Attorney
City of Salinas
200 Lincoln Avenue
Salinas, CA 93901

For Authority: Salinas Regional Sports Authority
Kurt Gollnick
305 Hilltown Road
Salinas, CA 93908

Copy:

Matt Ottone, Esq.
Ottone Leach Olsen & Ray LLP
17 East Gabilan Street
Salinas, CA 93901

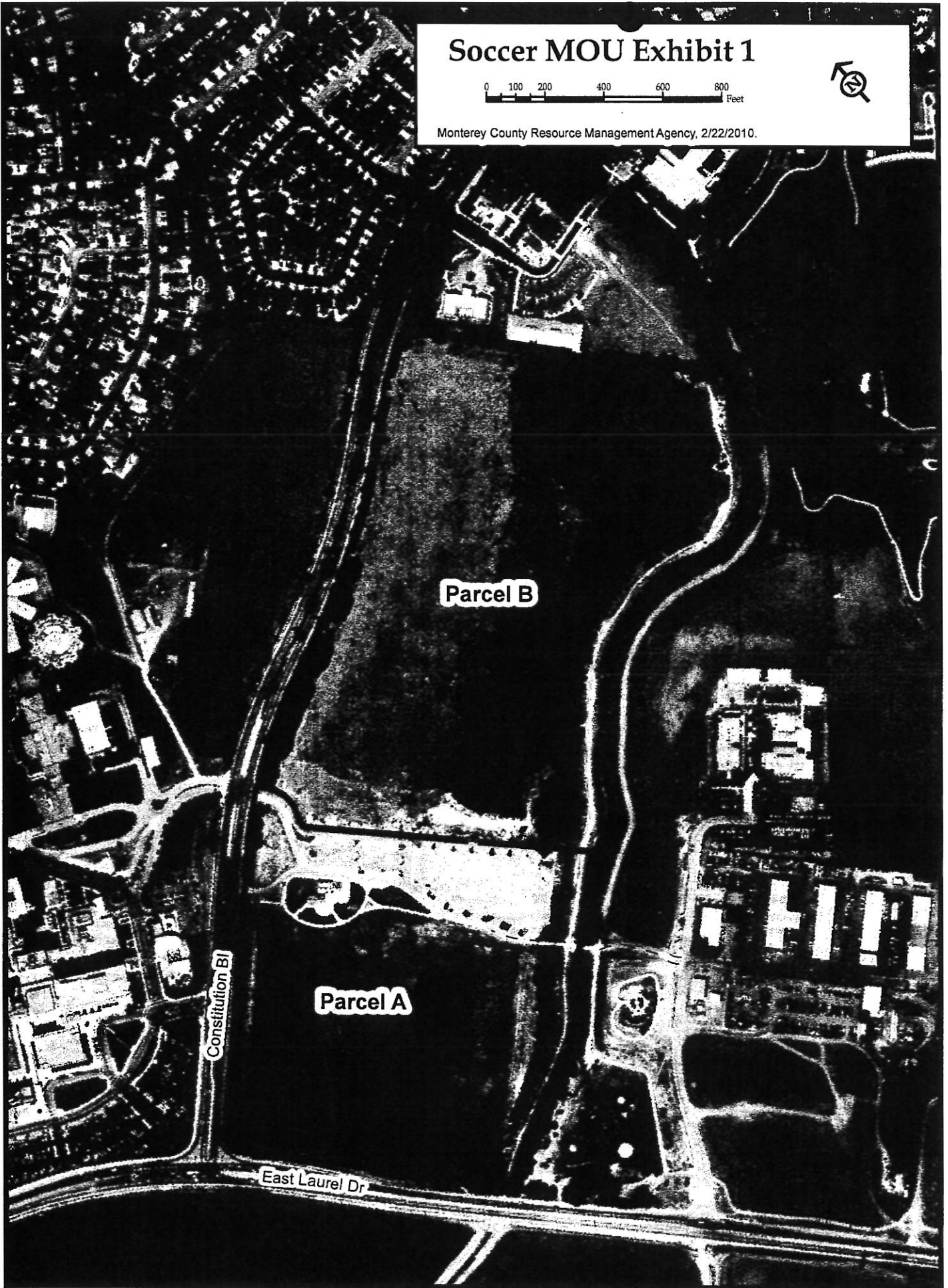
IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be executed effective as of the Effective Date set forth above.

CITY OF SALINAS	COUNTY OF MONTEREY
A Municipal Corporation of the State of California	A Political Subdivision of the State of California
	
By: Dennis Donohue Mayor	By: Simon Salinas Chairman of the Board of Supervisors
Dated: 2/25/10	Dated: 2/26/10
Approved as to Form: 	Approved as to Form: 
Vanessa W. Vallarta, City Attorney	Leslie J. Girard, Assistant County Counsel
SALINAS REGIONAL SPORTS AUTHORITY	
A California Not For Profit Corporation	
	
By: Kurt Gollnick Treasurer	
Dated: 2/25/2010	

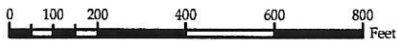
Soccer MOU Exhibit 1



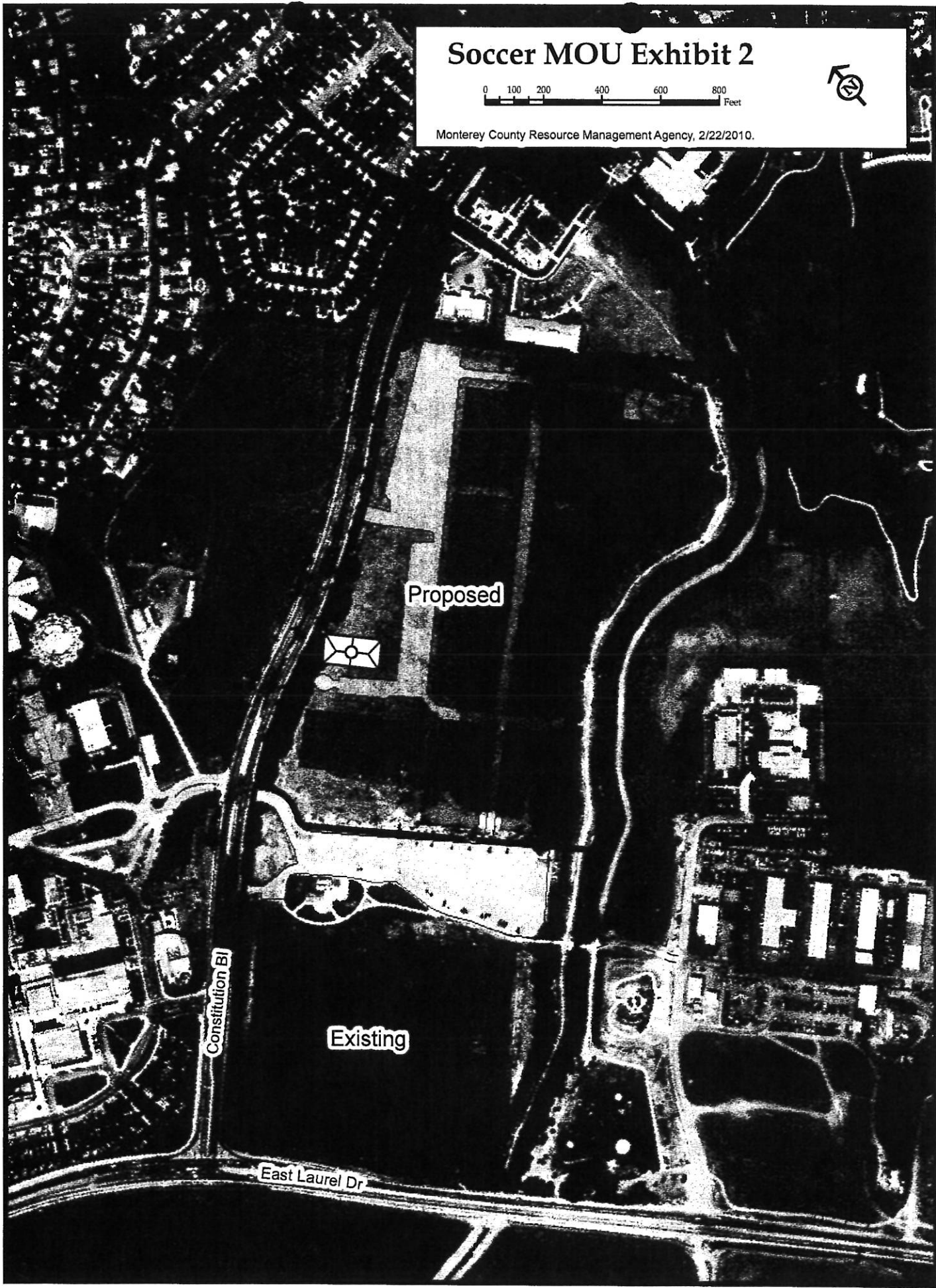
Monterey County Resource Management Agency, 2/22/2010.



Soccer MOU Exhibit 2



Monterey County Resource Management Agency, 2/22/2010.



MASTER LEASE ESSENTIAL TERMS

1. Term: 30 years with a single 20 year extension upon request by City
2. Condition: Leased in "as-is" condition with no warranties or representation; portions within 100 year FEMA floodplain.
3. Consideration: \$1 per year.
4. Assignment or sub-lease: May not assign Master Lease without County's consent; may sub-lease to Salinas Regional Soccer Authority ("Authority") for the soccer complex ("Project") but no other or further sub-lease without County's consent.
5. Use: Property shall be used solely for the Project and held as open space until Project is developed; portions not used for Project shall be held as open space unless other use approved by County; property must be used consistent with approved management plan; Project shall be under development within 5 years of MOU effective date, and open and operating within 8 years of MOU effective date.
6. Costs: County shall not be responsible in any way for any costs associated with development, construction or operation of the Project or use of the property; County not obligated to undertake remediation; City indemnifies County for Polanco Act, CERCLA or other remediation or contamination costs, and shall require any sub-lease to contain similar provisions.
7. Conditions precedent to use: County approves conceptual, financing and management plans; CEQA compliance (City is lead, County a responsible agency only).
8. Insurance and indemnification: City shall at all times maintain insurance in amounts as designated by County (County, its officers, employees and agents are additional insureds) and shall require any sub-lease to contain similar provisions (if self-insured, City to maintain such reserves as necessary to protect County); City defends and indemnifies County for any and all costs, claims, or damages of any kind related to the development or use of the property and operation of the Project (including related to CEQA compliance), and shall cause any sub-lease to contain a similar provision.
9. Possessory interest tax: County not responsible for any possessory interest tax.
10. Default: Master Lease may be terminated by County if Project not under development within 5 years, Project not open and operating within 8 years, property not used or maintained for the Project or pursuant to an approved management plan, or required insurance not maintained; no default if cured within 30 days of notice; if Master Lease terminates City must cause improvements to be removed, or County may chose to take title to improvements.

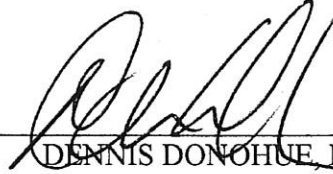
PASSED AND ADOPTED this 23rd day of February 2010, by the following vote:

AYES: Councilmembers Barnes, Barrera, De La Rosa, Lutes, Sanchez, Villegas, and Mayor Donohue

NOES: None

ABSTAIN: None

ABSENT: None



DENNIS DONOHUE, Mayor

ATTEST:



City Clerk