



AGENDA

CITY OF SEASIDE
CITY COUNCIL/SUCCESSOR
AGENCY TO REDEVELOPMENT
AGENCY OF THE CITY OF SEASIDE

JOINT SPECIAL MEETING
Council Chamber
440 Harcourt Avenue
Thursday, July 21, 2016
5:30 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. **CALL TO ORDER**

Ralph Rubio	Mayor/Chair
Ian N. Oglesby	Mayor Pro Tem/Vice Chair
Dennis Alexander	Council/Agency Member
Jason Campbell	Council/Agency Member
David R. Pacheco	Council/Agency Member

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC COMMENTS**

Members of the public wishing to address the City Council or Agency Board on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three minutes. Public Comments on specific agenda items are heard under that item. For the public record, please state your name.

4. **CLOSED SESSION**

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:

Monterey Downs Project - Successor Agency/City Owned Property: land site on the former Fort Ord Parcels including E18 1.3 E 19a.1, E19a.3, E19a.5 : Negotiator for the City: Craig Malin, City Manager, Under Negotiation: Instructions to negotiator will concern price, terms of payment or both.

B. PURSUANT TO GOVERNMENT CODE 54957.6 - CONFERENCE WITH LABOR NEGOTIATORS

Agency Negotiators: Craig Malin, City Manager; Daphne Hodgson, Deputy City Manager - Administrative Services; Roberta Greathouse, Human Resources Director; Lisa Saldana, Financial Services Manager, Donna Williamson, Labor Negotiator

Employee Organizations:

1. Seaside Police Officers' Association
2. Seaside Firefighters' Association
3. Seaside Public Safety Managers' Association

5. CONSENT AGENDA

A. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

PURPOSE: It is requested that the Successor Agency Board approve and file the accounts payable and wired payments made during the period of June 28, 2016 through July 11, 2016. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of July 7, 2016 is requested. Total Accounts Payable and Payroll for the above referenced period is \$7,893.76.

RECOMMENDATION: It is recommended that the Successor Agency Board approve and file the attached checks.

B. APPROVE MINUTES FROM JULY 7, 2016 AND JUNE 2, 2016

RECOMMENDATION: That the Minutes be reviewed and approved.

C. AUTHORIZE EXECUTION OF ESTOPPEL AND CONSENT AGREEMENTS RELATING TO THE 1141 CANYON DEL REY LEASE

PURPOSE: The Seaside Embassy Suites located at 1441 Canyon Del Rey Blvd is attempting to obtain a refinancing loan and is required to seek Redevelopment Agency approval and execution of an estoppel and consent agreement, as required by the ground lease.

RECOMMENDATION: That the City Council authorize the City Manager to execute the agreement.

6. STUDY SESSION

A. RECEIVE PRESENTATION REGARDING POSSIBLE FUTURE USES OF CUTINO PARK FIELDS

PURPOSE: The purpose of this item is for the City Council to receive a presentation on possible future uses of Cutino Park fields.

RECOMMENDATION: It is recommended that the City council receive a presentation on the possible future uses of Cutino Park.

7. ADJOURNMENT

Next Regularly Scheduled Meeting:

August 4, 2016
Seaside City Hall
5:30 PM

The City of Seaside is an ADA accessible facility and is committed to include the disabled in all of its services, programs and activities. Any person who requires accommodation to be able to participate in this meeting is asked to contact the office of the City Clerk at 899-6707, no fewer than two business days prior to the meeting to allow for reasonable arrangements. The City Council Chambers is equipped with a portable microphone for anyone unable to come to the podium. Assisted listening devices are also available.

Meetings that are held in the City Council Chambers are broadcast live to all Seaside residents on Comcast Channel 25 and U-verse Channel 99. Meetings are also available through live streaming at: <http://cvp.telvue.com/player?id=T01629&video=52314&noplaylistskin=1&width=400&height=300> Videos of past meetings are available on demand through the City's website: <http://www.ci.seaside.ca.us>

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Government Code Section 54954.2(a) or Section 54956.



**CITY OF SEASIDE
STAFF REPORT**

Item No.: 5.A.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Craig Malin, Executive Director

BY: Daphne Hodgson, Deputy City Manager Administrative Services
Krista Oberholtzer, Accounting

DATE: July 21, 2016

SUBJECT: APPROVE AND FILE SUCCESSOR AGENCY CHECKS

PURPOSE

It is requested that the Successor Agency Board approve and file the accounts payable and wired payments made during the period of June 28, 2016 through July 11, 2016. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of July 7, 2016 is requested. Total Accounts Payable and Payroll for the above referenced period is \$7,893.76.

RECOMMENDATION

It is recommended that the Successor Agency Board approve and file the attached checks.

BACKGROUND

In accordance with Government Code Section 37208, at each Agency meeting the Board is provided a listing of the payroll and general checks issued since the last report so that it can inspect and confirm these checks. Each purchase has been reviewed and approved by the department making the purchase at the time of procurement. The invoice has been reviewed by the Finance Department prior to payment to ensure that it conforms to the approved budget.

Therefore, in accordance with Government Code Section 37208, I hereby certify that the above referenced, and linked, list of checks conforms to the approved budget and has been paid. These checks are hereby submitted to the Agency Board for inspection and confirmation.

There were no checks that exceeded \$10,000 between June 28, 2016 and July 11, 2016 for Successor Agency related expenses.

The Checks report is available on the City's Website here:
<http://www.ci.seaside.ca.us/194/Check-Draft-Register>

FISCAL IMPACT

The listed checks have been budgeted and paid from the various funds, as appropriate.

ATTACHMENTS

Reviewed for Submission to the
City Council by:



Craig Malin, City Manager



DRAFT MINUTES

CITY OF SEASIDE
CITY COUNCIL/ SUCCESSOR
AGENCY TO THE
REDEVELOPMENT AGENCY

JOINT SPECIAL MEETING
COUNCIL CHAMBER
Thursday, June 2, 2016
5:30 PM

1. **CALL TO ORDER**

Mayor Rubio called the meeting to order at 5:30 PM.

**CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE
CITY OF SEASIDE**

PRESENT: Alexander, Campbell, Oglesby, Pacheco, Rubio

ABSENT: None

2. **PLEDGE OF ALLEGIANCE**

3. **ORAL COMMUNICATIONS**

No public was in attendance.

4. **CLOSED SESSION**

The City Council adjourned to Closed Session at 5:34 PM.

A. **PURSUANT TO GOVERNMENT CODE 54957.6 - CONFERENCE WITH LABOR
NEGOTIATORS**

The City Council adjourned to closed session at 6:43 PM.

B. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO
GOVERNMENT CODE SECTION 54956.8:**

C. **PURSUANT TO GOVERNMENT CODE 54957.7 -PUBLIC EMPLOYEE PERFORMANCE
EVALUATION**

5. **CONSENT AGENDA**

The Council reconvened to open session at 6:50 PM. City Attorney Freeman reported the City Council received an update on the status of negotiations as identified, an update on the Seaside project and conducted the evaluation.

On motion by Council Member Campbell and seconded by Council Member Dennis Alexander and passed by the following vote the City Council approved the consent calendar as presented.

RESULT: **Approved**

MOVER: Council Member Jason Campbell

SECONDER: Council Member Dennis Alexander

AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Ian Oglesby, Dave Pacheco

NOES: None

The City Council recessed the meeting to the City Council Regular meeting at 7:00 pm. Mayor Rubio noted the Joint Meeting with reconvene at the end of the City Council Regular meeting.

A. APPROVAL OF MINUTES FROM MAY 19, 2016 JOINT SPECIAL MEETING

Action: Approved

B. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

Action: Approved & Accepted

C. ACCEPT AND FILE THE CASH AND INVESTMENT REPORT FOR SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE THE QUARTER ENDED MARCH 31, 2016.

Action: Accepted

6. BUSINESS ITEMS

A. RECEIVE REPORT, DISCUSS AND PROVIDE DIRECTION TO STAFF REGARDING THE FUTURE PROGRAM LOCATION FOR THE SEASIDE YOUTH RESOURCE CENTER

Action: Provided Direction

This item was taken up after the City Council Regular Meeting and after the public hearing item.

City Clerk Milton-Rerig presented the report providing a background of the Seaside Youth Resource Center recapping the grant funding and the program details to date. She reminded the Council regarding the status of the current location and the need to re-locate to a new location. After presenting and discussing all of the assessed options, the City Council directed staff to co-locate the Youth Resources Center with the Youth and Education Center at the City of Seaside Wheeler Street facility.

8. PUBLIC HEARING

A. CONDUCT A PUBLIC HEARING AND CONSIDER ADOPTION OF A RESOLUTION APPROVING THE 2016-2017 GENERAL AND OTHER FUNDS OPERATING BUDGET, CAPITAL OUTLAY BUDGET, CAPITAL IMPROVEMENT BUDGET, POSITION CONTROL LIST AND SALARY SCHEDULE, THE APPROPRIATIONS LIMIT, THE CAPITAL IMPROVEMENT PLAN, AND SET THE RESERVE AMOUNTS AND AUTHORIZE STAFF TO TAKE ACTIONS AS NECESSARY FOR BUDGET IMPLEMENTATION

City Manager Malin presented the report beginning with informing the Council of the staff members have opted to take the retirement incentive program resulting in positive ramifications to the budget situation, bringing the final budget into alignment and generating a surplus. Deputy City Manager Administrative Services Hodgson presented the proposed budget preview including the adjustments made since the May 19th meeting presentation.

She spoke to the 2017-18 budget preview with an estimated revised imbalance of \$1.02 Million deficit even with the three retirements. Yet the proposed budget for 2016-17 has been modified to include the retirement savings of \$470,000, resulting in a \$65,000 surplus and she spoke to previously eliminated items added back into the budget. In summary, the 16-17 budget is balanced, incorporating the retirement incentives, Police and Fire budgets are increased, the reserves are headed in a positive direction, and that diversification options will be taken up in the near future therefore staff recommended approval of the budget. Ms. Hodgson answered questions from the Council.

Council Member Campbell questioned the enterprise funds, including the imbalance to the water, which staff responded will be brought forward at a later date.

Council Member Pacheco questioned the cost of living imbalances, and how much revenue do we receive from Measure R, to which staff responded up to \$3.5 million, and has held as a steady revenue source for us over time. He then asked how many officers we have including those attending the academy to which staff indicated there are 40 sworn officers, 1 in the academy and 3 vacancies. He asked if there are any concerns with communication effectiveness to which she responded there are issues with the 911 communication towers, and we are in contract with a testing to find the issues. Mayor Pro Tem Oglesby asked what the issue is with filling positions for police officers and clarified that if the budget is approved, it adds one more Officer position to the budget.

Mayor Rubio invited comments from the public and opened the public hearing.

- Felix Bachofner congratulated the Council on the first structurally balanced budget in a long time. He expressed concern with future budget with the needs being pushed down the road as deferred expenses that will affect the services provided to residents. He also suggested reallocation of funds to the different reserve accounts.

Mayor Rubio indicated the City Manager will provide a budget update at mid-year.

Council Member Campbell thanked staff to bring in a balanced budget, but he still thinks there are places that can be cut and saved. He is not pleased with the legislative expenditures, the Water Authority and state lobbyist expenses for example, are not helping the citizens. Turning off the lights on General Jim Moore, putting roundabouts instead of traffic lights are ideas and requested staff look for cost efficiency. Council Member Pacheco commended staff for efforts and that there are things he disagrees with, but the bottom line is he can agree with what was presented at this time. Mayor Pro Tem Oglesby also appreciated staff, but going forward we have to focus on economic development, and keep talking about the stormwater maintenance fund. The Mayor asked where the excess funds will be placed to which the Council agreed to use the regular formula for distribution.

On motion by Mayor Pro Tem Oglesby and seconded by Council Member Campbell and passed by the following vote the City Council adopted the 16-17 budget and using our formula, divide the surplus funds \$65,687 between the emergency reserve and the special reserve, approving the general and other funds operating budget, capital outlay budget, capital improvement budget, position control list and salary schedule, the appropriate limit capital improvement plan and set the reserve mounts as presented.

RESULT: **Adopted**

MOVER: Mayor Pro Tem Ian Oglesby

SECONDER: Council Member Jason Campbell

AYES: Ralph Rubio, Ian Oglesby, Dennis Alexander, Jason Campbell, Dave Pacheco

NOES: None

9. **ADJOURNMENT**

On motion the meeting was adjourned at 10:06 PM.

Respectfully submitted,

Lesley Milton-Rerig, City Clerk

Ralph Rubio, Mayor



DRAFT MINUTES

CITY OF SEASIDE
CITY COUNCIL/ SUCCESSOR
AGENCY TO THE
REDEVELOPMENT AGENCY

JOINT SPECIAL MEETING
COUNCIL CHAMBER
Thursday, July 7, 2016
5:30 PM

1. **CALL TO ORDER**

The meeting was called to order at 5:30 PM.

**CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE
CITY OF SEASIDE**

PRESENT: Alexander, Campbell, Oglesby, Pacheco, Rubio

ABSENT: None

2. **PLEDGE OF ALLEGIANCE**

3. **ORAL COMMUNICATIONS**

There were no requests to speak.

4. **CLOSED SESSION**

The City Council/Agency Board adjourned to Closed Session at 5:33 PM. City Attorney Freeman noted that Council Member Alexander has recused himself from the item due to his conflict of interest.

A. **PURSUANT TO GOVERNMENT CODE 54957.6 - CONFERENCE WITH LABOR
NEGOTIATORS**

B. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS – GOVERNMENT CODE
SECTION 54956.8**

C. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION PURSUANT TO
GOVERNMENT CODE SECTION 54956.9**

D. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (c) -
POTENTIAL LITIGATION**

The City Council reconvened to open session at 6:02 PM. City Attorney Freeman reported the City Council received a brief update on each of the negotiations, received an update on the property negotiations and agreed on the purchase price and appraisal price with a total price of \$7,400. He then reported that the Seaside vs Sand City litigation, the court dismissed the City's action without action, which gives the opportunity to refile pending the outcome at the Coastal Commission. The fourth item was not discussed.

5. **CONSENT AGENDA**

On motion by Council Member Alexander and seconded by Council Member Campbell and passed by the following vote the City Council approved the consent calendar as presented.

RESULT: **Approved**

MOVER: Council Member Dennis Alexander

SECONDER:	Council Member Jason Campbell
AYES:	Ralph Rubio, Dennis Alexander, Jason Campbell, Ian Oglesby, Dave Pacheco
NOES:	None

A. APPROVE THE MINUTES FROM JUNE 16, 2016

Action: Approved

B. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

Action: Approved & Accepted

C. CONSIDERATION OF APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH CARPENTER ROBBINS COMMERCIAL REAL ESTATE, INC. FOR DISPOSITION OF PROPERTIES IN ACCORDANCE WITH THE ADOPTED LONG RANGE PROPERTY MANAGEMENT PLAN.

Action: Approved and passed Resolution 16-05 SA & 16-57 CC

6. ADJOURNMENT

On motion, the meeting was adjourned at 6:07 PM

Respectfully submitted,

Lesley Milton-Rerig, City Clerk

Ralph Rubio, Mayor



**CITY OF SEASIDE
STAFF REPORT**

Item No.: 5.C.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Craig Malin, City Manager

BY: Craig Malin, City Manager

DATE: July 21, 2016

**SUBJECT: AUTHORIZE EXECUTION OF ESTOPPEL AND CONSENT
AGREEMENTS RELATING TO THE 1141 CANYON DEL REY
LEASE**

PURPOSE

The Seaside Embassy Suites located at 1441 Canyon Del Rey Blvd is attempting to obtain a refinancing loan and is required to seek Redevelopment Agency approval and execution of an estoppel and consent agreement, as required by the ground lease.

RECOMMENDATION

That the City Council authorize the City Manager to execute the agreement.

BACKGROUND

The Seaside Embassy Suites located at 1441 Canyon Del Rey Blvd is attempting to obtain a refinancing loan and is required to seek Redevelopment Agency approval and execution of an estoppel and consent agreement, as required by the ground lease.

This agreement was requested to be executed and returned no later than July 18th, so time is of the essence. Legal Council has reviewed this action and supports the authorization to execute.

FISCAL IMPACT

There is no fiscal impact associated with this item.

ATTACHMENTS

1. Letter of Request
 2. Draft Consent Agreement
 3. Draft Ground Lessor Estoppel
-

Meeting Date: July 21, 2016

Reviewed for Submission to the
City Council by:



Craig Malin, City Manager

KIRKLAND & ELLIS LLP

AND AFFILIATED PARTNERSHIPS

300 North LaSalle
Chicago, Illinois 60654

(312) 862-2000

www.kirkland.com

Chris McAdam
To Call Writer Directly:
(312) 862-2584
chris.mcadam@kirkland.com

Facsimile:
(312) 862-2200

July 8, 2016

Via Federal Express

Redevelopment Agency of the City of Seaside
City Hall
440 Harcourt Avenue
Seaside, California 93955
Attn: Executive Director

RECEIVED
CITY OF SEASIDE
JUL 11 2016

Re: Ground Lease, dated as of September 8, 1989 by and between Redevelopment Agency of the City of Seaside and Atrium Finance V, LLC, as amended

To Whom It May Concern:

In connection with a loan refinancing relating to the Seaside Embassy Suites located at 1441 Canyon Del Rey Blvd, Seaside, CA 93955. Our Lender has requested that Atrium Finance V, LLC obtain an executed estoppel and consent relating to the above referenced lease in the enclosed form. Please note, the enclosed form is substantially similar to estoppel forms you have executed in connection with previous financings. To that end, we request that you:

1. **Execute and date** the enclosed four (4) original Ground Lessor Estoppel and Consent Certificates; and
2. **Return four (4) signed original Ground Lessor Estoppel and Consent Certificates** to Chris McAdam at Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654.
3. **Return four (4) signed original Ground Lessor onsent Certificates** to Chris McAdam at Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654.

Please return the Ground Lessor Estoppel and Consent Certificates **as soon as possible, and no later than July 18, 2016**. If you have any questions regarding the form or content of the Ground Lessor Estoppel and Consent Certificates, please contact Chris McAdam. To ensure your questions are answered as quickly as possible, please contact Chris via email at chris.mcadam@kirkland.com or via telephone at 312-862-2584.

Thank you for your help and cooperation in this matter.

Sincerely,

Chris McAdam

CONSENT

The Redevelopment Agency of the City of Seaside (the "Agency"), in accordance with Section 603 of the Ground Lease, dated September 8, 1989, as amended by that certain Transfer Approval and Ground Lease Amendment Agreement dated November 17, 1994, that certain First Amendment to Amended and Restated Agreement for the Development and Disposition of Hotel Complex dated as of October 4, 1990, that certain Second Amendment to Amended and Restated Agreement for the Development and Disposition of Hotel Complex dated as of July 16, 1992, that certain Third Amendment to Amended and Restated Agreement for the Development and Disposition of Hotel Complex dated as of June 3, 1993, that certain Fourth Amendment to Amended and Restated Agreement for the Development and Disposition of Hotel Complex dated as of 1994, that certain Ground Lease Estoppel, Amendment and Consent to Assignment dated August 4, 2006, that certain Assignment and Assumption of Tenant's Interest in Ground Lease dated August 11, 2006, that certain Ground Lessor Estoppel dated June 8, 2008 (the "Lease"), entered into between the Agency and Atrium Finance V, LLC (the "Lessee") hereby gives its consent and authorization to Lessee to assign all of Lessee's rights and obligations under the Lease to Tucson Seaside LLC, a Delaware limited liability company (the "Assignee") in accordance with the Assignment and Assumption of Lease to be executed between Lessee and Assignee in the form attached hereto as Exhibit "A".

THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

By: _____
Name:
Title:

Exhibit A

(attached)

(Above space for Recorder's use only)

ASSIGNMENT AND ASSUMPTION OF LEASE

(Recorder's Cover Page)

Assignor:

Atrium Finance V, LLC, a Delaware limited liability company

Assignee:

Tucson Seaside LLC, a Delaware limited liability company

Legal Description: See "Exhibit A" attached hereto

Tax Parcel Number: 011-401-031

Taxpayer:

Tucson Seaside LLC
1114 Avenue of the Americas, 38th Floor
New York, NY 10036
Attention: General Counsel
Phone: (212) 730-7211

Document prepared by:

Nicholas Carson, Esq.
Kirkland & Ellis LLP
300 N. LaSalle Street
Chicago, Illinois 60654
Phone: (312) 862-2000

Recording requested by and return to:

Tucson Seaside LLC
1114 Avenue of the Americas, 38th Floor
New York, NY 10036
Attention: General Counsel
Phone: (212) 730-7211

This cover page is provided for information purposes only.

(Above Space for Recorder's Use Only)

PREPARED BY:

Nicholas Carson, Esq.
Kirkland & Ellis LLP
300 N. LaSalle Street
Chicago, Illinois 60654
(312) 862-2000

**RECORDING REQUESTED BY
AND UPON RECORDATION RETURN TO:**

Tucson Seaside LLC
1114 Avenue of the Americas, 38th Floor
New York, NY 10036
Attention: General Counsel

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE (this "Agreement") is made as of this ____ day of _____, 2016 (the "Effective Date"), by and between Atrium Finance V, LLC, a Delaware limited liability company ("Assignor"), and Tucson Seaside LLC, a Delaware limited liability company ("Assignee").

RECITALS

WHEREAS, Assignor has agreed to sell, assign, transfer and convey to Assignee, and Assignee has agreed to assume all of Assignor's right title and interest under that certain Ground Lease, dated as of September 8, 1989, and as amended from time to time, with The Redevelopment Agency of the City of Seaside, as Lessor (the "Lease") for the property described on Exhibit A, and commonly known as 1441 Canyon Del Ray, Seaside, CA (the "Property");

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. ASSIGNMENT AND ASSUMPTION

- (a) Assignment by Assignor. As of the Effective Date, Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's right, title and interest in and to the Lease, together with any deposits thereunder made or held by Assignor.
- (b) Acceptance and Assumption by Assignee. As of the Effective Date, Assignee hereby accepts the assignment, transfer and conveyance of the Lease, together with the deposits thereunder made or held by Assignor, and agrees to assume and perform all of the obligations, liabilities, covenants, duties and agreements of Assignor under the Lease which arise or accrue thereunder on or after the Effective Date. Assignor hereby agrees to retain, and hereby indemnifies Assignee from and against, any loss or liability arising under the Lease which first arose or accrued thereunder prior to the Effective Date.

2. MISCELLANEOUS

- (a) Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of California, without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the State of California.
- (b) Entire Agreement, etc. This Agreement and the other documents, agreements and instruments executed and delivered in connection herewith (a) constitute the entire agreement, and supersedes all other prior agreements, understandings, representations and warranties, both written and oral, among the parties, with respect to the subject matter hereof, and (b) is for the benefit only of the parties hereto and is not intended to create any obligations to, or rights in respect of, any persons other than the parties hereto.
- (c) Amendments and Waivers. This Agreement may not be modified or amended except by a written instrument signed by the parties. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach of the same or similar nature.
- (d) Assignment; Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of each of the parties hereto. Any assignment by a party hereto requires consent of the other parties hereto except that any party may assign its rights and obligations hereunder to an affiliate of such party. There shall be no third party beneficiaries to this Agreement.
- (e) Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby and shall continue in full force and effect.
- (f) Counterparts. For the convenience of the parties hereto, this Agreement may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement.

- (g) Captions. The Article, Section and paragraph captions herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.
- (h) Notices. All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if (a) delivered personally, (b) sent by registered or certified mail, postage prepaid, (c) sent by overnight courier with a nationally recognized courier or (d) via facsimile confirmed in writing in any of the foregoing manners. If sent by mail, notice shall be considered delivered three business days after the date of mailing, if sent by overnight courier with a nationally recognized courier, notice shall be considered delivered the next business day after the date of mailing and if sent by any other means set forth above, notice shall be considered delivered upon actual receipt thereof. Any party may by notice to the other parties change the address to which notice or other communications to it are to be delivered or mailed.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

Packet Page 21

ASSIGNEE:

Tucson Seaside LLC
a Delaware limited liability company

By: _____
Name:
Title:

STATE OF)
) SS.
COUNTY OF)

THIS INSTRUMENT was acknowledged before me on _____, 2016,
by _____, the _____ of Tucson Seaside LLC, a Delaware limited liability
company, on behalf of said limited liability company.

WITNESS my hand and official seal.

Notary's Signature
Printed Name: _____
My commission expires: _____
(SEAL)

EXHIBIT A

LEASED PROPERTY

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

PARCEL I:

Parcel A, as said Parcel is shown on the Map of "Tract No. 1112 Canyon Del Rey (State Highway 218) Realignment and Monumentation of New Right of Way and property corners at the intersection of Del Monte Boulevard", filed for record September 8, 1989, in the office of the County Recorder of the County of Monterey, State of California, in Volume 16 of Maps, "Cities and Towns", at Page 84. Excepting therefrom that portion deeded to City of Seaside, a municipal corporation, recorded May 5, 1993 in Reel 2939, Page 898, Official Records.

PARCEL II:

Being a portion of the Del Monte Boulevard Right-of-Way, as shown on the Official Map of Canyon Del Rey (State Highway 218) Realignment and Monumentation of New Right of Way and property corners at the intersection of Del Monte Boulevard, filed for record September 8, 1989, in the office of the County Recorder of the County of Monterey, State of California, in Volume 16 of Maps, "Cities and Towns", at Page 84, Records of Monterey County, in the Rancho Noche Buena, City of Seaside, County of Monterey, State of California; and being more particularly described as follows:

Beginning at a point on the Southeasterly right-of-way line of Del Monte Avenue, said Point of Beginning also being the Northwesterly corner of "Parcel A" and which corner is denoted as a found one-inch iron pipe, all as shown on said Official Map; thence from said Point of Beginning

- (1) N. 36° 26' 00" W., 6.48 feet; thence,
- (2) N. 53° 33' 20" E., 62.43 feet; thence tangentially,
- (3) Along a curve to the right, concave Southeasterly, having a radius of 850.00 feet, through a central angle of 5° 30' 24", a distance of 81.70 feet; thence non-tangentially,
- (4) S. 36° 26' 00" E., 2.56 feet; thence,
- (5) S. 53° 33' 20" W., 144.00 feet to the Point of Beginning.

PARCEL III:

Being a portion of the Del Monte Boulevard Right-of-Way, as shown on the Official Map of Canyon Del Rey (State Highway 218) Realignment and Monumentation of New Right of Way and property corners at the intersection of Del Monte Boulevard, filed for record September 8, 1989, in the office of the County Recorder of the County of Monterey, State of California, in Volume 16 of Maps, "Cities and Towns", at Page 84, Records of Monterey County, in the Rancho Noche Buena, City of Seaside, County of Monterey State of California; and being more particularly described as follows:

Commencing at a point on the Southeasterly right-of-way line of Del Monte Avenue, said Point of Beginning also being the Northwesterly corner of "Parcel A" and which corner is denoted as a found one-inch iron pipe, all as shown on said Official Map; thence N. 36° 26' 00" W., 6.48 feet; thence, N. 53° 33' 20" E., 62.43 feet; thence tangentially, along a curve to the right, concave Southeasterly, having a radius of 850.00 feet, through a central angle of 13° 26' 53", a distance of 199.51 feet to the True Point of Beginning for this description; thence from said True Point of Beginning

- (1) Along a curve to the right, concave Southeasterly, having a radius of 850.00 feet, through a central angle of $5^{\circ} 00' 50''$, a distance of 850.00 feet, through a central angle of $5^{\circ} 00' 50''$, a distance of 74.38 feet (long chord bears N. $69^{\circ} 30' 38''$ E., 74.36 feet); thence non-tangentially,
- (2) S. $21^{\circ} 52' 30''$ E., 4.46 feet; thence,
- (3) S. $68^{\circ} 07' 30''$ W., 70.96 feet; thence
- (4) N. $50^{\circ} 13' 16''$ W., 7.11 feet to the True Point of Beginning.

PARCEL IV:

Easements for vehicular parking, and vehicular and pedestrian ingress and egress as more particularly described and set forth in that certain "Reciprocal Parking and Easement Agreement", executed by the Redevelopment Agency of the City of Seaside, the City of Seaside, and John Q. Hammons Hotels Two L.P., a Delaware limited partnership, recorded June 9, 2004, Instrument Nos. 2004059584, 2004059585, and 2004059586, Official Records, and re-recorded November 3, 2004, Instrument No. 2004117521, Official Records.

GROUND LESSOR ESTOPPEL

Property Commonly Known As
The Seaside Embassy Suites

This GROUND LESSOR ESTOPPEL (this "Agreement") is made as of _____, 2016, by the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE, a public body organized under the laws of California (the "Lessor"), for the benefit of JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, in its capacity as the lender of one or more loans (together with its respective successors and assigns, "Lender"), TUCSON SEASIDE LLC, a Delaware limited liability company ("Tucson Seaside") and ATRIUM FINANCE V, LLC, a Delaware limited liability company, successor in interest to Atrium Hotels Two, L.P. (f/k/a John Q. Hammons Hotels Two, L.P.), successor in interest to Atrium Hotels, L.P. (f/k/a John Q. Hammons Hotels, L.P.), successor in interest to Seaside Laguna Limited, L.P. (the "Lessee").

RECITALS

A. The Lessor and Lessee have entered into that certain Ground Lease dated as of September 8, 1989, and that certain Transfer Approval and Ground Lease Amendment Agreement dated November 17, 1994, as amended by that certain First Amendment to Amended and Restated Agreement for the Development and Disposition of Hotel Complex dated as of October 4, 1990, that certain Second Amendment to Amended and Restated Agreement for the Development and Disposition of Hotel Complex dated as of July 16, 1992, that certain Third Amendment to Amended and Restated Agreement for the Development and Disposition of Hotel Complex dated as of June 3, 1993, that certain Fourth Amendment to Amended and Restated Agreement for the Development and Disposition of Hotel Complex dated as of 1994, that certain Ground Lease Estoppel, Amendment and Consent to Assignment dated August 4, 2006, that certain Assignment and Assumption of Tenant's Interest in Ground Lease dated August 11, 2006, that certain Ground Lessor Estoppel dated June 8, 2008 (as assigned and amended, the "Ground Lease"), with respect to the Site described therein. Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Ground Lease.

C. Lessee and Tucson Seaside will enter into an assignment and assumption of ground lease, whereby Lessee shall assign all of its right, title and interest in the Ground Lease to Tucson Seaside.

B. Tucson Seaside and the Lender will enter into a loan agreement (the "Loan Agreement"), whereby the Lender will make a loan (the "Loan") to Tucson Seaside, to finance the operations of Tucson Seaside, including without limitation, the Seaside Embassy Suites (the "Hotel"), which will be secured in part by a certain deed of trust, assignment of leases and rents and security instrument (the "Mortgage") upon Tucson Seaside's interest in the Site.

NOW, THEREFORE, to induce Lender to make the Loan to Tucson Seaside and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

AGREEMENT

1. Consent and Approval. Lessor recognizes and acknowledges that the Mortgage in the form to be executed by Tucson Seaside complies with Section 803 of the Ground Lease and if the Loan closes and the Mortgage is recorded in the applicable land records, then Lender constitutes a "Permitted Mortgagee" as defined in Section 803 of the Ground Lease.
2. Entire Agreement. The Lessor represents and warrants to the Lender, Tucson Seaside and Lessee that (i) the Ground Lease is in full force and effect and, together with the documents specifically enumerated therein, constitutes the entire understanding and agreement of the Lessor and the Lessee with respect to the lease of the Site to the Lessee, (ii) a true, correct and complete copy of the Ground Lease is attached hereto as Exhibit A, (iii) the Lessor has full power and authority to enter into this Agreement and (iv) Lessor has not received any written notice of any pending eminent domain proceedings or other governmental actions or any judicial actions of any kind against the Lessor's interest in the Site.
3. No Defaults Offsets and Defenses. To actual knowledge of the Executive Director of the Lessor, as of the date hereof, (i) there are no defaults existing under the Ground Lease nor any facts which, with the giving of notice or the passage of time, or both, would constitute a default under the Ground Lease and (ii) there are no offsets, counterclaims, defenses, deductions or credits whatsoever with respect to the Ground Lease.
4. Ownership. Lessor is the sole record owner of the fee interest in the land on which the Site exists. Lessor hereby acknowledges that Lessor's fee interest in the Site is not currently subject to any mortgage or other liens and the Mortgage shall not be subject or subordinate to any mortgage encumbering the fee estate of the Site.
5. Rent. The rent payable under the Ground Lease is currently \$ _____ per year, and such rent has been paid through _____, 201__.
6. Security. There are, with respect to the Ground Lease, no security deposits or prepaid rents, except as described in Section 5 above.
7. Term; Renewal. The current term of the Ground Lease commenced on September 8, 1989 and expires on September 8, 2088. The Lessee has no option to renew the Ground Lease for an additional term.
8. Right of First Refusal. If the Ground Lease is assigned by the operating of law in connection with any proceedings under state or federal insolvency or bankruptcy law, or any comparable law, Lessor agrees to waive any applicable right of first refusal, including under Section 610 of the Ground Lease.
9. Notices. Any notice, communication, request or other document or demand required or permitted under this Agreement with respect to Lessor or Lender shall be in writing and shall be deemed delivered on the earlier to occur of (i) receipt or (ii) the date of delivery, refusal or nondelivery indicated on the return receipt, if deposited in a United States Postal Service Depository, postage prepaid, sent certified or registered mail, return receipt requested, or if

sent via a recognized commercial courier service providing for a receipt, addressed to (or to such other addresses as Lender may hereafter designate by written notice to Lessor):

In the case of the Lender:

JPMorgan Chase Bank, National Association
383 Madison Avenue
New York, NY 10179
Attention: Thomas Nicholas Cassino
Facsimile No.: (212) 834-6029

With a copy to:

JPMorgan Chase Bank, National Association
383 Madison Avenue
New York, NY 10179
Attention: Nancy Alto
Facsimile No.: (917) 546-2564

and

Cadwalader, Wickersham & Taft LLP
One World Financial Center
New York, NY 10281
Attention: William P. McInerney, Esq.
Facsimile No.: (212) 504-6666

In the case of the Lessor:

With a copy to:

10. No Waiver. No waiver of any breach of any of the covenants or conditions of this Agreement shall be construed to be a waiver of or an acquiescence in or a consent to any previous or subsequent breach of the same or of any other condition or covenant.
11. No Merger. Lessor hereby covenants and agrees that the leasehold interest and the fee estate in the Site will not merge if such estates are owned by the same party.
12. Proceeds. Lessor acknowledges that Lessee shall have the right to deposit all proceeds payable to Lessee pursuant to Section 707(b) of the Ground Lease with Lender.
13. Assignment. Lessor hereby acknowledges that Lender may (a) assign its interest in the Loan or any portion thereof and (b) foreclose or exercise other remedies under its Mortgage without the consent of Lessor. In the event of a foreclosure or transfer in lieu of foreclosure of any leasehold mortgage, (i) Lender may, without Lessor's consent, acquire the Ground Lease, either in its own name or through a designee or nominee and (ii) the Lender shall thereafter have the right to assign its interests in the Ground Lease without the prior consent of Lessor.
14. Third Parties, Successors and Assigns. This Agreement is made for the benefit of the Lender (and its successors and assigns), Tucson Seaside and Lessee, and no other person or persons shall have any rights or remedies under or by reason of this Agreement or any right to the exercise of any right or power of the Lender hereunder. Lessor hereby acknowledges that Lender and any successor-in-interest to Lender, including any trustee of a securitization trust that holds an interest in the Loan as a successor-in-interest to Lender in connection with a securitization, is a "Permitted Mortgagee" as defined in Section 803 of the Ground Lease for all purposes under the Ground Lease.
15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.
16. Termination of Agreement. This Agreement shall remain in full force and effect, and shall be binding on the Lessor and Tucson Seaside so long as the Loan, or any part of it, remains outstanding and unpaid.
17. Counterparts. This Agreement may be executed in multiple counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. This Agreement shall be effective when it has been executed by the Lessor and delivered to the Lender.
18. No Liability. The Lessor shall have no liability for a breach herein or for any inaccuracy in any representation, warranty or statement herein, but shall be estopped from asserting any such inaccuracy.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Ground Lessor Estoppel to be duly executed and delivered as of the day and year first above written.

LESSOR:

SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SEASIDE, a public
body organized under the laws of California

By: _____
Name:
Title:

Exhibit A



**CITY OF SEASIDE
STAFF REPORT**

Item No.: 6.A.

TO: City Council

FROM: Craig Malin, City Manager

BY: Dan Meewis, Recreation Supervisor
Nancy Towne, Recreation Services Director

DATE: July 21, 2016

**SUBJECT: RECEIVE PRESENTATION REGARDING POSSIBLE FUTURE USES
OF CUTINO PARK FIELDS**

PURPOSE

The purpose of this item is for the City Council to receive a presentation on possible future uses of Cutino Park fields.

RECOMMENDATION

It is recommended that the City council receive a presentation on the possible future uses of Cutino Park.

BACKGROUND

At the February 8, 2016 Strategic Plan meeting the Recreation Department was tasked to study and make recommendations to the City Council for action for possible future uses of Cutino Park. The following information was collected to determine the existing use of Cutino Park based on actual field use commitments, youth sports trends and recommendations for future possible uses.

- Overview of City of Seaside existing fields
- Cutino Park field uses; past and present
- Field use gaps
- Recommendations for future uses

FISCAL IMPACT

There is no fiscal impact in receiving this presentation.

ATTACHMENTS

Reviewed for Submission to the
City Council by:



Craig Malin, City Manager