OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE PORTERVILLE REDEVELOPMENT AGENCY

SPECIAL MEETING
CITY HALL, 291 NORTH MAIN STREET
HAMAMATSU CONFERENCE ROOM
PORTERVILLE, CALIFORNIA
JUNE 6, 2012, 9:00 A.M.

CALL TO ORDER
ROLL CALL
PLEDGE OF ALLEGIANCE

ORAL COMMUNICATIONS
This is the time for any person wishing to address the Oversight Board on any matter, whether or not it appears on this agenda. No action will be taken on any item not on the agenda unless the Oversight Board makes a determination that an emergency exists or that the need to take action on the item rose subsequent to the posting of the agenda. Public comments shall be limited to a maximum of three (3) minutes per person and an overall time period of fifteen minutes for items not considered on the regular agenda.

SCHEDULED MATTERS
1. Oversight Board Minutes of May 9, 2012

2. Property Negotiations Between the Porterville Successor Agency and Social Vocational Services, Inc. (APN -253-138-001)
Re: Considering authorization of the sale of the property located at the southeast corner of Fourth Street and Harrison Avenue to Social Vocational Services, Inc.; and adoption of a resolution approving the Purchase and Sale Agreement between the Successor Agency and Social Vocational Services, Inc.

3. Scheduling of Future Meetings for the Oversight Board

CHAIR AND BOARD MEMBERS’ COMMENTS AND SUGGESTIONS

ADJOURNMENT

In compliance with the Americans with Disabilities Act and the California Ralph M. Brown Act, if you need special assistance to participate in this meeting, or to be able to access this agenda and documents in the agenda packet, please contact the Office of City Clerk at (559) 782-7464. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting and/or provision of an appropriate alternative format of the agenda and documents in the agenda packet.

Materials related to an item on this agenda submitted to the Oversight Board after distribution of the agenda packet are available for public inspection during normal business hours at the Office of City Clerk, 291 North Main Street, Porterville, CA 93257, and on the City’s website at www.ci.porterville.ca.us.
Call to Order at 9:05 A.M.
Roll Call: Rosa Carlson
John Hess (arrived at 9:45 a.m.)
Denise Marchant
John Snavely
Joseph A. Stewart.
Steve Tree
Absent: Mike Ennis

Pledge of Allegiance

PRESENTATIONS
I. Swearing in of Board Members Dr. Rosa Carlson and Mr. Steve Tree by Board Secretary

Board Secretary Patrice Hildreth administered the oath of office to Oversight Board Members Carlson and Tree.

ORAL COMMUNICATIONS
None

TRAINING
1. Former Porterville Redevelopment Agency Training – Question and Answer Period (no report)

Community Development Director Brad Dunlap and Successor Agency Legal Counsel Tom Clark presented an overview of the history of redevelopment in the State of California, and discussed, at the members’ request, topics including the fiduciary responsibility of the Oversight Board Members, and how agreements with taxing entities operated. Mr. Clark further elaborated on his role, and advised that he was Legal Counsel to the Successor Agency and not to the Oversight Board. He indicated that he was present to answer questions relative to the process and law; however he was not the Oversight Board’s legal representative and could not offer advise in that regard.

SCHEDULED MATTERS
2. Oversight Board Minutes of April 11, 2012
Recommendation: That the Board approve the draft Minutes of April 11, 2012.

BOARD ACTION: MOVED by Board Member Hess, SECONDED by Vice Chair Stewart that the Oversight Board of the Successor Agency to the Porterville Redevelopment Agency approve the draft Minutes of April 11, 2012.

AYES: Hess, Marchant, Snively, Stewart
NOES: None
ABSTAIN: Carlson, Tree
ABSENT: Ennis

Documentation: M.O. 01-050912
Disposition: Approved.

3. Approval of Expenditure of Bond Funds for the Porterville Hotel Project approximately $1.9 million for the completion of the Porterville Hotel Project

Recommendation: That the Oversight Board consider adopting the draft resolution approving the use of the remaining Series B Redevelopment Bond Proceeds of approximately $1.9 million for the Porterville Hotel Project.

Community Development Director Brad Dunlap presented the staff report. A discussion ensued as to the proposed acquisition and demolition of the Porterville Hotel. Vice Chair Stewart confirmed with staff that the project could be accomplished as proposed.

BOARD ACTION: MOVED by Board Member Tree, SECONDED by Board Member Marchant, that the Oversight Board adopt the draft resolution approving the use of the remaining Series B Redevelopment Bond Proceeds of approximately $1.9 million for the Porterville Hotel Project.

AYES: Carlson, Hess, Marchant, Snively, Stewart, Tree
NOES: None
ABSTAIN: None
ABSENT: Ennis

Documentation: Resolution 2012-05
Disposition: Approved.

4. Review and Approval of Draft Recognized Obligation Payment Schedule (Draft ROPS) for the Period of July 1, 2012 through December 31, 2012
Recommendation: That the Oversight Board:

1. Approve the Draft Recognized Obligation Payment Schedule (Draft ROPS) subject to submittal to, and review and certification by an independent auditor selected by the County, which Draft ROPS was originally adopted by the Successor Agency by the City Council Actions and Serving as the Successor Agency on February 21, 2012, provided that should any modification be required to the ROPS by the independent auditor or by DOF, the Community Development Director and/or Community Development Project Manager shall be authorized designees for making any augmentation, modification, additions or revisions as may be necessary; and

2. Adopt the draft Oversight Board Resolution approving the Draft ROPS for the period of July 1, 2012 through December 31, 2012 and transmittal thereof.

Community Development Director Brad Dunlap presented the staff report and distributed revised spreadsheets for the Board’s review. A discussion ensued as to the ROPS and the County’s distribution of former tax increment pursuant to ABx1 26. A question arose as to which entity would be eligible to receive any funds remaining in the Redevelopment Property Tax Trust Fund after the disbursement to the local taxing entities, either the State or taxing entities. Staff advised that they would look into the matter and report back to the Board.

BOARD ACTION: MOVED by Vice Chair Stewart, SECONDED by Board Member Tree, that the Oversight Board approve the Draft Recognized Obligation Payment Schedule (Draft ROPS) subject to submittal to, and review and certification by an independent auditor selected by the County, which Draft ROPS was originally adopted by the Successor Agency by the City Council Actions and Serving as the Successor Agency on February 21, 2012, provided that should any modification be required to the ROPS by the independent auditor or by DOF, the Community Development Director and/or Community Development Project Manager shall be authorized designees for making any augmentation, modification, additions or revisions as may be necessary; and adopt the draft Oversight Board Resolution approving the Draft ROPS for the period of July 1, 2012 through December 31, 2012 and transmittal thereof.

AYES: Carlson, Hess, Marchant, Snavely, Stewart, Tree
NOES: None
ABSTAIN: None
ABSENT: Ennis
5. Scheduling of Future Meetings for the Oversight Board

The next meeting was scheduled for Wednesday, June 6, 2012 at 9:00 A.M.

CHAIR AND BOARD MEMBERS’ COMMENTS AND SUGGESTIONS
None

ADJOURNMENT
The Board adjourned at 10:46 A.M.

__________________________________________
Patrice Hildreth, Board Secretary

_______________________________
John Snavely, Board Chairman
OVERSIGHT BOARD AGENDA: JUNE 6, 2012

SCHEDULED MATTERS

SUBJECT: PROPERTY NEGOTIATIONS BETWEEN THE PORTERVILLE SUCCESSOR AGENCY AND SOCIAL VOCATIONAL SERVICES, INC. (APN 253-138-001)

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: Successor Agency staff has been in negotiations with Social Vocational Services, Inc. (SVS) for the sale of the vacant lot on the southeast corner of Fourth Street and Harrison Avenue ("Property") since April 2011. Due to the dissolution of redevelopment agencies by the State of California, SVS was unable to take possession of the property. In response to AB 1X 26, the City of Porterville opted to serve as the Successor Agency to the Porterville Redevelopment Agency. Following the Supreme Court's decision to uphold the legislature's passage of AB 1X 26 in mid 2011, staff has been working through the steps to allow for disposition of Agency-owned property.

An appraisal dated March 10, 2011, determined that the fair market value of the 27,752± square foot parcel was $125,000. SVS and former Agency staff negotiated the following terms: SVS would pay fair market value ($125,000) for the Property and the former Agency would pay all closing costs and Broker's commissions, up to $7,500 (resulting in net sale proceeds to the Agency of $117,500). The proposed transaction also included a requirement that SVS execute and record against the Property a Maintenance and Use Covenant and that SVS covenant to construct a facility at the Property within twenty-four months of the close of escrow. The Public Hearing to approve the transaction was scheduled for August 2, 2011; however, due to the uncertainty of Redevelopment this item was continued to September 20, 2011. The September 20, 2011, Public Hearing was opened and continued to January 17, 2012, at which time the item was pulled from the Agency's agenda due to the California Supreme Court ruling abolishing Redevelopment.

The Successor Agency is now in a position to continue with the consummation of this transaction. It is important to note that the Property must be sold at fair market value and, as this is no longer a Redevelopment project, development conditions, such as a timeline for constructing a building, no longer apply to this transaction.

As more than a year has passed since the Property was appraised, Successor Agency counsel advised that an updated appraisal should be obtained to reestablish the fair market value for the Property. Simon Company, Inc. reevaluated the value of the Property in April 2012, and noted that land values, especially in secondary locations, have declined by approximately

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10% since March 2011. The updated fair market value for the property was determined to be $112,000.

Successor Agency staff contacted SVS to discuss the sale of the Property and SVS confirmed that they are still interested in acquiring the Property from the Successor Agency. SVS has agreed to pay the appraised fair market value for the Property, as well as usual and customary escrow charges.

During the May 15, 2012, joint meeting of the Successor Agency and City Council, a Purchase and Sale Agreement was approved for the disposition of the Property for a purchase price of $112,000 and the City Council approved the termination and removal from title to the Property of the Operation, Use and Maintenance Covenants Running with the Land (Parking Facilities), dated as of March 10, 2011, which was recorded against the Property in the Official Records of Tulare County, California on March 11, 2011, as Instrument No. 2011-0014487.

**RECOMMENDATION:** That the Oversight Board to the Successor Agency to the Porterville Redevelopment Agency:

1) Authorize the sale of the Property located at the southeast corner of Fourth Street and Harrison Avenue (APN 253-138-001) to Social Vocational Services, Inc.; and

2) Adopt a Resolution approving the Purchase and Sale Agreement between the Successor Agency and Social Vocational Services, Inc.; and

3) Authorize the Mayor and City Clerk or their designees, to sign all necessary documents to complete the transaction; and

4) Authorize staff to submit the terms of the transaction to the State of California Department of Finance for approval; and

5) Authorize staff, at the appropriate time, to open escrow and take all other actions necessary to complete the transaction contemplated by the Purchase and Sale Agreement.

**ATTACHMENTS:**

1) Purchase and Sale Agreement

2) Oversight Board Resolution
PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT ("Agreement") is dated for reference purposes as of the 10th day of May, 2012 ("Agreement Date"), and is being entered into by and between the CITY OF PORTERVILLE, ACTING AS SUCCESSOR AGENCY TO THE PORTERVILLE REDEVELOPMENT AGENCY ("Successor Agency"), and SOCIAL VOCATIONAL SERVICES, INC., a California non-profit corporation ("Buyer"), for the acquisition by Buyer of certain real property described below.

NOW, THEREFORE, Successor Agency and Buyer hereby agree as follows:

1. Agreement to Sell and Purchase. Successor Agency is the owner in fee of that certain vacant real property consisting of approximately 27,752 square feet of land area generally located at the southeast corner of Fourth Street and Harrison Avenue in the City of Porterville ("City"), County of Tulare, State of California ("Property"). The Property is more particularly described in Exhibit "A" and is shown on the map in Exhibit "B" attached hereto and fully incorporated herein by reference. Successor Agency agrees to sell the Property to Buyer and Buyer agrees to purchase the Property from Successor Agency upon the terms and for the consideration set forth in this Agreement.

2. Purchase Price. The purchase price of the Property ("Purchase Price") is One Hundred Twelve Thousand Dollars ($112,000.00). The Purchase Price is not less than the fair market value of the Property.

3. Conveyance of Title and Possession. Successor Agency agrees to convey by Grant Deed to Buyer fee simple title to the Property, free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases, taxes and other title or survey matters ("Exceptions") except such matters which are acceptable to the Buyer, following Buyer’s review of the Report (defined below) as provided in this Section 3. Within fifteen (15) calendar days following the Agreement Date, Successor Agency shall cause First American Title Company or another title company mutually agreeable to both parties ("Title Company") to deliver to Buyer a preliminary title report or commitment ("Report") with respect to the title to the Property, together with legible copies of documents creating the Exceptions set forth in the Report. Buyer shall have thirty (30) days from its receipt of the Report within which to give written notice to Successor Agency of Buyer’s approval or disapproval of any of such Exceptions. Buyer’s failure to give written approval of the Report within such time limit shall be deemed approval of the Exceptions set forth in the Report; provided that (i) Successor Agency agrees to use its reasonable efforts to cause the City Council of the City to remove those certain Operation, Use and Maintenance Covenants Running with Land (Parking Facilities), dated as of March 10, 2011 and recorded against the Property in the Official Records of Tulare County, California on March 11, 2011 as Instrument No. 2011-0014487 ("Parking Covenant") from title to the Property prior to and as a condition precedent to the Closing, and (ii) provided further that no deeds of trust, mortgages or other liens, except for the lien of property taxes and assessments not yet due, shall be approved Exceptions. If Buyer notifies Successor Agency of its disapproval of any Exceptions in the Report, Successor Agency shall have the right, but not the obligation, to remove any disapproved Exceptions or provide assurances satisfactory to Buyer that such Exception(s) will be removed on or before the Closing within fifteen (15) days after receiving written notice of Buyer’s disapproval. If Successor Agency cannot or does not elect to remove any of the disapproved Exceptions within that period, Buyer shall have until the Closing Date to either

ATTACHMENT
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give Successor Agency and the Escrow Holder written notice that Buyer elects to proceed with the purchase of the Property subject to the disapproved Exceptions or to give Successor Agency written notice that Buyer elects to terminate this Agreement. Buyer shall have the right to approve or disapprove any Exceptions reported by the Title Company after Buyer has approved the condition of title for the Property. Successor Agency shall not voluntarily create any new exceptions to title following the Agreement Date.

4. **Title Insurance Policy.** Escrow Holder shall, following recording of the Grant Deed, provide Buyer with a standard owner's CLTA (or extended coverage ALTA, at the request of Buyer) policy of title insurance in the amount of the Purchase Price, issued by the Title Company, together with any endorsements and additional coverage reasonably requested by Buyer, showing fee simple title to the Property vested in Buyer, subject only to the Exceptions set forth in Section 3 approved by Buyer and the printed exceptions and stipulations in the policy. Successor Agency shall pay the portion of the premium which would be charged for a CLTA (standard coverage) owners title insurance policy in the amount of the Purchase Price, and Buyer shall pay the additional cost for an ALTA (extended coverage) title insurance policy if Buyer elects to receive such a policy and for any other additional costs, including the costs of any endorsements and additional coverage.

5. **Escrow.** Buyer and Successor Agency shall open an escrow ("Escrow") in accordance with this Agreement with First American Title Company or another escrow company mutually agreeable to both parties ("Escrow Holder"). This Agreement, together with the escrow instructions prepared by Escrow Holder and executed by Buyer and Successor Agency, constitutes the joint escrow instructions of Buyer and Successor Agency, and the Escrow Holder to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this Escrow on or before the Closing Date set forth in Section 7.5 hereof; provided, however, Buyer shall not be obligated to waive any of its rights, conditions or contingencies under this Agreement in order to close the Escrow.

5.1 **Grant Deed.** Successor Agency shall execute and deliver into the Escrow a Grant Deed ("Grant Deed") to Buyer, in substantially the form attached hereto as Exhibit "C" and incorporated herein. Buyer agrees to deposit the Purchase Price upon demand of Escrow Holder. Buyer and Successor Agency agree to deposit with Escrow Holder any additional instruments as may be necessary to complete this transaction.

5.2 **Intentionally Omitted**

5.3 **Insurance.** Insurance policies are not to be transferred, and Successor Agency may cancel its own policies after close of escrow.

5.4 **Escrow Account.** All funds received in the Escrow shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other escrow trust account in any state or national bank doing business in the State of California. All disbursements shall be made by check from such account.

6. **Tax Adjustment Procedure.** Escrow Holder shall pay and charge Successor Agency for any unpaid delinquent property taxes and/or penalties and interest thereon, if any, and for any delinquent assessments or bonds against the Property. Escrow Holder shall prorate property taxes and assessments for the current fiscal year, if any, as of the Closing Date.
7. **Escrow Holder Authorization.** Escrow Holder is authorized to, and shall:

7.1 **Fees, Charges and Costs Borne by Successor Agency.** Successor Agency shall bear and Escrow Holder shall discharge on Successor Agency's behalf out of the sums payable to Successor Agency hereunder all costs and expenses associated with the Owner's Policy as set out in Section 4, one-half of Escrow Holder's fee and any additional costs and charges customarily charged to Successor Agency in accordance with common escrow practices in Tulare County.

7.2 **Fees, Charges and Costs Borne by Buyer.** Buyer shall bear and Escrow Holder shall discharge on Buyer's behalf out of the sums deposited by Buyer the fee for recordation of the Grant Deed, any costs and expenses with the Owner's Policy as set out in Section 4, one-half of Escrow Holder's fees and any additional costs and charges customarily charged to buyers in accordance with common escrow practices in Tulare County.

7.3 **Disbursement.** Disburse funds, record the Grant Deed and deliver the title policy to Buyer, when conditions of the Escrow have been fulfilled by Buyer and Successor Agency.

7.4 **Close of Escrow.** The term “Close of Escrow,” if and where written in these instructions, shall mean the date the Grant Deed and other necessary instruments of conveyance are recorded in the office of the Tulare County Recorder. Recordation of instruments delivered through this Escrow is authorized, if necessary or proper for the issuance of the policy of title insurance pursuant to Section 4 hereof.

7.5 **Time Limits.** All time limits within which any matter specified is to be performed may be extended by mutual agreement of the parties. Any amendment of, or supplement to, any instructions must be in writing.

7.6 **Time of the Essence.** Provided that the conditions set forth in Section 8 hereof have been satisfied, Escrow shall close (“Close of Escrow,” “Close,” or “Closing”) within sixty (60) days from opening of Escrow (“Closing Date”). In the event the Closing does not occur on or before the Closing Date, either party that is not in default hereunder shall be entitled to cancel Escrow, terminate this Agreement, and the Escrow Holder shall return to the depositor thereof all documents, instruments, and monies which were deposited hereunder. The foregoing shall not constitute an election of remedies for a non-defaulting party if the other party wrongfully fails to close Escrow.

7.7 **Limitations on Escrow Holder Responsibility.** Escrow Holder shall have no responsibility for performance or ensuring either party’s performance of the provisions set forth in Sections 10, 12, 13, 14, 15, 16, 17, or 18 of this Agreement.

7.8 **Intentionally Omitted**

7.9 **Tax Requirements.** Escrow Holder shall prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including an IRS 1099-S form, and be responsible for withholding taxes, if any such forms are provided for or required by law.
8. Conditions Precedent to Close of Escrow.

8.1 Buyer’s Conditions Prior to Closing. Buyer’s obligation to complete the purchase of the Property is subject to the satisfaction or Buyer’s waiver in its sole and absolute discretion of each of the following conditions:

a. Successor Agency shall have delivered through Escrow an executed and recordable Grant Deed sufficient to convey fee title to Buyer as set forth in Section 5.1.

b. Successor Agency shall have delivered through Escrow such other documents as are necessary to comply with Successor Agency’s obligations under this Agreement.

c. Buyer shall have approved the condition of title to the Property and the Title Company shall have committed to deliver to Buyer a title insurance policy as required by Section 4 hereof at or immediately after the Closing.

d. The physical, soils, and environmental condition of the Property shall be satisfactory to the Buyer, in the exercise of Buyer's good faith discretion, and in the condition required by this Agreement.

e. The City Council of the City shall have caused the Parking Covenant to be removed as an Exception to title to the Property.

f. Buyer shall not have terminated this Agreement as otherwise specifically permitted by the provisions of this Agreement.

g. Successor Agency shall not be in default of any of its obligations under the terms of this Agreement, and all representations of Successor Agency herein shall be true and correct.

8.2 Successor Agency’s Conditions Precedent to Closing. Successor Agency’s obligation to complete the sale of the Property is subject to the satisfaction or Successor Agency’s waiver in its sole and absolute discretion of each of the following conditions:

a. Buyer shall have delivered through Escrow the Grant Deed in recordable form, as set forth in Sections 5.1 and 5.2.

b. Buyer shall not be in default of any of its obligations under the terms of this Agreement, and all representations of Buyer herein shall be true and correct.

c. Buyer shall have deposited with Escrow Holder immediately available funds in an amount equal to the Purchase Price and Buyer’s share of title charges described in Section 4.

d. The Successor Agency shall not have terminated this Agreement as otherwise specifically permitted by the provisions of this Agreement.

e. Successor Agency shall have received approval by the Oversight Board of this Agreement and the transaction contemplated by this Agreement, as required by AB 1X 26, not fewer than fifteen (15) days prior to the Closing.
f. No government agency with jurisdiction shall have directed the Successor Agency not to proceed with the Closing.


10. **Permission to Enter on Premises.** Pursuant to the terms and conditions of a Right of Entry Agreement by and between Successor Agency and Buyer, Successor Agency agrees to grant to Buyer, or its authorized agents, permission to enter upon the Property at all reasonable times prior to Close of Escrow for the purpose of making necessary or appropriate inspections, tests, surveys, assessments and reports of the Property, at Buyer’s expense (“Tests”). Buyer shall indemnify, defend, and hold harmless Successor Agency and its officers, directors, shareholders, partners, employees, agents, and representatives from and against all claims, liabilities or damages, and including expert witness fees and reasonable attorney’s fees and costs, caused by Buyer’s activities with respect to or arising out of such testing, inspection, or investigatory activity on the Property.

11. **Closing Statement.** Successor Agency instructs Escrow Agent to release a copy of Successor Agency’s closing statement to Buyer, and Buyer instructs Escrow Agent to release a copy of Buyer’s closing statement to Successor Agency.

12. **Possession and Disposition of Personal Property.** Successor Agency shall, prior to the close of Escrow, remove or otherwise dispose of all personal property which is located on the Property.

13. **Warranties, Representations, and Covenants of Successor Agency.** Successor Agency hereby warrants, represents, and/or covenants to Buyer that:

   13.1 **Successor Agency’s Title.** Until the Close of Escrow, Successor Agency shall not do anything which would impair Successor Agency’s title to the Property or Buyer’s right of possession, development, or use of the Property after the Close of Escrow consistent with this Agreement.

   13.2 **Conflict with Other Obligation.** To Successor Agency’s Actual Knowledge and except for the Parking Covenant, which the parties anticipate will be removed from title to the Property prior to the Closing, neither the execution of this Agreement nor the performance of the obligations herein will conflict with, or breach any of the provisions of any bond, note, evidence of indebtedness, contract, lease, covenants, conditions and restrictions, or other agreement or instrument to which Successor Agency or the Property may be bound.

   13.3 **Authority.** Successor Agency has the full right, power, and authority to sell, convey, and transfer the Property to Buyer as provided herein and to carry out Successor Agency’s obligations hereunder.

   13.4 **Bankruptcy.** Successor Agency is not the subject of a bankruptcy proceeding, and permission of a bankruptcy court is not necessary for Successor Agency to be able to transfer the Property as provided herein.

   13.5 **Governmental Compliance.** Successor Agency has not received any notice from any governmental agency or authority alleging that the Property is currently in violation of any law, ordinance, rule, regulation or requirement applicable to its use and operation. If any such notice
or notices are received by Successor Agency following the date this Agreement is signed by Buyer, Successor Agency shall, within ten (10) days of receipt of such notice notify Buyer; Successor Agency then, at its option, may either elect to perform the work or take the necessary corrective action prior to the close of Escrow or refuse to do so, in which case Successor Agency shall notify Buyer of such refusal and Buyer shall be entitled to either close Escrow with knowledge of such notice(s) or terminate this Agreement.

13.6 Right to Possession. Except as expressly set forth in Sections 3 and 4 of this Agreement, no person, firm, partnership or corporation has or will have the right to possess the Property or any portion of it as of the Agreement Date or the Close of Escrow.

13.7 Change of Situation. Until the Close of Escrow, Successor Agency shall, upon learning of any fact or condition which would cause any of the warranties and representations in the section not to be true as of the Close of Escrow, immediately give written notice of such fact or condition to Buyer.

13.8 Successor Agency’s Actual Knowledge. As used in this Agreement, “Successor Agency’s Actual Knowledge” means the actual knowledge of Brad Dunlap, Susan Duke, and Linda Wammack, with no duty of investigation.

14. Warranties, Representations, and Covenants of Buyer. Buyer hereby warrants, represents, and/or covenants to Successor Agency that:

14.1 Authority. Buyer is a California non-profit corporation duly organized, validly existing and in good standing under the laws of the State of California; this Agreement and all documents executed by Buyer are and at the time of Close of Escrow will be duly authorized, executed and delivered by Buyer, are and at the time of Close of Escrow will be legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms.

14.2 Bankruptcy. Buyer is not the subject of a bankruptcy proceeding.

14.3 Change of Situation. Until the Close of Escrow, Buyer shall, upon learning of any fact or condition which would cause any of the warranties and representations in the section not to be true as of the Close of Escrow, immediately give written notice of such fact or condition to Successor Agency.

15. Intentionally Omitted.

16. Intentionally Omitted.

17. Condition of the Property.

17.1 Hazardous Materials. As used in this Agreement, the term “Hazardous Materials” shall mean any substance, material, or waste which is or becomes, regulated by any local governmental authority, the County of Tulare, the State of California, any regional governmental authority, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a “hazardous waste,” “extremely hazardous waste,” or “restricted hazardous waste” under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, Division 20,
Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) friable asbestos, (vii) polychlorinated biphenyls, (viii) methyl tertiary butyl ether, (ix) designated as "hazardous substances" pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317), (x) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §§6901, et seq. (42 U.S.C. §6903) or (xi) defined as "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§9601, et seq.

17.2 Compliance with Environmental Laws. To Successor Agency's Actual Knowledge, Successor Agency has not received any notice from any governmental agency that the Property is not in compliance with any applicable laws and governmental regulations including, without limitation, all applicable federal, state, and local laws pertaining to air and water quality, hazardous waste, waste disposal, and other environmental matters, including, but not limited to, the Clean Water, Clean Air, Federal Water Pollution Control, Solid Waste Disposal, Resource Conservation Recovery and Comprehensive Environmental Response Compensation and Liability Acts, and the California Environmental Quality Act, and the rules, regulations, and ordinances of the City of Porterville, the California Department of Health Services, the Regional Water Quality Control Board, the State Water Resources Control Board, the Environmental Protection Agency, and all applicable federal, state, and local agencies and bureaus.

17.3 As Is Sale. Except as otherwise provided herein, the physical condition, possession or title of the Property is and shall be delivered from Successor Agency to Buyer in an "as is" condition, with no warranty expressed or implied by Successor Agency, including without limitation, the presence of Hazardous Materials or the condition of the soil, its geology, the presence of known or unknown seismic faults, or the suitability of the Property for the development purposes intended hereunder.

Buyer hereby waives, releases and discharges forever Successor Agency and City and their respective elected officials, employees, volunteers, directors, officers, agents and representatives, from all present and future claims, demands, suits, legal and administrative proceedings and from all liability for damages, losses, costs, liabilities, fees and expenses, present and future, arising out of or in any way connected with the condition of the Property, any Hazardous Materials on or under the Property, or the existence of Hazardous Materials contamination due to the generation of Hazardous Materials from the Property, however they came to be placed there, except that arising out of the gross negligence or willful misconduct of Successor Agency or City or their respective elected officials, employees, volunteers, directors, officers, agents or representatives.

Buyer acknowledges that it is aware of and familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."
As such relates to this Section 17.3, Buyer hereby waives and relinquishes all rights and benefits which it may have under Section 1542 of the California Civil Code.

17.4 Approval of Physical Condition of the Property. Buyer shall have forty-five (45) days from the date the Escrow is opened to inspect the Property in accordance with Section 10 and to either approve the condition of the Property or terminate this Agreement. Any alteration or remediation of the Property deemed necessary by Buyer shall be performed by Buyer, at Buyer’s sole cost and expense, and only after the Closing.

18. Nondiscrimination Covenants. Buyer covenants by and for itself and any assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the Buyer or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

19. Broker’s Commission. The parties acknowledge that Buyer has engaged the services of a real estate broker in connection with the transaction which is the subject of this Agreement, and that Successor Agency shall be responsible for payment of any and all fees, commissions and other charges that may accrue to such broker by means of the sale of the Property to Buyer (“Successor Agency Commission Amount”). Buyer hereby agrees to and does indemnify and hold Successor Agency harmless from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings which may result from any broker, agent or finder, licensed or otherwise, which it has employed in connection with the transaction covered by this Agreement.

20. Waiver, Consent and Remedies. Each provision of this Agreement to be performed by Buyer and Successor Agency shall be deemed both a covenant and a condition and shall be a material consideration for Successor Agency’s and Buyer’s performance hereunder, as appropriate, and any breach thereof by Buyer or Successor Agency shall be deemed a material default hereunder by such breaching party. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto, after expiration of the cure period specified in Section 23 below without cure thereof, may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party’s breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.
21. **Attorney’s Fees.** In the event any declaratory or other legal or equitable action is instituted between Successor Agency, Buyer and/or Escrow Holder in connection with this Agreement then, as between Buyer and Successor Agency, the prevailing party shall be entitled to recover from the losing party all of its costs and expenses, including court costs, reasonable attorneys’ fees, expert witness fees, and all fees, costs and expenses incurred on any appeal or in collection of any judgment.

22. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered in person to an officer or duly authorized representative of the other party, or deposited in the United States mail, duly certified or registered (return receipt requested), postage prepaid, or delivered through another reasonably acceptable method, and addressed to the party for whom intended, as follows:

If to Successor Agency: City of Porterville, acting as Successor Agency to the Porterville Redevelopment Agency
291 North Main Street
Porterville, California 93257
Attention: Bradley D. Dunlap, Community Development Director

With a copy to: Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660
Attention: Thomas P. Clark, Jr., Esq.

If to Buyer: Social Vocational Services, Inc.
c/o SVS, Inc.
1401 Fulton Street, Suite 510
Fresno, CA 93721
Attention: Susan Leonhardt

With a copy to: SVS, Inc.
3555 Torrance Blvd.
Torrance, CA 90503
Attention: Edward T. Dawson, Executive Director

Any party may from time to time, by written notice to the other, designate a different address which shall be substituted for that specified above. If any notice or other document is sent by mail as aforesaid, the same shall be deemed fully delivered and received forty-eight (48) hours after mailing as provided above.

23. **Breaches and Defaults.** Subject to Enforced Delay, failure or delay by either party to perform any material term or provision of this Agreement (a “Breach”) following written notice and failure to cure as described hereafter constitutes a “Default” under this Agreement.

The nondefaulting party shall give written notice of any Breach to the party in Breach, specifying the Breach complained of by the nondefaulting party ("Notice of Default"). Delay in giving such Notice of Default shall not constitute a waiver of any Breach nor shall it change the time
of Breach. Upon receipt of the Notice of Default, the party in Breach shall promptly commence to
cure the identified Breach at the earliest reasonable time after receipt of the Notice of Default and
shall complete the cure of such Breach not later than thirty (30) days after receipt of the Notice of
Default, or if such Breach cannot reasonably be cured within such thirty (30) day period, then as soon
thereafter as reasonably possible, provided that the party in Breach shall diligently pursue such cure
to completion ("Cure Period"). Failure of the party in Breach to cure the Breach within the Cure
Period set forth above shall constitute a "Default" hereunder.

Any failure or delay by either party in asserting any of its rights and remedies as to any
Breach or Default shall not operate as a waiver of any Breach or Default or of any such rights or
remedies. Delays by either party in asserting any of its rights and remedies shall not deprive either
party of its right to institute and maintain any actions or proceedings which it may deem necessary to
protect, assert or enforce any such rights or remedies.

24. Gender and Number. In this Agreement (unless the context requires otherwise), the
masculine, feminine and neuter genders and the singular and the plural shall be deemed to include
one another, as appropriate.

25. Entire Agreement. This Agreement and its exhibits constitute the entire agreement
between the parties hereto pertaining to the subject matter hereof, and the final, complete and
exclusive expression of the terms and conditions thereof. All prior agreements, representations,
negotiations and understanding of the parties hereto, oral or written, express or implied, are hereby
superseded and merged herein.

26. Captions. The captions used herein are for convenience only and are not a part of
this Agreement and do not in any way limit or amplify the terms and provisions hereof.

27. Governing Law. This Agreement and the exhibits attached hereto have been
negotiated and executed in the State of California and shall be governed by and construed under the
laws of the State of California.

28. Counterparts. This Agreement may be executed in counterparts, each of which
when executed shall, regardless of the date of its execution and delivery, be deemed an original, and
all counterparts together shall constitute one and the same instrument.

29. Invalidity of Provision. If any provision of this Agreement as applied to any party
or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or
unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by
law) any other provision of this Agreement, the application of any such provision under
circumstances different from those adjudicated by the court, or the validity or enforceability of this
Agreement as a whole.

30. Amendments. No addition to or modification of any provision contained in this
Agreement shall be effective unless fully set forth in writing by Buyer and Successor Agency.

31. Time of Essence. Time is of the essence of each provision of this Agreement.
32. **Binding Upon Successors.** The terms and conditions, covenants, and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereof.

33. **Public Works Requirement.** If Buyer performs construction on the Property, Buyer shall carry out same in conformity with all applicable federal and state labor laws (including, without limitation, the requirement under California law to pay prevailing wages and to hire apprentices). Although the parties believe that any development, if any, of the Property would not be considered to be a “public work” under California law because (i) the Property is being sold to Buyer at its fair market value, (ii) no Successor Agency assistance is being provided to Buyer and/or such development, and (iii) Buyer is under no obligation to develop the Property, Buyer shall be solely responsible for determining and effectuating compliance with such laws, and the Successor Agency makes no representation as to the applicability or non-applicability of any of such laws to any such construction and development. Buyer hereby expressly acknowledges and agrees that the Successor Agency has not previously affirmatively represented to the Buyer or its contractor(s) for the construction or development of the Property, in writing or otherwise, in a call for bids or otherwise, that the development of the Property is not a “public work,” as defined in Section 1720 of the Labor Code. Buyer hereby agrees that Buyer shall have the obligation to provide any and all disclosures or identifications required by Labor Code Section 1781, as the same may be amended from time to time, or any other similar law. Buyer shall indemnify, protect, defend and hold harmless the Successor Agency and its officers, employees, contractors and agents, with counsel reasonably acceptable to Successor Agency, from and against any and all loss, liability, damage, claim, cost, expense and/or “increased costs” (including reasonable attorneys fees, court and litigation costs, and fees of expert witnesses) which, in connection with the development of the Property, including, without limitation, any and all public works (as defined by applicable law), results or arises in any way from any of the following: (1) the noncompliance by Buyer with any applicable local, state and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, if applicable, the requirement to pay state prevailing wages and to hire apprentices); (2) the implementation of Section 1781 of the Labor Code, as the same may be amended from time to time, or any other similar law; and/or (3) failure by Buyer to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be amended from time to time, or any other similar law. It is agreed by the parties that, in connection with the development of the Property, including, without limitation, any and all public works (as defined by applicable law), Buyer shall bear all risks of payment or non-payment of prevailing wages and hiring of apprentices under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. “Increased costs,” as used in this Section 33, shall have the meaning ascribed to it in Labor Code Section 1781, as the same may be amended from time to time. The foregoing indemnity shall survive termination of this Agreement and shall continue after completion of any development of the Property by the Buyer.

34. **Enforced Delay.** In addition to specific provisions of this Agreement, performance by either party hereunder with respect to the Closing shall not be deemed to be a breach, and all performance and other dates specified in this Agreement shall be extended where delays of Closing are due to litigation challenging the validity of this transaction or any element thereof or the rights of either party to engage in the acts and transactions contemplated by this Agreement, or acts or omissions of the other party; acts or failure to act of the City or any public or governmental agency or entity (other than acts or failures to act of the Successor Agency which shall not excuse performance by the Successor Agency) (“Enforced Delay”). Notwithstanding anything to the contrary in this
Agreement, an extension of time for any such cause shall be for a period reasonably attributable to the Enforced Delay and shall commence to run from the time of commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times and performance under this Agreement may also be extended in writing by the mutual agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Agreement Date.

CITY OF PORTERVILLE, ACTING AS SUCCESSOR AGENCY TO THE PORTERVILLE REDEVELOPMENT AGENCY

By: ____________________________________________

Ronald L. Irish, Mayor

ATTEST:

______________________________
John D. Lollis, City Clerk

APPROVED AS TO FORM:

______________________________
Stradling Yocca Carlson & Rauth,
Successor Agency Special Counsel

BUYER:

SOCIAL VOCATIONAL SERVICES, INC.,
a California non-profit corporation

______________________________
Dr. Edward T. Dawson, Executive Director
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Fresno

On May 10, 2012 before me, K.E. Lemley, Notary Public, personally appeared Edward J. Dawson who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature K.E. Lemley

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: Purchase and Sale Agreement

Document Date: May 10, 2012 Number of Pages: 12

Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer's Name:

☐ Individual
☐ Corporate Officer — Title(s): 
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Signer Is Representing:

Signer's Name:

☐ Individual
☐ Corporate Officer — Title(s): 
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Signer Is Representing:
EXHIBIT “A”

LEGAL DESCRIPTION

That real property located in the City of Porterville, County of Tulare, State of California, and described as follows:

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

City of Porterville

That portion of the Northeast quarter of the Southwest quarter of Section 25, Township 21 South, Range 27 East, Mount Diablo Base and Meridian, according to the Official Plat thereof, being more particularly described as follows:

The Westerly 115.9 feet of Block "A" of the Amended Map of Eastern Addition to Porterville, according to the map thereof recorded in Book 10 Page 8 of Maps, Tulare County Records, including the abandoned alley in said Block "A".

Excepting therefrom all ownership rights to the entire mineral estate below the property, below a depth of twenty-five feet, including without limitation, all oil, petroleum, gas and other minerals, whether gaseous, liquid or solid, in and under the above-described premises, below a depth of twenty-five feet. Such rights shall include surface and subsurface access easements, rights to construct, maintain and operate surface and subsurface facilities, and other rights to develop and extract oil, petroleum, gas or any other mineral, except that grantor (1) shall not, without prior written consent from grantee, which consent shall not be unreasonably withheld or delayed, have any right to enter the surface of the property for purposes of exploration, development or extraction of such minerals; (2) shall not in exercising these rights more than minimally interfere with grantee’s use of the property; and (3) prior to the exercise of these rights, shall provide adequate liability protection to grantee, in the form of general liability insurance obtained (or extended), at the sole cost of grantor, naming grantee as an insured party, upon such terms as are then reasonable and customary, unless grantor, in the reasonable opinion of grantee, possesses the financial capability to fund such liability protection as self-insured entity, under than reasonable and customary standard, for any losses or damages reasonably likely to be sustained by grantee as a result of grantor’s exercise of these rights. In addition any surface or subsurface facilities constructed, or equipment used, by grantor in the course of grantor’s exercise of these rights, shall be constructed and used in a manner that results in no more than minimal interference with grantee’s use of the property, as reserved in the deed from The Atchison, Topeka and Santa Fe Railway Company, (ATSF), a Delaware Corporation to Tulare Valley Railroad Company, a Nevada Corporation, recorded December 29, 1992 as Document No. 92094547 of Official Records, and recorded October 18, 1994 as Document No. 94074651 of Official Records.

APN: 253-138-001
EXHIBIT “B”
SITE MAP
EXHIBIT “C”

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Social Vocational Services, Inc.
1401 Fulton Street, Suite 510
Fresno, CA 93721
Attention: Susan Leonhardt

This document is exempt from payment of a recording fee pursuant to Government Code Section 27383.

Documentary Transfer Tax: $ __________________________
Based on full value of property conveyed

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged,

The CITY OF PORTERVILLE, ACTING AS SUCCESSOR AGENCY TO THE PORTERVILLE REDEVELOPMENT AGENCY (“Successor Agency”), hereby grants to SOCIAL VOCATIONAL SERVICES, INC., a California non-profit corporation (“Buyer”), the real property hereinafter referred to as the “Property,” described in Attachment No. 1 attached hereto and incorporated herein.

The Buyer herein covenants by and for itself, its successors and assigns, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the Buyer or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

The Buyer further covenants that all deeds, leases and contracts relating to the Property shall contain the following prohibition against discrimination:

(a) In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of
tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

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

“That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

(c) In Contracts: “There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

[Signatures appear on following page.]
IN WITNESS WHEREOF, Successor Agency and Buyer have executed this Grant Deed the day and year first set forth herein above.

CITY OF PORTERVILLE, ACTING AS SUCCESSOR AGENCY TO THE PORTERVILLE REDEVELOPMENT AGENCY

Dated: ___________________________  By: ______________________________________
Ronald L. Irish, Mayor

ATTEST:

______________________________
John D. Lollis, City Clerk

APPROVED AS TO FORM:

______________________________
Stradling Yocca Carlson & Rauth,
Successor Agency Special Counsel

ACCEPTED BY BUYER:

SOCIAL VOCATIONAL SERVICES, INC.,
a California non-profit corporation

______________________________
Dr. Edward T. Dawson, Executive Director

[All signatures must be acknowledged]
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of                  }

On      May 10, 2012      before me,   K.E. Lemley, Notary Public
personally appeared    Edward T. Dawson
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of
which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws
of the State of California that the foregoing paragraph is
true and correct.

WITNESS my hand and official seal.

Signature

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:  Grant Deed
Document Date:  Notated
Number of Pages:  3
Signer(s) Other Than Named Above:  None

Capacity(ies) Claimed by Signer(s)

Signer's Name:  

☐ Individual
☐ Corporate Officer — Title(s):  
☐ Partner — Limited  General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:  

Signer Is Representing:  

Signer's Name:  

☐ Individual
☐ Corporate Officer — Title(s):  
☐ Partner — Limited  General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:  

Signer Is Representing:  

©2007 National Notary Association • 9550 De Soto Ave., P.O. Box 2402 • Chatsworth, CA 91311-2430 • www.NationalNotary.org Item #5807 Recorder: Toll-Free 1-800-876-6837
ATTACHMENT NO. 1

PROPERTY DESCRIPTION

That real property located in the City of Porterville, County of Tulare, State of California, and described as follows:

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

City of Porterville

That portion of the Northeast quarter of the Southwest quarter of Section 25, Township 21 South, Range 27 East, Mount Diablo Base and Meridian, according to the Official Plat thereof, being more particularly described as follows:

The Westerly 115.9 feet of Block "A" of the Amended Map of Eastern Addition to Porterville, according to the map thereof recorded in Book 10 Page 8 of Maps, Tulare County Records, including the abandoned alley in said Block "A".

Excepting therefrom all ownership rights to the entire mineral estate below the property, below a depth of twenty-five feet, including without limitation, all oil, petroleum, gas and other minerals, whether gaseous, liquid or solid, in and under the above-described premises, below a depth of twenty-five feet. Such rights shall include surface and subsurface access easements, rights to construct, maintain and operate surface and subsurface facilities, and other rights to develop and extract oil, petroleum, gas or any other mineral, except that grantor (1) shall not, without prior written consent from grantee, which consent shall not be unreasonably withheld or delayed, have any right to enter the surface of the property for purposes of exploration, development or extraction of such minerals; (2) shall not in exercising these rights more than minimally interfere with grantee's use of the property; and (3) prior to the exercise of these rights, shall provide adequate liability protection to grantee, in the form of general liability insurance obtained (or extended), at the sole cost of grantor, naming grantee as an insured party, upon such terms as are then reasonable and customary, unless grantor, in the reasonable opinion of grantee, possesses the financial capability to fund such liability protection as self-insured entity, under than reasonable and customary standard, for any losses or damages reasonably likely to be sustained by grantee as a result of grantor's exercise of these rights. In addition any surface or subsurface facilities constructed, or equipment used, by grantor in the course of grantor's exercise of these rights, shall be constructed and used in a manner that results in no more than minimal interference with grantee's use of the property, as reserved in the deed from The Atchison, Topeka and Santa Fe Railway Company, (ATSF), a Delaware Corporation to Tulare Valley Railroad Company, a Nevada Corporation, recorded December 29, 1992 as Document No. 92094547 of Official Records, and recorded October 18, 1994 as Document No. 94074651 of Official Records.

APN: 253-138-001
RESOLUTION NO. ____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE CITY OF PORTERVILLE, ACTING AS THE SUCCESSOR AGENCY TO THE PORTERVILLE REDEVELOPMENT AGENCY, APPROVING A PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS BY AND BETWEEN THE SUCCESSOR AGENCY AND SOCIAL VOCATIONAL SERVICES, INC., AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

WHEREAS: The City of Porterville, acting as Successor Agency to the Porterville Redevelopment Agency ("Successor Agency") is acting as successor agency to the Porterville Redevelopment Agency pursuant to AB 1X 26; and

WHEREAS: The Successor Agency owns approximately 27,752 square feet of vacant land area generally located at the southeast corner of Fourth Street and Harrison Avenue in the City of Porterville, County of Tulare, State of California ("Property"); and

WHEREAS: In order to carry out and implement AB 1X 26, the Successor Agency proposes to enter into that certain Purchase and Sale Agreement ("Agreement") with Social Vocational Services, Inc. ("Buyer"), for the conveyance of the Property to the Buyer; and

WHEREAS: Buyer desires to acquire the Property pursuant to the Agreement; and

WHEREAS: Pursuant to the Agreement, the Successor Agency would sell the Property to the Buyer for a Purchase Price of One Hundred Twelve Thousand Dollars ($112,000.00), which is equal to or greater than the fair market value of the Property at its highest and best use, as determined by an appraisal of the Property conducted by a certified appraiser; and

WHEREAS: All actions required by all applicable law with respect to the approval of the proposed Agreement have been taken in an appropriate and timely manner; and

WHEREAS: The Oversight Board to the Successor Agency has duly considered all terms and conditions of the proposed Agreement and believes that the conveyance of the Property to Buyer is in the best interests of the City of Porterville, the taxing entities referred to in AB 1X 26, and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, BE IT RESOLVED:

SECTION 1: The foregoing Recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.
SECTION 2: The Oversight Board to the Successor Agency finds and determines that, based upon substantial evidence provided in the record before it, the consideration for the Successor Agency's sale of the Property to Buyer pursuant to the terms and conditions of the Agreement is not less than the fair market value of the Property.

SECTION 3: The Oversight Board to the Successor Agency hereby finds and determines that the Property must be sold in order to liquidate the assets of the former Porterville Redevelopment Agency and that the sale of the Property to the Buyer pursuant to the Agreement furthers the statutory goal, as described in AB 1X 26, to maximize the value of the Property for the benefit of the taxing entities.

SECTION 4: The Oversight Board to the Successor Agency hereby approves the Agreement. The Mayor and City Clerk of the City of Porterville are hereby authorized to execute the Agreement on behalf of the Successor Agency. A copy of the Agreement, when executed, shall be placed on file in the office of the City Clerk. The City Manager of the City, or his designee, is authorized to implement the Agreement and take all further actions and execute all escrow documents and other documents which are necessary or appropriate to carry out the Agreement.

SECTION 5: This Resolution shall be effective immediately upon adoption.

SECTION 6: The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 6th day of June, 2012.

John Snavely, Chair
Oversight Board of the City of Porterville, Acting as the Successor Agency to the Porterville Redevelopment Agency

(SEAL)

ATTEST:

Patrice Hildreth, Secretary
Oversight Board of the City of Porterville, Acting as the Successor Agency to the Porterville Redevelopment Agency
I, ______________, Secretary of the Oversight Board of the City of Porterville, Acting as the Successor Agency to the Porterville Redevelopment Agency, hereby certify that the foregoing resolution was duly adopted by the Oversight Board at a special meeting held on the 6th day of June, 2012, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____________________, Secretary
Oversight Board of the City of Porterville, Acting as the Successor Agency to the Porterville Redevelopment Agency

(SEAL)