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Mark Norris, Clerk/Recorder



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MASTER SITE LEASE

by and between the

CITY OF SACRAMENTO

and the

SACRAMENTO CITY FINANCING AUTHORITY

RELATING TO THE
CITY OF SACRAMENTO
1999 IMPROVEMENTS

Executed and Entered Into as of December 1, 1999

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MASTER SITE LEASE

This Master Site Lease (the "Site Lease"), executed and entered into as of December 1, 1999, by and between the City of Sacramento, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "City"), and the Sacramento City Financing Authority, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority");

WITNESSETH:

WHEREAS, the City and the Authority have determined that it is in the best interests of the City and the residents of the City and the Redevelopment Agency of the City of Sacramento (the "Agency") for the Authority to assist the City and the Agency by financing and refinancing the acquisition and construction of improvements for the City and by financing the acquisition of loan obligations of the Agency so that the Agency can undertake redevelopment activities for the benefit of the City; and

WHEREAS, in order to finance the acquisition of those certain loan obligations of the Agency comprising Advance Repayment Agreements for the redevelopment projects of the Agency located in the City constituting the Del Paso Heights Redevelopment Project (Project No. 5), the Oak Park Redevelopment Project (Project No. 7), the Richards Boulevard Redevelopment Project and the North Sacramento Redevelopment Project (the "1999 Improvements") so that the Agency can undertake redevelopment activities for the benefit of the City, (A) the City and the Authority have agreed to execute and enter into the Site Lease whereby the City will lease those certain parcels of real property described herein (the "1999 Site") to the Authority, and (B) the Authority and the City have agreed to execute and enter into a Master Project Lease (the "Project Lease") as of December 1, 1999, whereby the Authority will lease the 1999 Site, together with the improvements located thereon (collectively with the 1999 Site, the "1999 Project") to the City as provided therein, and the City will lease the 1999 Project from the Authority; and

WHEREAS, the City and the Authority contemplate that from time to time the Authority may finance or refinance the acquisition and construction of additional improvements for the City and may finance the acquisition of additional loan obligations of the Agency so that the Agency can undertake additional redevelopment activities for the benefit of the City by (A) the City leasing additional parcels of real property (the "Additional Sites," and together with the 1999 Site, the "Site") to the Authority as provided herein, and (B) the Authority leasing such additional parcels of real property, together with the improvements thereon (the "Additional Projects," and together with the 1999 Project, the "Project") to the City as provided in the Project Lease, and the City leasing the Additional Projects from the Authority; and

WHEREAS, pursuant to the Project Lease, the City will become obligated thereunder to make scheduled base rental payments (the "Base Rental Payments") and additional rental payments (the "Additional Rental Payments") to the Authority for the lease of the Project by the Authority to the City; and

WHEREAS, the City and the Authority hereby certify that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of the Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into the Site Lease;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

SECTION 1. Leased Premises. The City hereby leases to the Authority and the Authority hereby hires from the City, on the terms and conditions hereinafter set forth, those certain parcels of real property more particularly described in Exhibit A attached hereto and incorporated herein and made a part hereof, constituting the 1999 Site.

SECTION 2. Term. The term hereof shall commence on December 1, 1999, or the date the Site Lease is recorded, whichever date is later, and shall (subject to Section 14 hereof) terminate on December 1, 2029; provided, that if prior to December 1, 2029, all Base Rental Payments and the interest accrued thereon and all Additional Rental Payments and the interest accrued thereon and all fees and expenses of the Trustee (as that term is defined below) shall have been paid or deemed paid pursuant to the Project Lease, the term hereof shall end on the date of such payment or deemed payment.

SECTION 3. Rental. The Authority shall pay to the City, on the date of commencement hereof, as and for the total rental payable hereunder, the sum of fifteen million one hundred five thousand five hundred sixty-nine and 76/100 dollars (\$15,105,569.76), which sum constitutes the payment of the purchase price of the Site Lease by the Authority and shall (except for the portion of such sum required to be deposited by the City in the Reserve Fund and used to fund the Reserve Fund as provided in Section 6.08 of the Project Lease) be deposited by the City in the City of Sacramento 1999 Improvements Fund created pursuant to Section 4.01 of the Project Lease and used to acquire the 1999 Improvements and to pay portions of the Base Rental Payments.

SECTION 4. Purpose. The Authority shall use the Site solely for the purpose of leasing the Project to the City under the Project Lease; provided, that in the event of default by the City under the Project Lease the Authority may exercise the remedies provided to it under the Project Lease.

SECTION 5. Owner in Fee. The City covenants that it is the owner in fee of the Site.

SECTION 6. Assignments and Subleases. Unless the City shall be in default under the Project Lease, the Authority may not (1) assign any its rights hereunder except pursuant to the Indenture dated as of December 1, 1999, by and between the Authority and BNY Western Trust Company, as Trustee thereunder (the "Trustee"), or (2) sublet the Site except pursuant to the Project Lease.

SECTION 7. Right of Entry. The City reserves the right for any of its duly authorized representatives to enter upon the Site at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 8. Termination. The Authority agrees, upon the termination hereof, to quit and surrender the Site in the same good order and condition as the same was in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that all improvements located thereon at the time of the termination hereof shall remain thereon and title thereto shall vest in the City; provided, that (i) upon the deletion by the City of any real property from the Site pursuant to Section 2.06 of the Project Lease, the term hereof shall terminate as to such real property being deleted from the Site at the time of such deletion, as provided in an amendment to the Site Lease and (ii) upon the addition by the City of any real property to the Site pursuant to Section 2.06 of the Project Lease, the term hereof shall commence as to such real property being added to the Site at the time of such addition, as provided in an amendment to the Site Lease.

SECTION 9. Default. In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms hereof, which default continues for thirty (30) days following notice and demand for correction thereof to the Authority, the City may exercise any and all remedies permitted by law, except that no merger hereof and of the Project Lease shall be deemed to occur as a result thereof; provided, that the City shall have no power to terminate the Site Lease by reason of any default on the part of the Authority if such termination would affect or impair any assignment of any rights to receive Base Rental Payments due under the Project Lease then in effect between the Authority and the Trustee.

SECTION 10. Quiet Enjoyment. The Authority at all times during the term hereof shall, subject to the provisions of Section 9, peaceably and quietly have, hold and enjoy the Site.

SECTION 11. Waiver of Personal Liability. All liabilities hereunder on the part of the Authority shall be solely corporate liabilities of the Authority, and the City hereby releases each and every officer of the Authority of and from any personal or individual liability hereunder, and no officer of the Authority shall at any time or under any circumstances be individually or personally liable hereunder for anything done or omitted to be done by the Authority hereunder.

The Authority and its officers shall not be liable to the City or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Site and the Project, and the City, to the extent permitted by law, shall indemnify and hold the Authority and its officers harmless from, and defend each of them against, any and all claims, liens and judgments arising from the construction or operation of the Site or the Project, including, without limitation, death of or injury to any person or damage to property whatsoever occurring in, on or about the Site or the Project regardless of responsibility for negligence, but excepting the active negligence of the person or entity seeking indemnity.

SECTION 12. Taxes. The City covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site (including both land and improvements).

SECTION 13. Eminent Domain. In the event the whole or any portion of the Site or any of the improvements thereon is taken by eminent domain proceedings, the interest of the Authority shall be recognized in accordance with Section 9.01 of the Project Lease.

SECTION 14. Amendments. The Site Lease may be amended by the parties hereto to provide (i) for the addition of any additional real property to or the deletion of any real property from the Site, as provided in Section 2.06 of the Project Lease, and (ii) for the extension of the term hereof, as provided in Section 2.06 of the Project Lease.

SECTION 15. Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms hereof shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining agreements, conditions, covenants or terms hereof shall be affected thereby, and each provision of the Site Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 16. Notices. All approvals, authorizations, consents, demands, designations, notices, offers, requests, statements or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, and, if to the City, addressed to the City of Sacramento, c/o City Treasurer, City of Sacramento, 926 J Street, Suite 300, Sacramento, California 95814, or, if to the Authority, addressed to the Sacramento City Financing Authority, c/o City Attorney, City of Sacramento, 980 Ninth Street, 10th Floor, Sacramento, California 95814, or to such other addresses as the parties hereto may from time to time designate by notice in writing.

SECTION 17. California Law. The Site Lease shall be governed by and construed and interpreted in accordance with the laws of the State of California.

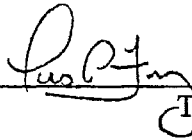
SECTION 18. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision hereof.

SECTION 19. Severability. If any agreement, condition, covenant or term hereof or any application hereof should be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, all agreements, conditions, covenants or terms hereof and all applications thereof not held invalid, void or unenforceable shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 20. Execution. The Site Lease may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

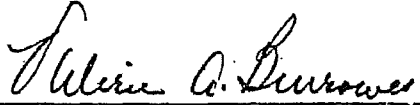
IN WITNESS WHEREOF, the parties hereto have executed and entered into the Site Lease by their officers thereunto duly authorized as of the day and year first above written.

CITY OF SACRAMENTO

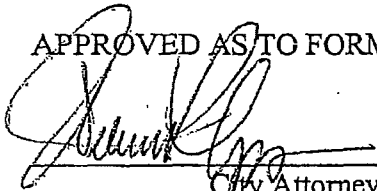
By 
Treasurer

(SEAL)

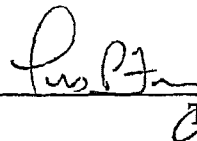
ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

SACRAMENTO CITY FINANCING AUTHORITY

By 
Treasurer

(SEAL)

ATTEST:

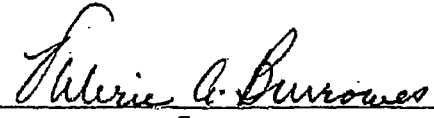

Secretary

EXHIBIT A

Description of the 1999 Site

All those certain parcels of real property in the City of Sacramento, the County of Sacramento, the State of California, described as follows:

Parcel 1 (Curtis Park):

All that portion of the West one-half of Section 18, Township 8 North, Range 5 East, M. D. B. & M., described as follows:

Beginning at the intersection of the South line of Donner Way, formerly 3rd Avenue, with the East line of 26th Street, formerly Curtis Avenue, as the same is shown and delineated on the official map of Curtis Oaks, filed in the office of the Recorder of Sacramento County, California, on January 19, 1907, in Book 7 of Maps, Map No. 49, and which point of intersection is due South 58.00 feet from the Southwest corner of Lot 184 of said Curtis Oaks; thence from said point of beginning, along the South line of said Donner Way parallel to and distant 58.00 feet Southerly, at right angles, from the North line of said Donner Way, East 180.00 feet; thence along a line which is parallel to and distant 180.00 feet Easterly, measured at right angles, from the division line common to the lands owned by George H. Cutter and Carrie M. Cutter, his wife, on the East, and the land of Hickman Investment Company, a corporation, on the West, South $00^{\circ} 02'$ East 2696.56 feet to a point on the Northerly line of Sutterville Road, formerly known as 12th Avenue and as Palmetto Avenue; thence along the Northerly line of said Sutterville Road South $78^{\circ} 07'$ West 367.84 feet; thence along a line which is parallel to and distant 180.00 feet Westerly, measured at right angles, from the division line common to the said lands of George H. Cutter and Carrie M. Cuter, his wife, on the West, and the land of Hickman Investment Company, a corporation, on the West, North $00^{\circ} 02'$ West 2772.22 feet to the South line of said Donner Way; thence along the South line of said Donner way, parallel to and distant 58.00 feet Southerly, at right angles, from the North line of said Donner Way, East 180.00 feet to the point of beginning.

Parcel 2 (Fire Station #1):

Lots 3 and 4 in the block bounded by 6th and 7th, "Q" and "R" Streets of the City of Sacramento, according to the official plat thereof.

Parcel 3 (Fire Station #10):

All that portion of the West one-half of the Northwest one-quarter of the Northwest one-quarter of Section 27, Township 8 North, Range 5 East, M.D.B.&M., described as follows:

Beginning at a point on the East line of the West one-half of the Northwest one-quarter of the Northwest one-quarter of Section 27, said East line also being the center line of 66th Street, from which point of beginning the Northwest corner of said Section 27 (said Northwest corner being located on the center line of Fruitridge Road) bears North $00^{\circ}13'$ West 319.47 feet and North $89^{\circ}53'45''$ West 664.50 feet; thence from said point of beginning along the East line of the West one-half on the Northwest one-quarter of the Northwest one-quarter of said Section 27, and the center line of said 66th Street, South $00^{\circ}13'$ East 200.00 feet; thence parallel to the North line of said Section 27, North $89^{\circ}53'45''$ West 425.06 feet to a point located East 239.25 feet from the West line of said Section 27; thence parallel to the West line of said Section 27, North $00^{\circ}14'20''$ West 200.00 feet; thence parallel to the North line of said Section 27, South $89^{\circ}53'45''$ East 425.13 feet to the point of beginning.

Parcel 4 (Fire Station #14):

Beginning at a point which is located North $19^{\circ}30'$ East 421.40 feet along the center line of 16th Street of the City of Sacramento, produced Northerly, and North $70^{\circ}30'$ West 832.05 feet and North $19^{\circ}30'$ East 160.30 feet from the intersection of the center lines of 16th and North B Streets of said city; thence from said point of beginning North $70^{\circ}30'$ West 40.10 feet; thence South $19^{\circ}30'$ West 120.30 feet; thence South $70^{\circ}30'$ East 40.10 feet; thence North $19^{\circ}30'$ East 120.30 feet to the place of beginning.

Parcel 5 (Fire Station #15):

All that portion of Parcel No. 7, as shown on Parcel Map entitled "Lots 119, 121, 123 and a portion of Lots 125 and 126 of Natomas Eastside Subdivision", recorded in the office of the County Recorder of Sacramento County on September 3, 1976, in Book 28 of Parcel Maps, at Page 15, described as follows:

Beginning at the Southwest corner of said Parcel No. 7, said corner also lying on the center line of Truxel Road; thence from said point of beginning along the center line of Truxel Road North $00^{\circ}09'00''$ West 165.00 feet; thence leaving said center line North $89^{\circ}49'44''$ East 277.00 feet; thence South $00^{\circ}09'00''$ East 165.00 feet to the Northerly line of Newborough Drive; thence along said Northerly line South $89^{\circ}49'44''$ West 277.00 feet, more or less to the point of beginning.

Parcel 6 (Fire Station #16):

The South 257.5 feet of Lot 5 of Garden Dale, according to the official plat thereof, filed in the office of the Recorder of Sacramento County, California, on April 28, 1910, in Book 10 of Maps, Map No. 23.

Excepting therefrom the North 65-feet of the East 150 feet of the West 190 feet.

The subdivision of said Lot 5 being made on the basis that the lot are includes one-half of the adjoining roads as shown on said plat.

Parcel 7 (Fire Station #17):

All that portion of the West 30 acres of the South one-half of the Northwest one-quarter of Section 18 as shown on the "Map of Survey and Subdivision of Rancho Del Paso", recorded in the office of the County Recorder of Sacramento County, March 5, 1911, in Book A of Surveys, Map No. 94, described as follows:

Commencing at a point on the quarter section line located North $89^{\circ} 02' 1/2''$ East 730 feet from the section corner common to Sections 11 and 18 of said Rancho Del Paso; thence from said point, and along the one-quarter section line, North $89^{\circ} 02' 1/2''$ East 260 feet; thence North $1^{\circ} 46' 1/2''$ West 76.6 feet to the center line of a road known as Marysville Road, North $35^{\circ} 26'$ West 183.5 feet; thence South $89^{\circ} 2' 1/2''$ West 158.3 feet; thence South $1^{\circ} 46' 1/2''$ East 227.8 feet to the point of commencement.

Parcel 8 (Fire Station #19):

"Parcel K" as shown on the official plat of Point West, recorded in the office of the Recorder of Sacramento County in Book 82 of Maps, Map No. 17.

Parcel 9 (Fire Station #7):

All that portion of the certain "384.987 Acres" Tract of land designated "Western Enterprises 384.987 Acres" on the Record of Survey entitled, "Portion of Sections 10 and 15, T. 7 N., R. 5 E., M.D.B.&M.", filed in the office of the Recorder of Sacramento County, California, on June 30, 1959, in Book 14 of Surveys, Map No. 24, described as follows:

Beginning at a point on the West line of said 384.987 acre tract of land, said point of beginning is further described as being located on the West line of said Section 10 and on the center line of Valley Hi Drive, from which point of beginning the Southwest corner of said Section 10 bears South 02°04'02" East 490.00 feet; thence from said point of beginning North 89°44'55" East 50.00 feet; the Northeasterly curving to the right on an arc of 25.00 feet radius, said arc being subtended by a chord bearing North 44°44'54" East 35.36 feet to a point on the South line of Windham Way; thence along the South line of said Windham Way North 89°44'55" East 100.00 feet; thence South 00°5'05" East 240.99 feet; thence South 89°44'55" West 175.00 feet to a point on the West line of said 384.987 acre tract of land and on the center line of said Valley Drive; thence along said West line and the center line North 00°15'05" West 215.99 feet to the point of beginning.

Parcel 10 (Lawrence Park):

Lots A and B as shown on the Plat of "Fruitridge Oaks Unit No. 3", recorded in the office of the County Recorder of Sacramento County, January 7, 1953, in Book 34 of Maps, Map No. 3.

Parcel 11 (Rooney Police Garage and Station):

Parcels A, B, and D of that certain Parcel Map entitled "portion of S.E. 1/4 of Section 19, T. 8 N., R. 5 E. M.D.B. & M", filed in the office of the Recorder of Sacramento County, California, on October 31, 1979, in Book 53 of Parcel Maps, Map No. 5.

Parcel 12 (Stanford Park):

The entire block bounded by 27th and 28th, "B" and "C" Streets of the City of Sacramento, according to the official plat thereof; together with South one-half of abandoned "B" Street adjacent said block lying between 27th and 28th Streets, excepting the West 60.00 feet of said abandoned "B" Street.

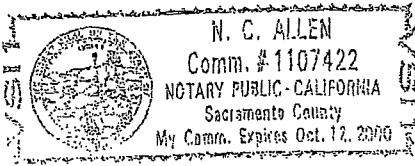
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Sacramento } ss.

On 12/9/99, before me, N. C. Allen, Notary,
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")
personally appeared Valerie A. Burmowes and Thomas P. Friery,
Name(s) of Signer(s)

personally known to me
 ~~proved to me on the basis of satisfactory~~
~~evidence~~

to be the person(s) whose name(s) are
subscribed to the within instrument and
acknowledged to me that ~~has~~/they executed
the same in ~~his~~/their authorized
capacity(ies), and that by ~~his~~/their
signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s)
acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

N. C. Allen
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Site Lease 1999 Solid Waste

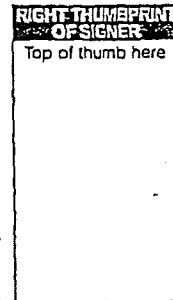
Document Date: 12-1-99 Number of Pages: Authority
9 including Acknowledge

Improvement

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): City Clerk and City
 - Partner — Limited General Treasurer
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____



Signer Is Representing: _____