

**ESTOPPEL CERTIFICATE
AND
NON-DISTURBANCE AGREEMENT**

THIS ESTOPPEL CERTIFICATE AND NON-DISTURBANCE AGREEMENT (the "Agreement") is entered into as of this first day of August, 2005, by and between the County of Monterey, a general law county organized under the laws of the State of California (the "County"), the City of Salinas, a chartered city of the State of California duly organized and existing under and by virtue of the laws of the State of California (the "City"), the Salinas Public Financing Authority, a joint exercise of powers agency duly organized and existing under the laws of the State of California (the "Authority") The Bank of New York Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America ("BNY"), and Future Citizen's Foundation, a California non-profit public benefit corporation (the "Future Citizen's") with reference to the following facts:

RECITALS

A. The County and the City have entered into that certain lease dated as of June 1, 1997 (the "Ground Lease"), covering that real property described in Exhibit A of the Ground Lease and shown on the map attached as Exhibit B to the Ground Lease (the "Site"). (Ground Lease and Amendments attached hereto as Exhibit A.)

B. The City has previously financed the acquisition, improvement, construction and equipping of certain City capital improvements and facilities on the Site by causing the delivery of its \$14,315,000 Certificates of Participation (Golf Course and Animal Shelter Projects) Series A of 1999. The City now intends to refinance the City's lease obligations related to the Site by causing the execution and delivery of its Refunding Certificates of Participation (Twin Creeks Golf Course Project) Series 2005A. In order to permit the execution and delivery of such refunding certificates of participation, the City will (1) enter into a site lease naming the City as lessor and the Authority as lessee (the "Site Lease"), which lease includes the Site as the leased premises, and (2) enter into a lease naming the Authority as lessor and the City as lessee (the "Lease Agreement"), whereby the City leases back from the Authority the property covered by the Site Lease. Concurrently therewith, the Authority will assign certain of its rights and interests under the site lease and Lease Agreement to BNY pursuant to an Assignment Agreement, between the Authority and BNY (the "Assignment Agreement"). The City further intends to enter into a sublease of the Site to Future Citizen's pursuant to a Sublease Agreement for operation of Youth Golf Learning Center (the "Sublease") approved by action of the City Council on August 24, 2004.

C. The parties hereto desire to set forth their agreement with respect to the Authority's and BNY's right to quiet and peaceful use, possession and enjoyment of the Site.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Attornment**. The Authority and BNY (collectively the "Authority/BNY") hereby agree that, if by reason of a default under the Ground Lease, the Ground Lease and the City's leasehold

estate thereunder are terminated, the Authority/BNY will attorn to the County and shall recognize the County as the Authority/BNY's lessor for the unexpired balance of the term of the Site Lease upon the same terms and conditions set forth in the Site Lease, subject, however to the conditions set forth in Paragraph 5 of the Ground Lease. The County acknowledges that all rental payments due under the Ground Lease have been paid and that the County may not look to any other person or entity for payment of rent thereunder. The Authority/BNY hereby agrees to execute and deliver, at any time and from time to time, upon the request of the County, any instrument which the County may reasonably request to evidence the attornment set forth in this Paragraph 1.

2. **Non-Disturbance.** The County hereby recognizes the Site Lease as it affects the Site and the Authority/BNY's right to the use, occupancy and enjoyment of the Site granted thereunder and confirms that the Site Lease is not inconsistent with, nor violative of, any provision of the Ground Lease. Furthermore, so long as no default exists under the Site Lease and the Authority/BNY keeps, observes and performs all of the covenants and agreements of the Site Lease on its part to be kept, observed and performed, the County covenants that (i) the Site Lease as it affects the Site shall not be terminated, nor shall the Authority/BNY's use, possession or enjoyment of the Site granted under the Site Lease be interfered with by the County, and (iii) the County shall not prevent the Authority/BNY from lawfully and quietly holding, occupying and enjoying the estate conveyed under the Site Lease during the term of the Site Lease.

So long as Authority/BNY is not in default under any of the terms, covenants or conditions of the Site Lease, in the event it should become necessary to terminate the Ground Lease, (i) the County will not join the Authority/BNY in any summary eviction or foreclosure proceedings, (ii) the Site Lease shall remain in full force and effect, and (iii) the Authority/BNY shall not be disturbed from its rights of use, possession and enjoyment of the Site granted under the Site Lease.

Notwithstanding the County's recognition and consent to the Site Lease, the County shall not incur any liability for, or be subject to any offset, abatement or reduction of the rent or any other sums or charges payable by the Authority/BNY under the Site Lease on account of any default of the City thereunder occurring prior to termination of the Ground Lease.

3. **Estoppel.** The County hereby certifies to the City, the Authority, BNY and Future Citizen's as follows:

(a) The copy of the Ground Lease, Amendment 1 dated May 6, 2003 and Amendment 2 dated July 27, 2004 attached hereto as Exhibit "A" is a true and complete copy of the Ground Lease. The Ground Lease is in full force and effect and has not otherwise been amended, assigned, modified or supplemented.

(b) The expiration date of the term of the Ground Lease is May 31, 2096, and there are no options to extend the term of the Ground Lease.

(c) To the best of the County's knowledge, no default exists under the Ground Lease in the performance of any of the terms, covenants and conditions of the Ground Lease required to be performed by the County or the City, and no defense, offset, or counterclaim exists in favor of the County or the City.

(d) The County is the fee owner of the Site and of the lessor's interest in the Ground Lease. Neither the fee interest in the Site nor the lessor's interest in the Ground Lease has been transferred or encumbered.

(e) No rent or other compensations owing to the County under the Ground Lease has accrued and remains unpaid. The rent for the entire term of the Ground Lease has been paid and no further rental payments are due and owing during the term of the Ground Lease.

(f) The County has not received any notice of any assignment, transfer, or encumbrance of the interest of the City in the Ground Lease or any rights of the City thereunder, except with respect to the Site Lease, the Lease Agreement and the Sublease.

(g) The County hereby consents, as required by Paragraph 8 of the Ground Lease, (i) to the sublease of the Site to the Authority and to the sub-sublease of the Site back to the City, all in accordance with the terms of the Site Lease and the Lease Agreement, (ii) to the assignment of the Authority's interest in the Site Lease and the Lease Agreement to BNY pursuant to the terms of the Assignment, and (iii) to the Sublease. The County consents to the recordation of the Site Lease, Lease Agreement, the Assignment Agreement and the Sublease in the Official Records of Monterey County, California. The consents herein granted shall not serve as a waiver of the restriction against further assignments and sublettings set forth in the Ground Lease.

4. **Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors, transferees and assigns; provided, however, nothing contained in this Agreement shall be deemed or construed to waive, modify, impair or affect the rights and obligations of the Authority/BNY to seek approval from the City or the County for assignments and subleases as provided in the Site Lease other than the Sublease.

5. **No Effect on Ground Lease.** Nothing in this Agreement shall be deemed to change in any manner the provisions of the Ground Lease as between the County and the City, or to waive any right that the County may now have or later acquire against the City by reason of the Ground Lease.

6. **Notices.** Any request or notice to be given by an party to any other party shall be in writing and shall be deemed given if promptly delivered personally or promptly mailed first class, postage prepaid, to the addresses set forth below, provided that the any party may designate any other or additional address by a notice given pursuant hereto.

If to the Authority: Salinas Public Financing Authority
 200 Lincoln Avenue
 Salinas, California 93901
 Attention: Executive Director

If to BNY: The Bank of New York Trust Company, N.A.
 700 S. Flower St., Suite 500
 Los Angeles, California 90017
 Attention: Corporate Trust Department

If to the City: City of Salinas
200 Lincoln Avenue
Salinas, California 93901
Attention: City Manager

If to Future Citizen's: Future Citizen's Foundation
200 East Franklin, Suite 200
P.O. Box 869
Monterey, California 93942

If to the County: County Administrative Officer
County of Monterey
Post Office Box 180
Salinas, California 93902

7. **Counterparts.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed an original; and all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year written below.

"County"

COUNTY OF MONTEREY

APPROVED AS TO FORM
Yates Paul
DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY
Sept. 20, 2005

By: *[Signature]*
Its: PURCHASING MANAGER
COUNTY OF MONTEREY
Dated: *9/23/05*

"City"

CITY OF SALINAS

By: *[Signature]*
Its: City Manager
Dated: *9/13/05*

ATTEST:

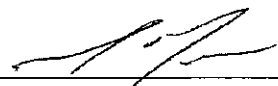
Ann Camel
City Clerk

Dated: *9-13-05*


[Signatures Continued From Previous Page]

"Authority"

SALINAS PUBLIC FINANCING AUTHORITY

By: 
Its: Executive Director

Dated: 9/13/05


Secretary

Dated: 9-13-05

"BNY"

THE BANK OF NEW YORK TRUST COMPANY,
N.A., as Trustee

By: _____
Its: Authorized Officer

Dated: _____

"Future Citizens"

FUTURE CITIZEN'S FOUNDATION, a California
non-profit public benefit corporation

By: _____
Its: Authorized Officer

Dated: _____

[Signatures Continued From Previous Page]

"Authority"

SALINAS PUBLIC FINANCING AUTHORITY

By: _____
Its: Executive Director

Dated: _____

Secretary

Dated: _____

"BNY"

THE BANK OF NEW YORK TRUST COMPANY,
N.A., as Trustee

By: Marcia Mgo
Its: Authorized Officer

Dated: September 29, 2005

"Future Citizens"

FUTURE CITIZEN'S FOUNDATION, a California
non-profit public benefit corporation

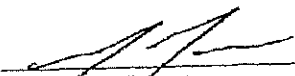
By: _____
Its: Authorized Officer

Dated: _____


[Signatures Continued From Previous Page]

"Authority"

SALINAS PUBLIC FINANCING AUTHORITY

By: 
Its: Executive Director

Dated: 9/13/05


Secretary

Dated: 9-13-05

"BNY"

THE BANK OF NEW YORK TRUST COMPANY,
N.A., as Trustee

By: _____
Its: Authorized Officer

Dated: _____

"Future Citizens"

FUTURE CITIZEN'S FOUNDATION, a California
non-profit public benefit corporation

By: 
Its: Authorized Officer

Dated: 9-27-05

*Before the Board of Supervisors in and for the
County of Monterey, State of California*

Conditional approval of Draft Sublease Agreement)
of Twin Creeks Golf Course Site by the City of)
Salinas to First Tee of Monterey County for)
Operation of Youth Golf Learning Center)

Upon motion of Supervisor Johnsen, seconded by Supervisor Lindley, and carried, the Board approved both the sublease as proposed by the City of Salinas, as well as an amendment to the ground lease, bringing both into conformity, with the condition that there are no changes in the sublease without it coming back to the Board for approval.

AYES: Supervisors Armenta, Calcagno, Lindley, Johnsen, Potter
NOES: None
ABSENT: None

I, Sally R. Reed, Clerk to the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof Minute Book 72, on August 17, 2004.

Dated: August 31, 2004

Sally R. Reed, Clerk of the Board of Supervisors,
County of Monterey, State of California

By *Sally R. Reed*
Deputy

I HEREBY CERTIFY THAT THE FOREGOING DOCUMENT IS A
TRUE COPY OF THE ORIGINAL ON FILE IN THIS OFFICE.

DATE: 9/9/04
SALLY R. REED, CLERK OF THE BOARD OF SUPERVISORS
OF MONTEREY COUNTY CALIFORNIA
BY: *Sally R. Reed* DEPUTY

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	August 17, 2004 - Consent	AGENDA NO:	39
SUBJECT:	Conditional approval of Draft Sublease Agreement of Twin Creeks Golf Course Site by the City of Salinas to First Tee of Monterey County for Operation of Youth Golf Learning Center.		
DEPARTMENT:	General Services		

RECOMMENDATION:

It is recommended that your Board of Supervisors provide conditional approval of the proposed draft sublease of County owned property known as the Twin Creeks Golf Course Site, by the City of Salinas to First Tee of Monterey County, subject to resolution of financial and legal issues, including of inconsistencies between the County's underlying lease and this sublease, and direct General Services to return to the Board for approval of the final sublease on its receipt from the City of Salinas.

SUMMARY:

Approval of the recommended action will provide initial approval of the draft sublease of the property by the City of Salinas to First Tee of Monterey County for operation of a youth learning center at the Twin Creeks Golf Course Site subject to resolution of consistency, financial and legal issues and receipt of the final sublease for approval by your Board.

DISCUSSION:

The County of Monterey entered into a lease agreement #A-07397 (Ground Lease) with the City of Salinas for the property known as the Twin Creeks Golf Course Site in June of 1997. The term of the original lease is for a period of 99 years at a cost of \$1.00 per year.

In February of 1999, Monterey County Board of Supervisors approved an amendment to Agreement #A-07397 authorizing assignment of the lease to Salinas Public Finance Authority in order to permit financing of the construction of the Twin Creeks Golf Course. In May of 2003 an amendment was approved by your Board to allow construction of a pedestrian trail on the subject property.

The City of Salinas has received a proposal from First Tee of Monterey County for a sublease of the property for the purpose of management of the golf course facility. The City of Salinas intends to execute the agreement, however the agreement is also subject to approval by the County pursuant to the Ground Lease. The proposed sublease agreement shall be presented to the Clerk to the Board for review by County officials. At the present time, the County has received a sublease that contains several terms that are inconsistent with the ground lease. In addition, because of the potential for changes between the draft and final versions of the sublease, we recommend only conditional approval by the Board at this time. A copy of the final version of the Sublease as approved by the City of Salinas and County staff shall be subject to approval by your Board. Finally, although much of the intended program is for the benefit of the non-profit First Tee of Monterey County, Salinas derives financial remuneration through the sublease, which is normal. In light of this financial benefit and the community benefit of the

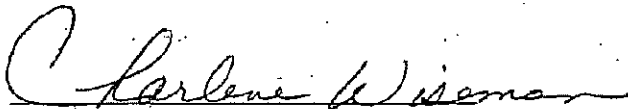
First Tee organization, the Board may want to direct staff to continue the \$1.00 per year rent or negotiate a revenue sharing arrangement with the City.

OTHER AGENCY INVOLVEMENT:

City of Salinas, County Counsel, Salinas Public Finance Authority, County Administrative Office have reviewed the proposed sublease.

FINANCING:

Approval of the sublease assumes at this time that the \$1.00 per year (for 99 years) remuneration to the County as stated in the original Ground Lease is unchanged unless directed by your Board. Alternately, your Board may direct staff to negotiate an amendment pursuant to Article 9 in the Ground Lease to share in any fiscal benefit to the City of Salinas derived from the sublease agreement between the City of Salinas and First Tee of Monterey County.



Charlene Wiseman
Director of General Services

Date: August 12, 2004

Prepared by: Mario Salazar, General Services Manager (755-4992), in collaboration with County Counsel

AMENDMENT 2

LEASE OF COUNTY PROPERTY BETWEEN THE COUNTY OF
MONTEREY AND THE CITY OF SALINAS

This AMENDMENT is made to that certain Lease of County Property entered into on June 1, 1997 by and between the County of Monterey, a general law county organized under the laws of the State of California ("County"), and the City of Salinas, a charter city organized under the laws of the State of California ("City").

WHEREAS, the County is the owner of property generally located on the south side of Constitution Boulevard in the City of Salinas as shown in Exhibit A ("the property") attached to the original Lease of County Property ("the Lease") entered into by and between the County and City on June 1, 1997. A portion of the property ("the Golf Course Site") has been lease to the City to accommodate the City's development of certain public recreational uses, including a nine hole golf course, on the terms and conditions set forth in the Lease.

WHEREAS, the City is requesting the County to consent to the sublease of the Golf Course Site to the First Tee of Monterey County for a (1) youth golf facility and learning center and such other purposes as are related thereto, (2) fee-based use by the general public of the golf course and practice facilities, including golf instruction, and related uses, (3) fee-based community use of the learning center building for community events and activities, and (4) fee-based business sponsored golf outings, leagues and tournaments.

WHEREAS, the Lease provides that the City may use the Golf Course Site for a nine hole golf course, a driving range, and such incidental and accessory uses as may be reasonably appropriate to facilitate or supplement such City uses, but does not specifically provide for fee-based community use of the learning center building for community events and activities unrelated to golf.

WHEREAS, the County and City have determined that the proposed additional use is in the best interest of the public and desire to amend the Lease to expressly allow the use as set forth in this Amendment without unnecessarily enlarging the use allowed under the Lease.

NOW, THEREFORE, the parties agree to amend the Lease as follows:

1. Section 5A of the Lease is amended to read as follows:

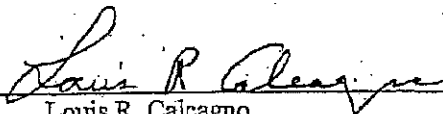
"A. The City may use the Golf Course Site for a nine hole golf course, a driving range, and such incidental and accessory uses as may be reasonably appropriate to facilitate or supplement such City uses. In addition, the City may construct, maintain, and landscape a bicycle and pedestrian path for public use over that part of the Golf Course Site shown in Exhibit 1 of Amendment 1. In Addition, the City may use the Golf

Course Site for fee-based community use of the learning center building for community events and activities. "


2. Except as amended herein, all the terms and provisions of the Lease shall remain in effect. In the event of any conflict or inconsistency between the provisions of this Amendment 2 and the Lease, the provisions of this Amendment shall control.

IN WITNESS HEREOF, the parties have executed this Amendment to the Lease on the date written below.

COUNTY OF MONTEREY

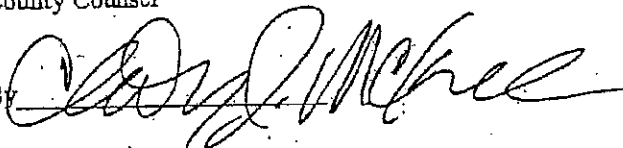
By 
Louis R. Calcagno
Chair of the Board of Supervisors

CITY OF SALINAS

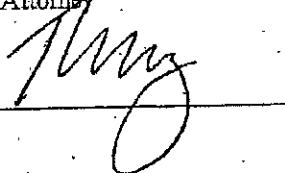
By 
Anna M. Caballero
Mayor of the City of Salinas

APPROVED AS TO FORM:

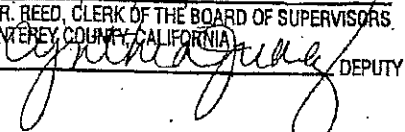
Charles J. McKee
County Counsel

By 

Richard E. Nosky
City Attorney

By 

I HEREBY CERTIFY THAT THE FOREGOING DOCUMENT IS A TRUE COPY OF THE ORIGINAL ON FILE IN THIS OFFICE.

DATE 9/9/04
SALLY R. REED, CLERK OF THE BOARD OF SUPERVISORS,
OF MONTEREY COUNTY, CALIFORNIA
BY:  DEPUTY

RESOLUTION NO. 18215 (N.C.S.)

A RESOLUTION AMENDING THE LEASE AGREEMENT
BETWEEN THE CITY OF SALINAS
AND THE COUNTY OF MONTEREY
TO ALLOW A PESTRIAN TRAIL
AT THE TWIN CREEKS GOLF COURSE

BE IT RESOLVED BY THE COUNCIL OF SALINAS, that the Mayor of Salinas is hereby authorized and directed for and on behalf of the City of Salinas to execute the attached amendment to the Lease Agreement by and between the City of Salinas, a municipal corporation, and the County of Monterey for Twin Creeks Golf Course to allow a pedestrian trail easement along said golf course.

PASSED AND ADOPTED this 6th day of May, 2003 by the following vote:

AYES: Councilmembers Barnes, Giruiato, Lutes, Ocampo, Sanchez, and Mayor Caballero


NOES: None

ABSENT: Councilmembers De La Rosa



Mayor

ATTEST:



City Clerk

AMENDMENT
to
LEASE OF COUNTY PROPERTY BETWEEN THE COUNTY OF
MONTEREY AND THE CITY OF SALINAS

This AMENDMENT to that certain Lease of County Property entered into on June 1, 1997 by and between the County of Monterey, a general law county organized under the laws of the State of California ("County"), and the City of Salinas, a charter city organized under the laws of the State of California ("City"), is made this 6th day of May, 2008, with reference to the following facts and circumstances:

A. The County is the owner of property generally located on the south side of Constitution Boulevard in the City of Salinas as shown in Exhibit A ("the property") attached to the original Lease of County Property ("the Lease") entered into by and between the County and City on June 1, 1997. A portion of the property ("the Golf Course Site") has been leased to the City to accommodate the City's development of certain public recreational uses, including a nine hole golf course, on the terms and conditions set forth in the Lease.

B. In 2002, the City approved the Creekbridge Village Shopping Center project of Creekbridge Homes ("Creekbridge"). As part of the City's conditions of project approval, Creekbridge was required to extend the pedestrian path system behind the shopping center and install a concrete pedestrian/bicycle path and landscaping over a portion of the leased golf course site.

C. Creekbridge and the City have requested the County to allow public use of the pedestrian/bicycle path that Creekbridge is required to install over that part of the golf course site shown in Exhibit 1 to this Amendment.

D. The Lease provides that the City may use the golf course site for a nine-hole golf course, a driving range, and such incidental and accessory uses as may be reasonably appropriate to facilitate or supplement such use, but does not specifically provide for a public pedestrian and bicycle path use.

E. The County and the City have determined that the proposed additional use is in the best interest of the public and desire to amend the Lease to expressly allow the use as set forth in this Amendment without unnecessarily enlarging the use allowed under the Lease.

NOW, THEREFORE, the parties agree to amend the Lease as follows:

1. Section 5A of the Lease is amended to read as follows:

"A. The City may use the Golf Course Site for a nine hole golf course, a driving range, and such incidental and accessory uses as may be reasonably appropriate to facilitate or supplement such City uses. In addition, the City may construct, maintain, and landscape a bicycle and pedestrian path for public use over that part of the Golf Course Site shown in Exhibit 1 of this Amendment.

2. Section 6 of the Lease is amended to read as follows:

"6. Indemnification and Self Insurance. The City shall indemnify, defend, and hold harmless the County, its officers, agents, and employees from and against any and all claims, demands, liability, costs, and expenses of whatever nature, including, but not limited to, court costs, damages, attorneys' fees, and claims administration fees arising out of injury to or death of any person or persons or loss of or damage to any property resulting in any manner from the willful acts or negligence of the City, its officers, agents, or employees in the use or maintenance of the Golf Course Site and in the construction, maintenance, landscaping and public use of the bicycle and pedestrian path, and in the construction or installation of any improvements on the Golf Course Site and on the bicycle and pedestrian path."


8. Except as amended herein, all the terms and provisions of the Lease shall remain in effect. In the event of any conflict or inconsistency between the provisions of this Amendment and the Lease, the provisions of this Amendment shall control.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Lease on the date first above written.

COUNTY OF MONTEREY


By 
FERNANDO ARMENTA
Chair of the Board of Supervisors

CITY OF SALINAS

By 
ANNA M. CABALLERO
Mayor of the City of Salinas

APPROVED AS TO FORM:

DAVID NAWI
Acting County Counsel

By 
Senior Deputy County Counsel

RICHARD E. NOSKY
City Attorney

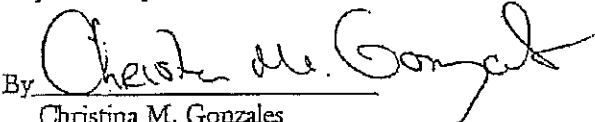
By 
Christina M. Gonzales
Deputy City Attorney

EXHIBIT 1

LEGAL DESCRIPTION FOR COMBINATION PEDESTRIAN, BIKE, INGRESS EGRESS, SLOPE, AND LANDSCAPING

A portion of that 78.436 acre parcel of the Twin Creeks Golf Course lease area upon the lands of Monterey County as shown on that Record of Survey filed with the County of Monterey in Volume 21 of Surveys at Page 103, situated in the City of Salinas, County of Monterey, State of California, being more particularly described as follows:

BEGINNING at the northeast terminus of that course noted on Volume 21 of Surveys at Page 103, and also the northeast terminus of that course shown on Volume 17 of Cities and Towns at Page 7 of Parcel 4 noted as N 86°24'28"W, 37.60 feet;

Thence, along the common boundary between the Twin Creeks Golf Course as shown on said map recorded in Volume 21 of Surveys at Page 103, and Parcel 4 as shown on said map recorded in Volume 17 of Cities and Towns at Page 7, the following two (2) courses:

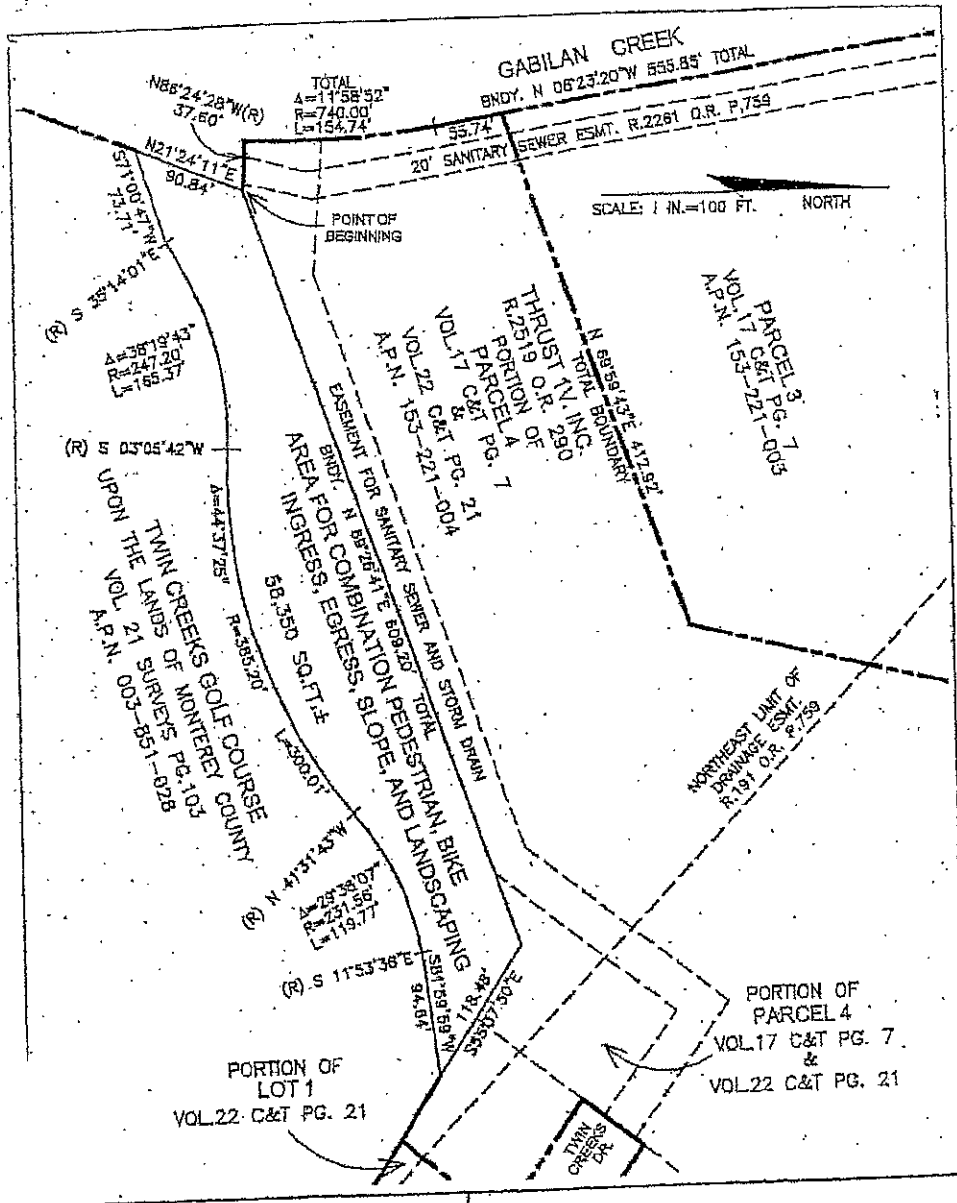
1. N 69°26'41" E, 609.20 feet; and
2. S 55°37'50"E, 118.48 feet;

Thence, leaving the common boundary and across the Twin Creeks Golf Course the following three (3) courses:

1. S 81°59'59"W, 94.64 feet; to the beginning of a curve;
2. along a curve to the left, whose radius bears, S11°53'36"E, 231.56 feet, through a central angle of 29°38'07", an arc length of 119.77 feet to a point of reverse curvature;
3. along a curve to the right, whose radius bears, N 41°31'43"W, 385.20 feet, through a central angle of 44°37'25", an arc length of 300.01 feet to a point of reverse curvature;
4. along a curve to the left, whose radius bears, S 03°05'42"W, 247.20 feet, through a central angle of 38°19'43", an arc length of 165.37 feet; and
5. S 71°00'47"W, 73.71 feet to a point on the westerly boundary of the Twin Creeks Golf Course;

Thence, along the westerly boundary of the Twin Creeks Golf Course, N 21°24'11"E, 90.84 feet to the **POINT OF BEGINNING**.

Containing 58,350 square feet, more or less.



RESOLUTION NO. 1614.2 (N.C.S.)

RESOLUTION AUTHORIZING THE MAYOR TO SIGN A LEASE
WITH THE COUNTY OF MONTEREY

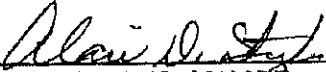
BE IT RESOLVED BY THE CITY COUNCIL OF SALINAS that the Mayor is hereby authorized and directed, for an on behalf of the City of Salinas and as its act and deed, to execute an agreement between the City of Salinas, a municipal corporation, and Monterey County for the use of land to build a golf course to replace Sherwood Golf Course.

PASSED AND ADOPTED this 25th day of March, 1997 by the following vote:

AYES: Councilmembers Armenta, Caballero, Collins, Ish, Oliverrez,
and Mayor Alan Styles

NOES: None

ABSENT: Councilmember Ocampo



ALAN D. STYLES, MAYOR

ATTEST:



ANN CAMEL, CITY CLERK

C:\DATA\WPDOCS\CCRPT\97\RES0077

LEASE OF COUNTY PROPERTY

This Lease of county property ("Lease") is entered into and effective as of June 1, 1997, by and between the City of Salinas ("City"), a charter city organized under the laws of the State of California, and the County of Monterey ("County"), a general law county organized under the laws of the State of California.

RECITALS:

A. The County is the owner of property generally located on the south side of Counstitution Boulevard, in the City of Salinas, and a portion of such property has been identified as the "Golf Course Site." The property description of the Golf Course Site is attached to this Lease as Exhibit A and a general map of the Golf Course Site is attached to this Lease as Exhibit B.

B. The City requires additional property to accommodate the development of certain public recreations uses, including a nine hole golf course.

C. The County is willing to allow the City to use, and the City desires to use, the Golf Course Site for public recreational uses on the terms and conditions hereinafter set forth.

D. The City and the County have determined that this Lease is in the best interest of the public.

AGREEMENT:

Now, therefore, the parties hereby mutually agree as follows:

1. Recitals. The recitals are true and correct and the parties, and each of them, so find and declare.
2. Lease of the Golf Course Site. The County hereby leases the Golf Course Site and the City accepts the lease of the Golf Course Site pursuant to the terms contained in this Lease.
3. Term. The term of this Lease is for ninety-nine (99) years commencing on June 1, 1997, and ending on May 31, 2096, unless sooner terminated by the parties.
4. Lease Payments. The City shall pay the County the sum of \$1 per year as an annual lease payment for the lease of the Golf Course Site. The City, at the City's option, may prepay the Lease in its entirety by paying a lump sum amount of \$99 to the County within 10 days of the execution of this Lease.

5. Use Limitations.

A. The City may use the Golf Course Site for a nine hole golf course, a driving range, and such incidental and accessory uses as may be reasonably appropriate to facilitate or supplement such City uses.

B. The City may issue debt or otherwise finance the construction of any improvements on the Golf Course Site so long as such debt or financing arrangement encumbers City's lease hold interest in Golf Course Site. City shall not encumber or impair the fee interest of County beyond the City's lease hold interest in the Golf Course Site. The City may structure its golf course operations and financing on an Enterprise Fund basis without dependence on the City General Fund.

C. The City agrees that all residents of Monterey County may use any facility or use maintained on the golf Course Site on the same terms and conditions as any resident of the City of Salinas.

D. The City shall, at its own costs and expense, keep and maintain the Golf Course Site and all improvements now or as may be constructed on the Golf Course Site in good order and repair and in a safe and clean condition.

E. The City shall pay or cause to be paid and hold the County and the Golf Course Site free and harmless from all charges for the furnishing of gas, water, electricity, telephone service, telecommunications service, and any and all other utilities or services provided to the Golf Course Site, during the lease term, including the removal of garbage and trash.

6. Indemnification and Self Insurance. The City shall indemnify, defend, and hold harmless the County, it's officers, agents, and employees from and against any and all claims, demands, liability, costs, and expenses of whatever nature, including, but not limited to, court costs, damages, attorneys' fees, and claims administration fees arising out of injury to or death of any person or persons or loss of or damage to any property resulting in any manner from the willful acts or negligence of the City, its officers, agents, or employees in the use or maintenance of the Golf Course Site or in the construction or installation of any improvements on the Golf Course Site.

During the entire term of this Lease, the City shall maintain self insurance, or obtain at its cost insurance coverage as the City deems appropriate, for purposes of general liability against loss or liability caused by or connected with it's possession and use of the Golf Course Site in an amount not less than one million dollars (\$1,000,000). Within thirty (30) days following a request of the County, the City shall deliver to the County a certificate of self insurance or insurance, as the case may be, with respect to the matters set forth in this paragraph.

7. Negation of Partnership. Nothing in this Lease shall be construed to render either

party in any way or for any purpose a partner, joint venturer, or associate in any relationship with the other party, nor shall this Lease be construed to authorize either to act as agent for the other.

8. Assignment. The City shall not voluntarily assign or encumber its interest in this Lease or in the Golf Course Site, or sub-lease all or any portion of the Golf Course Site, or allow any other person or entity, except the City's authorized officers, employees, business invitees and visitors, and jurors, to occupy or use all or any part of the Golf Course Site without the express written consent of the County. A consent by the County to one assignment shall not be deemed to be a consent to any subsequent assignment by the City. No assignment shall release the City from any obligations under this Lease, without the County's consent, which shall not be unreasonably withheld. Further, the consent of the County to any sub-lease or assignment of the City's interest in this Lease for the improvements will not be unreasonably withheld.

9. Cooperation. Each party will reasonably cooperate with the other in ensuring that this Lease allows each party to maximize the benefits and privileges that are granted pursuant to the terms of this Lease. Such cooperation shall include, but is not limited to, execution of such documents as may be necessary or desirable to ensure the financing of improvements on the Golf Course Site, so long as such documents are consistent with the rights, privileges, and responsibilities set forth in this Lease.

10. Default. If after thirty (30) days written notice from the County to the City, the City fails to pay the annual rent in the manner and amount set forth above, or fails to keep, perform, and observe any and all promises, covenants, conditions, and agreements set forth in this Lease on its part to be kept, performed, or observed, the County shall have the right to terminate this Lease and recover from the City the balance of the unpaid rent at the time of the breach together with any damages to the improvements located on the Golf Course Site.

11. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent by first class mail, postage prepaid, and addressed to the other party as follows:

City: City Manager
City of Salinas
200 Lincoln Avenue
Salinas, California 93901

County: County Administrative Officer
County of Monterey
Post Office Box 180
Salinas, California 93902

12. Miscellaneous Provisions.

A. Exhibits. All exhibits referred to are attached to this Lease and are incorporated herein by reference.

B. Integrated Agreement. This Lease contains all of the agreements of the parties with respect to the subject matter hereof and cannot be amended or modified except by a written agreement executed by the parties.

C. Captions. The captions of this Lease shall have no effect on its interpretation.

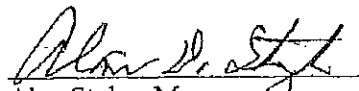
D. Mutual Negotiations. It is understood and agreed by the parties hereto that this Lease has been arrived at through negotiation and that neither party is to be deemed the party which prepared this Lease within the meaning of California Civil Code section 1654.

E. Severability. If any provisions of this Lease or the application of any provision to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

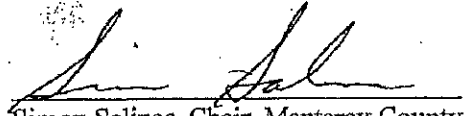
F. Applicable Law. This Lease shall be governed by and construed in accordance with the laws with the State of California.

In witness whereof, the parties have executed this Lease on the day and year first above written.

CITY OF SALINAS


Alan Styles, Mayor

COUNTY OF MONTEREY


Simon Salinas, Chair, Monterey County
Board of Supervisors

FAWPWING01XTVAGMTLEASE.GLF

EXHIBIT A
GOLF COURSE PROPERTY

A PORTION OF THE PROPERTY KNOWN AS THE COUNTY EAST LAUREL STREET
PROPERTY ASSESSORS PARCEL NUMBER 03-851-23 . THIS PROPERTY IS
NORTH OF LAUREL AND EAST OF CONSTITUTION BOULEVARD AND CONSISTS OF
APPROXIMATELY 70 ACRES.

*Before the Board of Supervisors in and for the
County of Monterey, State of California*

Agreement No. A-07397

Approve a Lease of County Property)
to the City of Salinas For Public)
Recreational Uses, Including a)
Golf Course (99 Year Lease at)
\$1.00 Per Year)

Upon motion of Supervisor Potter, seconded by Supervisor Perkins and unanimously carried, (Johnsen) the Board approves a Lease of County Property to the City of Salinas For Public Recreational Uses, Including a Golf Course (99 Year Lease at \$1.00 Per Year).

I, ERNEST K. MORISHITA, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof at page ____ of Minute Book 69, on June 17, 1997.
Dated: June 17, 1997

ERNEST K. MORISHITA, Clerk of the Board
of Supervisors, County of Monterey,
State of California.

Ernie Morishita

Before the Board of Supervisors in and for the
County of Monterey, State of California

Agreement No. A-07397

Approves and authorizes the Purchasing Manager to sign)
an Estoppel Certificate and Non-Disturbance Agreement)
with the City of Salinas, the Salinas Public Financing)
Authority, BNY Western Trust Company, and the Future)
Citizen's Foundation in order to accommodate the City's)
refinancing of the Twin Creeks Golf Course pursuant to)
Lease Agreement A-07397; Authorizes the Purchasing)
Manager to execute such documents as may be reasonably)
necessary to evidence such approval consistent with the)
terms and conditions of the lease agreement and)
subsequent)
amendments.....)

Upon motion of Supervisor Johnsen, seconded by Supervisor Lindley, and carried by those members present, effective October 12, 2004, the Board hereby;

1. Approves and authorizes the Purchasing Manager to sign an Estoppel Certificate and Non-Disturbance Agreement with the City of Salinas, the Salinas Public Financing Authority, BNY Western Trust Company, and the Future Citizen's Foundation in order to accommodate the City's refinancing of the Twin Creeks Golf Course pursuant to Lease Agreement A-07397; and
2. Authorizes the Purchasing Manager to execute such documents as may be reasonably necessary to evidence such approval consistent with the terms and conditions of the lease agreement and subsequent amendments.

PASSED AND ADOPTED this 12th day of October, 2004 by the following vote, to wit:

AYES: Supervisors Calcagno, Lindley, Johnsen, and Potter

NOES: None

ABSENT: Supervisor Armenta

I, Sally R. Reed, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof Minute Book 72, on October 12, 2004.

Dated: October 15, 2004

Sally R. Reed, Clerk of the Board of Supervisors,
County of Monterey, State of California.

By: Cynthia Juarez
Cynthia Juarez, Deputy