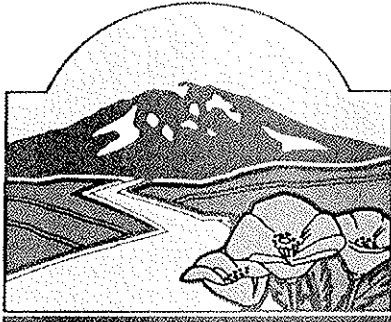


CITY OF
ANDERSON



AGENDA ITEM

June 1, 2010, City Council Meeting

Approved for Submittal By:

Dana Shigley
Dana Shigley, City Manager

To Be Presented By:

John R. Stokes
John Stokes, Development Services Director

To: Honorable Mayor and Members of the Anderson City Council

Through: Dana Shigley, City Manager
Telephone 378-6646

From: John Stokes, Development Services Director
Telephone 378-6636

Date: June 1, 2010

SUBJECT

Ground lease of a portion of the City owned property located at the corner of North and Oak streets for a private drive-thru coffee kiosk.

RECOMMENDATION

The Development Services Director recommends that the City Council:

Authorize the City Manager to enter into a lease, of substantially same format and terms as attached, for approximately 12,000 square feet of land located on the northeast end of the City owned property on the corner of North and Oak Streets.

FISCAL IMPACT

The proposed temporary use would have minimal direct financial impact on the City. The owner of the proposed coffee kiosk would pay \$200 per month rent plus 1% of his gross revenue. A small amount of sales tax would be generated to help support City services. The lease does have a buyout provision so if the City needs the property within the first 5 years of the 10-year lease the City would pay the lessee \$5,000. If terminated between 5 and 10 years there would be no compensation to the lessee. The lessee will pay all taxes

and utility charges. However, the City will waive water and sewer connection fees (as the water and sewer are already to the site and the proposed use is temporary).

DISCUSSION and BACKGROUND

The City has received a proposal to utilize the Oak Street end of the former City Grill property for a drive-thru coffee shop. The Kaleidoscope Coffee Company is asking for a 10-year lease. This request was brought to the Council for consideration on April 6, 2010. Staff was directed to pursue an agreement for a lease. Further, Council suggested that in addition to the monthly lease fee a percent of the gross be paid to the City.

Attached is a proposed lease. The lease would be a ground lease for the area of the lot that originally contained the parking lot for the City Grill. The proposed development would fully utilize that portion of the property to accommodate vehicle flow to and from the two windows of the coffee kiosk. The total parcel is approximately 212 feet long. This use would utilize 110 feet which is more than half of the site. The remaining portion of the lot is going to be paved by the City for a parking lot. The parking lot could be utilized for small scale outdoor sales as discussed at the previous Council meeting.

The term of the lease would be for a ten (10) year period. The term of the lease would begin with City approval of the entitlements and the building permits. The City may cancel the lease at any time with a 180 day notice. As noted above, within the first five (5) years the City would pay the lessee \$5,000 compensation if the lease is canceled. After the five (5) year period there would be no compensation from the City for lease cancellation. The lease provides that the City could use the bathroom facilities if there were City sponsored/approved activities conducted on the remainder of the site.

The advantage to the City would be that the site would be utilized by a business paying rent and sales tax. Although the lease is for ten years, should a grant or other source of funding for the police facility become available, prior to the end of the lease, the City could terminate the lease as outlined above.

ATTACHMENTS

1. Ground lease
2. Plot Plan
3. Coffee kiosk

GROUND LEASE

This lease is made and executed on June 1, 2010 between the City of Anderson, a California Municipal Corporation (“Lessor”), and Dan Burton, a private individual (“Lessee”).

RECITALS

WHEREAS, Lessor owns real property located in the City of Anderson, County of Shasta, State of California, more particularly described in Exhibit “A,” identified as Parcel Two (APN 201-740-063), attached to this lease and made a part of it (the “Property”); and

WHEREAS, the property is currently unimproved land, zoned C-1 by the City of Anderson; and

WHEREAS, Lessee desires to lease the property for the purpose of building and operating a drive-thru coffee shop consisting of a small building of approximately 288 square feet, a shade structure of 144 square feet and a restroom of 64 square feet, to be erected on the property by Lessee (the “Facility”) occupying an area the full width of the lot and 110 feet deep as measured from the Oak Street right-of-way encompassing approximately 12,000 square feet; and

WHEREAS, Lessor desires to lease the property in an unimproved condition, with minimal responsibilities for its supervision and maintenance.

NOW, THEREFORE, and in consideration of the covenants contained in this lease, the parties agree as follows:

Section 1— Lease Term; Option to Renew

a. *Lease Term.* Lessor grants the property as Lessor, and Lessee leases and takes the property as Lessee, for a term of ten (10) years beginning on the date of issuance of a building permit for the coffee kiosk. However, the Lessor reserves the right to terminate the lease before ten (10) years has expired if Lessor has a need therefore and notice of termination shall be accomplished by providing the Lessee one hundred eighty (180) days written notice to vacate. Should the Lessor terminate this lease within the first five (5) years, it shall pay Lessee the sum of five thousand dollars (\$5,000.00). If the lease is terminated before ten (10) years has elapsed but after five (5) years has elapsed, no sum shall be payable from Lessor to Lessee for early termination.

b. *Option to Renew.* There is no option to renew; however, Lessor and Lessee may negotiate one if they find it mutually beneficial once the current use is established.

Section 2—Purpose

Lessee leases the property for the purpose of building and operating a drive-thru coffee vendor business.

Section 3—Rent

Subject to adjustment as provided within the terms of this agreement, monthly rent for the lease term will be Two Hundred Dollars (\$200.00), which Lessee will pay to Lessor without deduction or offset, at such place or places as may be designated from time to time by Lessor, in monthly installments due on the first business day of each consecutive month during the lease term. In addition to the foregoing set rental amount, Lessee shall pay Lessor every six months throughout the term of this lease an amount equal to one percent (1%) of the gross revenue generated from business conducted by Lessee on the premises. Proof of gross income in a form acceptable to Lessor shall be provided to Lessor at the time each such payment is made.

Section 4—Warranties of Title and Quiet Possession/Access to Property

Lessor covenants that Lessor is seized of the property in fee simple and has full right to make this lease, and that Lessee will have quiet and peaceable possession of the property during the term of the lease.

Lessee shall be allowed ingress and egress to and from the property over adjacent property owned by Lessor at reasonable times; however, such access rights shall not interfere with Lessor's use of such adjoining property for its own purposes in whatever manner Lessor deems reasonable.

Section 5—Delivery of Possession

If, for any reason whatsoever, Lessor cannot deliver possession of the property to Lessee at commencement of the lease as previously specified, this lease will not be void or voidable, nor will Lessor be liable to Lessee for any loss or damage resulting therefrom. In that event, there will be a proportionate reduction of rent covering the period between the commencement of the lease term and the time Lessor can deliver possession.

Section 6—Use

- a. *Uses Permitted:* The parties agree that the property herein described shall only be used as a drive-thru coffee vendor facility and shall not violate any restriction, covenant or agreement affecting the neighboring properties. The parties further

agree that no improvements shall be made by Lessee to the property herein described without first obtaining the prior written approval of Lessor.

b. *Uses Prohibited:* Lessee will not use or permit the property, or any part of such property, to be used for any purpose or purposes that will cause a fire hazard on the property nor will Lessee sell, or permit to be kept, used, or sold, in or about the property any article prohibited by the standard form of fire insurance policies. Lessee will, at its sole cost, comply with all requirements pertaining to the property, of any insurance organization or company, necessary for the maintenance of insurance as provided in this lease, covering any building and appurtenances at any time located on the property. No toxic substances may be used or stored or disposed of on the subject property by Lessee or others allowed to enter the premises by the Lessee. No marijuana including for medical purposes, shall be used, sold or possessed on the subject property by Lessee or others allowed to enter the premises by the Lessee.

Section 7—Waste and Nuisance Prohibited

During the term of this lease, Lessee will comply with all applicable laws affecting the property, the breach of which might result in any penalty on Lessor or forfeiture of Lessor's title. Lessee will not commit or allow to be committed any waste on the property, nor maintain or allow to be maintained any nuisance on the property.

Section 8—Abandonment

Lessee will not vacate or abandon the property at any time during the term of this lease. If Lessee shall abandon, vacate or surrender the property, or be disposed by process of law, or otherwise, any personal property belonging to Lessee and left on the premises will be deemed to be abandoned, at the option of Lessor, except such property as may be encumbered to Lessor.

Section 9—Lessor's Right of Entry

Lessee will permit Lessor and the agents or employees of Lessor to enter into and on the property at all reasonable times for the purpose of inspecting the property, or for the purpose of posting notices of non-responsibility for alterations, additions, or repairs, without any rebate of right and without any liability to Lessee for any loss of occupation or quiet enjoyment of the premises thereby occasioned. Lessee will also permit Lessor and its agents and employees, at any time within the last six (6) months prior to the expiration of the lease, notwithstanding any extensions granted by Lessor, to place on the property any usual or ordinary "To Let" or "To Lease" signs and exhibit the premises to prospective tenants at reasonable hours.

Section 10—Encumbrance of Lessee’s Leasehold Interest

Lessee may not encumber by mortgage or deed of trust, or other proper instrument, its leasehold interest and estate in the property, together with all buildings and improvements placed by Lessee on the property, as security for any indebtedness of Lessee.

Section 11—Subletting and Assignment

Lessee may not sublet the property in whole or in part without Lessor’s prior written consent, and the making of any sublease whatsoever will not release Lessee from, or otherwise affect in any manner, any of Lessee’s obligations under this lease agreement. Lessee will not assign or transfer this lease, or any interest in it, without the prior written consent of Lessor, and consent to one assignment will not be deemed to be a consent to any subsequent assignment. Any such assignment without such consent will be void, and will, at the option of Lessor, terminate this lease. Neither this lease nor the leasehold estate of Lessee or any interest of Lessee under this agreement in the premises or in any building or improvements on such premises will be subject to involuntary assignment, transfer, or sale, or to assignment, transfer or sale by operation of law in any manner whatsoever, and any such attempted involuntary assignment, transfer, or sale will be void and of no effect and will, at the option of Lessor, terminate this lease.

Section 12—Construction of New Building

a. *Plans and Specifications.* Preparation and completion of plans and specifications for a new building to be erected on the premises that will provide for the drive-thru coffee vendor facility shall be at Lessee’s sole expense. Such plans and specifications will be submitted to Lessor for Lessor’s written approval or any revisions required by Lessor. Within ninety (90) days of the execution of this lease, Lessee shall, at Lessee’s sole expense, commence, and will thereafter diligently prosecute to completion, the construction of the drive-thru coffee shop in accordance with such plans and specifications.

b. *Alterations, improvements and changes permitted.* Subject to the provisions of Section 6.a of this lease, Lessee will in no event make any alterations, improvements, or other changes of any kind to any building on the premises without Lessor’s advance written consent.

c. *Disposition of new improvements.* Any new buildings constructed by Lessee on the premises, and all alterations, improvements, changes, or additions made in or to such premises, will be the property of Lessee but, if not removed within sixty (60) days of the

termination of this lease, shall automatically become the property and totally owned by the Lessor.

d. *Use of toilet facilities by public.* Lessee shall permit members of the public use of its toilet facilities during City-sponsored events or City-allowed events (ie. farmers markets, craft sales events, etc.) on the adjoining property owned by the City of Anderson. Maintenance of the toilet facilities shall be done by Lessee at Lessee's expense however, in the Lessor's sole discretion, Lessor may assist with such costs by collecting user fees from participants should it choose to do so.

Section 13—Repairs; Destruction of Improvements

a. *Maintenance of improvements.* Lessee will, throughout the term of this lease, at its own cost, and without any expense to Lessor, keep and maintain the premises, including buildings and improvements of every kind that may be part of such premises, and all appurtenances to the premises, including adjacent sidewalks, in good, sanitary, and neat order, condition and repair, and, except as specifically provided in this lease, restore and rehabilitate any improvements of any kind that may be destroyed or damaged by fire, casualty, or other such cause whatsoever. Lessor will not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description whatsoever to the property or to any buildings or improvements on such property. Lessee will also comply with and abide by all federal, state, county, municipal, and other governmental statutes, ordinances, laws, and regulations effecting the premises, the improvements on such premises, or any activity or condition on or in such premises.

b. *Damage and Destruction of Improvements.* The damage, destruction, or partial destruction of any building or other improvement that is a part of the premises will not release Lessee from any obligation under this lease, except as subsequently expressly provided. In case of damage to or destruction of any such building or improvement, Lessee will at its own expense promptly repair and restore the improvement to a condition as good or better than that which had existed prior to such damage or destruction. Without limiting such obligations of Lessee, it is agreed that the proceeds of any insurance covering such damage or destruction will be paid to Lessor and then made available to Lessee for such repair or replacement.

Section 14—Utilities

Lessee shall fully and promptly pay for all water, heat, light, power, telephone service, and other public utilities of every kind, furnished to the property throughout the term of the lease, including the construction cost for initial extension and connection of such utilities, and all other costs and expenses of every kind whatsoever of or in connection with the use, operation, and maintenance of the premises and all activities conducted on

such premises. Lessor will have no responsibility of any kind for any such payments. With regard to water, the Lessee shall be responsible for purchase and installation of a water meter in compliance with City standards and extension of onsite piping and connection to the facility, but will not pay the City any connection fee. With regard to sewer, the City will provide the connection and lateral for both the bathroom and the coffee vending building. Further the City agrees to waive the sewer connection fee.

Section 15—Liens

a. *Lessee's duty to keep premises free of liens.* Lessee will keep all the premises and every part of such premises and all buildings and other improvements at any time located on such premises free and clear of any and all mechanic's, materialman's, and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee, any alteration, improvement, or repairs or additions that Lessee may make or permit or cause to be made, or any work or construction, by, for, or permitted by Lessee on or about the premises or any obligations of any kinds incurred by Lessee. Lessee will at all times promptly and fully pay and discharge any and all claims on which any such lien may or could be based, and will indemnify Lessor and all of the premises and all buildings and improvements on such premises against all such liens and claims of liens and suits or other proceedings pertaining to the property. Lessee will give Lessor written notice no less than thirty (30) days in advance of the commencement of any destruction, alteration, addition, improvement, or repair estimated to cost in excess of Five Thousand Dollars (\$5,000) in order that Lessor may post appropriate notice of Lessor's non-responsibility.

b. *Contesting liens.* If Lessee desires to contest any such lien, Lessee shall notify Lessor of the intention to do so within fifteen (15) days after the claim for such lien is filed. In such case, and provided that Lessee will on demand protect Lessor by a good and sufficient surety bond against any such lien and any cost, liability, or damage arising out of such contest, Lessee will not be in default under this lease until fifteen (15) days after the final determination of the validity of the claim, within which time Lessee will satisfy and discharge such lien to the extent held valid. However, the satisfaction and discharge of any such lien will not, in any case, be delayed until execution is had on any judgment rendered on such lien, and such delay will be a default of Lessee under this lease. In the event of any such contest, Lessee will protect and indemnify Lessor against all loss, expense, and damage resulting from such contest.

Section 16—Taxes and Assessments

a. *Taxes as additional rent.* As additional rent under this lease, Lessee will pay and discharge as they become due, promptly and before delinquency, all taxes, assessments, rates, charges, license fees, municipal liens, levies, excises, or imposts, whether general or special, or ordinary or extraordinary, of every kind whatsoever, including all governmental charges of whatsoever kind, that may be levied, assessed, charged or imposed, or that may become a lien or charge on or against the property, or any part of such property, constituting the leasehold of Lessee under this lease, the premises described under the lease, any building or buildings, or any other improvements now or hereafter placed on the property, or on or against Lessee's estate created that may be a subject of taxation, or on or against Lessor by reason of its ownership of the fee underlying this lease, during the entire term of the agreement, excepting only those taxes specifically excepted in this agreement.

b. *Assessments affecting improvements.* Specifically and without in any way limiting the generality of the foregoing, Lessee will pay all special assessments and levies or charges made by any municipal or political subdivision for local improvements, and will pay the same in cash as they shall fall due and before they become delinquent and as required by the act and proceedings under which any such assessments or levies or charges are made by any municipal or political subdivision. If the right is given to pay either in one sum or in installments, Lessee may elect either mode of payment, and its election will be binding on Lessor. If, by making any such election to pay in installments, any of such installments shall be payable after termination of this lease, unless this Agreement is terminated by Lessee's default, such unpaid installments will be prorated as of the date of termination, and amounts payable after such date will be paid by Lessor. All of the taxes and charges under this Section will be prorated at the commencement and expiration of the term of the agreement.

c. *Contesting taxes.* If Lessee shall in good faith desire to contest the validity or amount of any tax, assessment, levy, or other governmental charge agreed to be paid by Lessee, Lessee will be permitted to do so, and to defer payment of such tax or charge until final determination of the contest, on giving to Lessor written notice prior to the commencement of any such contest, which shall be at least 60 days prior to delinquency, and on protecting Lessor on demand by a good and sufficient surety bond against any such tax, levy, assessment, rate, or governmental charge, and from any costs, liability, or damage arising out of any such contest.

d. *Disposition of rebates.* All rebates on account of any such taxes, rates, levies, charges, or assessments required to be paid and paid by Lessee under the provisions of this lease will belong to Lessee. Lessor will, on request of Lessee, execute any receipts, assignments, or other acquittance that may be required to secure the

recovery of any such rebates, and will pay over to Lessee any such rebates that may be received by Lessor.

e. *Receipts.* Lessee will obtain and deliver receipts or duplicate receipts for all taxes, assessments, and other items required under this lease to be paid by Lessee, promptly on their payment.

Section 17—Indemnification of Lessor

Lessor will not be liable for any loss, injury, death, or damage to persons or property that at any time may be suffered or sustained by Lessee or by any person who may at any time be using or occupying or visiting the property or begin, on, or about the same, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of any occupant, subtenant, visitor, or user of any portion of the premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the manners or things about set forth. Lessee will indemnify Lessor against all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death, or damage. Lessee waives all claims against Lessor for damages to the building and improvements that are now on or hereafter placed or built on the premises and to the property of Lessee in, on, or about the premises, and for injuries to persons or property in or about the premises, from any cause arising at any time. The three preceding sentences will not apply to loss, injury, death, or damage arising by reason of the negligence or misconduct of Lessor, its agents, or employees.

Section 18—Attorney Fees

If any action at law or in equity will be brought to recover any rent under this lease, or for or on account of any breach of, or to enforce or interpret any of the covenants, terms, or conditions of this lease, or for the recovery of the possession of the demised premises, the prevailing party will be entitled to recover from the other party, as part of the prevailing party's costs, reasonable attorney fees, the amount of which will be fixed by the court and will be made a part of any judgment or decree rendered.

Section 19—Use of Public Property

Lessor grants a license to Lessee, limited by all the terms and provisions of this lease, and at Lessee's sole risk, to use the property consistent with the purpose and use defined in Section 2 and Section 6 of this agreement and for no other purpose or use. The rights of Lessee under this lease will be subject to such present and future ordinances or regulations or laws as may be made by the City of Anderson, or the County of Shasta, or any other public authority having proper jurisdiction.

Section 20—Insurance

a. *Personal injury liability insurance.* Lessee shall maintain in effect throughout the term of this lease personal injury liability insurance covering the premises and its appurtenances and the sidewalks fronting thereon in the amount of One Million Dollars (\$1,000,000) for injury to or death of any one persons, and Three Million Dollars (\$3,000,000) for injury to or death of any number of persons in one occurrence, and property damage liability insurance in the amount of Five Hundred Thousand Dollars (\$500,000). Such insurance will specifically insure Lessee against all liability assumed by it under this lease, as well as liability imposed by law, and will insure both Lessor and Lessee, but will be so endorsed as to create the same liability on the part of the insurer as though separate policies had been written for Lessor and Lessee.

Section 21—Default

In the event of any breach of this lease by Lessee, Lessor, in addition to the other rights or remedies Lessor may have, will have the immediate right of re-entry and may remove all persons and property from the premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of, Lessee. Should Lessor elect to reenter, as provided in this agreement, or should Lessor take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Lessor may either terminate this lease or Lessor may from time to time, without terminating this lease, relet the property or any part of such property for such term or terms (which may be for a term extending beyond the term of this lease) and at such rent or rents and on such other terms and conditions as Lessor in Lessor's sole discretion may deem advisable, with the right to make alterations and repairs to the property. No such re-entry or taking possession of the premises will be construed as an election on the part of Lessor to terminate this lease unless a written notice of such termination is given to Lessee or unless termination of the lease is decreed by a court of competent jurisdiction.

Notwithstanding any such reletting without termination, Lessor may at any time thereafter elect to terminate this lease for such previous breach.

Section 22—Lessor's Right to Perform

In the event Lessee, by failing or neglecting to do or perform any act or thing that Lessee is by this agreement to do or perform, shall be in default under the lease and such failure will continue for a period of thirty (30) days after written notice from Lessor specifying the nature of the act or thing to be done or performed, then Lessor may, but will not be required to, do or perform or cause to be done or performed such act or thing (entering on the premises for such purposes, if Lessor shall so elect), and Lessor

will not be or be held liable or in any way responsible for any loss, inconvenience, annoyance, or damage resulting to Lessee on account thereof, then Lessee will repay to Lessor on demand the entire expense incurred, including compensation to the agents and employees of Lessor. Any act or thing done by Lessor pursuant to the provisions of this section will not be, or be construed as, a waiver of any such default by Lessee, or as a waiver of any covenant, term, or condition contained in the lease or its performance, or of any other right or remedy of Lessor, under this lease or otherwise. All amounts payable by Lessee to Lessor under any of the provisions of this lease, if not paid when they become due as in this lease provided, will bear interest from the date they become due until paid at the rate of ten percent (10%) per year, compounded annually.

Section 23—Surrender of Lease

The voluntary or other surrender of this lease by Lessee, or a mutual cancellation of the lease, will not work a merger, and will, at the option of Lessor, terminate all or any existing subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any or all such subleases or subtenancies.

Section 24—Re-delivery of Premises

Lessee will pay the rent and all other sums required to be paid by Lessee under this lease in the amounts, at the times, and in the manner provided in the lease, and will keep and perform all the terms and conditions of the lease on its part to be kept and performed, and at the expiration or termination of this lease, Lessee will peaceably and quietly quit and surrender the premises to Lessor in good order and condition subject to the other provisions of this lease. In the event of the non-performance by Lessee of any of the covenants of Lessee undertaken in this lease, this lease may be terminated as provided.

Section 25—Waiver

The waiver by Lessor of, or the failure of Lessor to take action with respect to, any breach of any term, covenant, or condition contained in this lease will not be deemed to be a waiver or such term, covenant, or condition, or subsequent breach thereof, or any other term, covenant, or condition contained in the lease. The subsequent acceptance of rent under this lease by Lessor will not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant, or condition of this lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

Section 26—Remedies Cumulative

All remedies previously conferred on Lessor will be deemed cumulative and no one exclusive of the other, or of any other remedy conferred by law.

Section 27—Notices

All notices, demands, or other writings in this lease provided to be given or made or sent, or that may be given or made or sent, by either party to the lease to the other, will be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail, registered and postage prepaid and addressed as follows:

TO LESSOR: Office of the City Manager
City of Anderson
1887 Howard Street
Anderson, CA 96007

TO LESSEE: Dan Burton

Anderson, CA 96007

The address to which any notice, demand, or other writing may be given or made or sent to any party as above provided may be changed by written notice given by such party as above provided.

Section 28—Effect of Lessee’s Holding Over

Any holding over after the expiration of the term of this lease, with consent of Lessor, will be construed to be a tenancy from month to month, at the same monthly rent as required to be paid by Lessee for the period immediately prior to the expiration of the term of the lease, and will otherwise be on the terms and conditions specified in the lease, so far as applicable.

Section 29—Parties Bound

The covenants and conditions contained in this lease will, subject to the provisions as to assignment, transfer, and subletting, apply to and bind the heirs, legal representatives, successors and assigns of all the parties to this agreement; and all of the parties to the agreement will be jointly and severally liable under its terms.

Section 30—Time of the Essence

Time is of the essence of this lease, and each and every covenant, term, condition and provision of such lease.

Executed at Anderson, California on the day and the year first above written.

LESSOR:

LESSEE:

CITY OF ANDERSON

Dana Shigley, City Manager

Dan Burton

Attest:

Juanita Barnett, City Clerk

Approved as to form:

Michael C. Fitzpatrick, City Attorney

LEGAL DESCRIPTION

EXHIBIT "A"

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

PARCEL ONE:

Lot 9 of Block 1, as shown on the Map of Goodrich Subdivision, filed for record October 17, 1950 in Book 8 of Maps at Page 5, Shasta County Records.

EXCEPTING THEREFROM the Northeasterly 40 feet of said Lot 9.

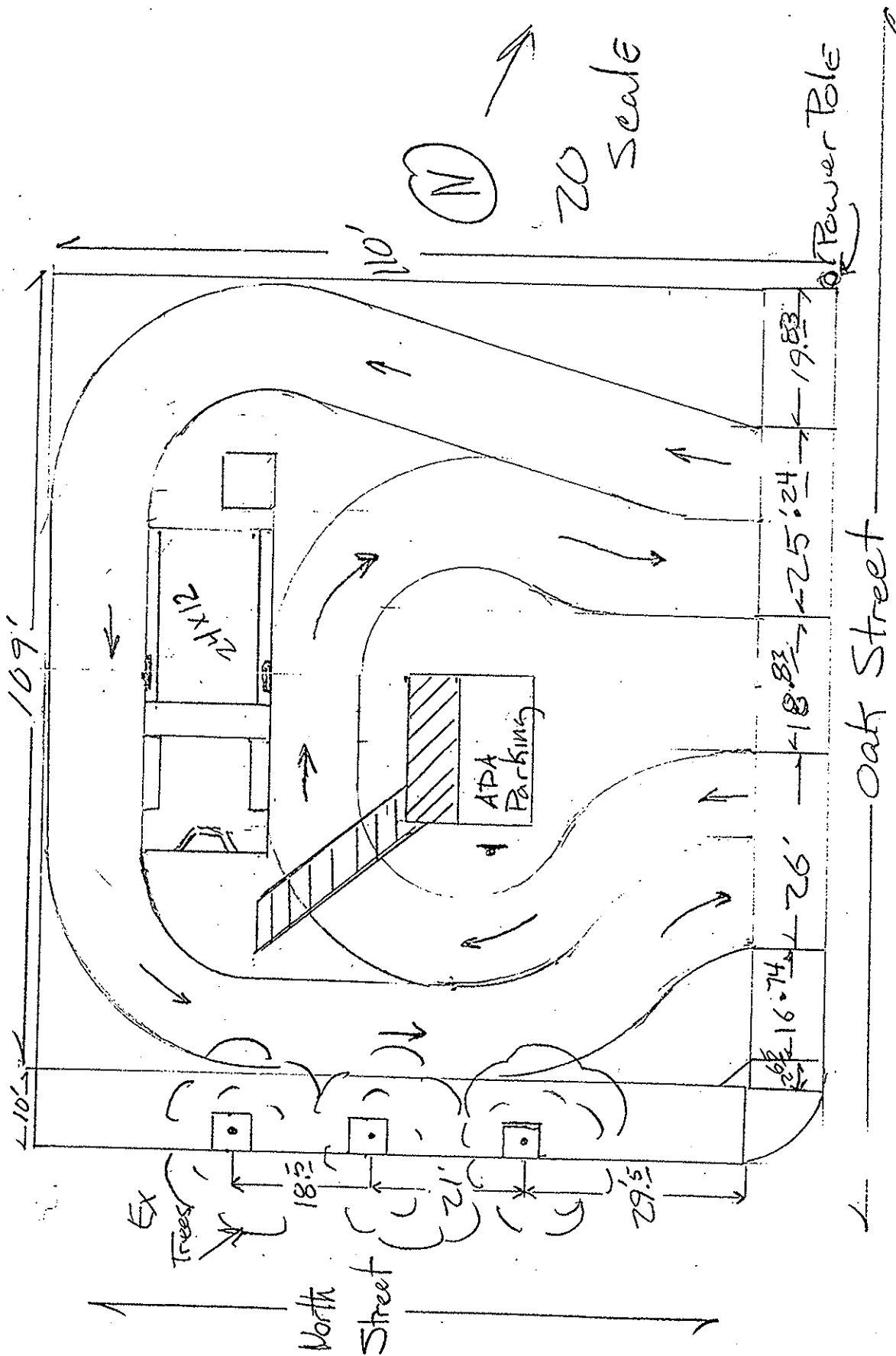
PARCEL TWO:

The Northeasterly 40 feet of Lot 9 and all of Lots 10 and 11, Block 1, as shown on the Map of Goodrich Subdivision, recorded October 17, 1950 in Book 8 of Maps, Page 5, Shasta County Records.

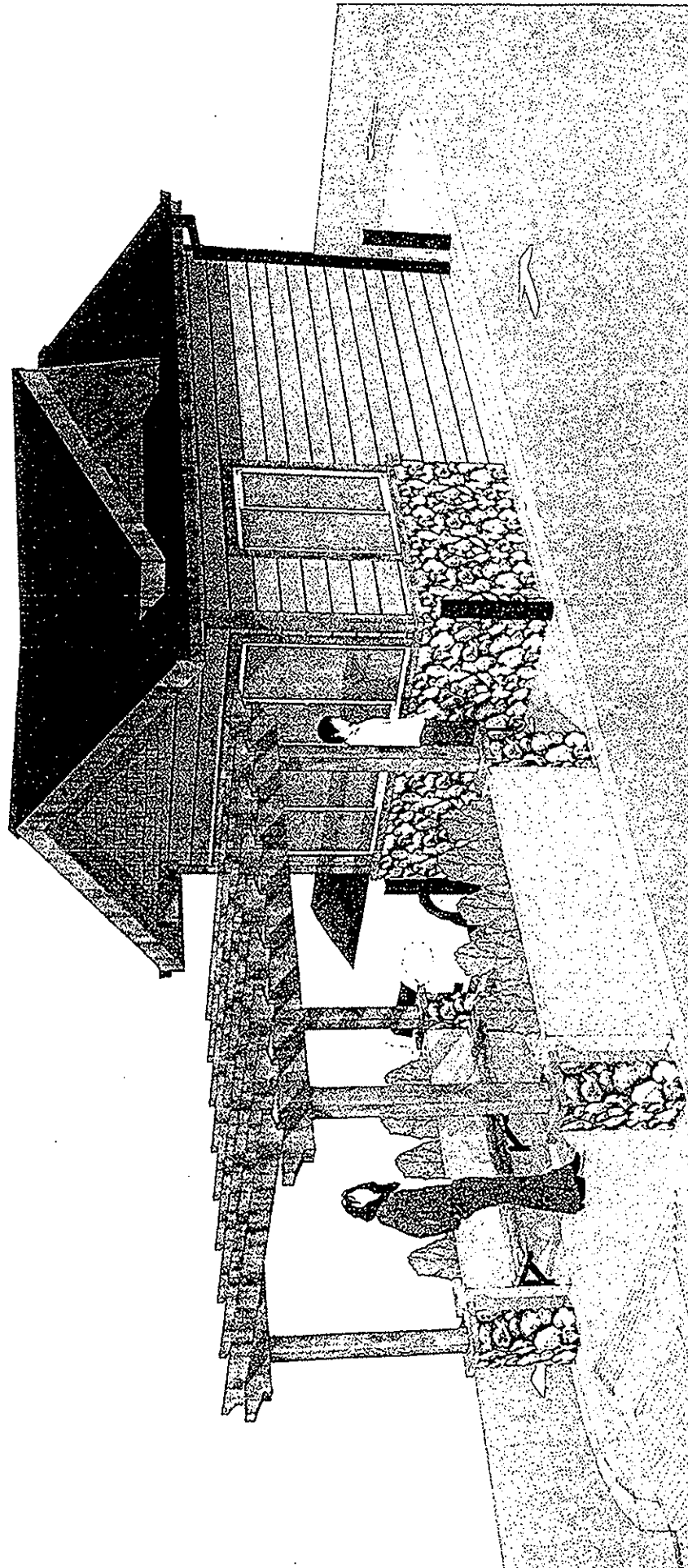
Note: As an appurtenance to the land herein described, the following should be included on the Deed or Deed of Trust to be recorded. This appurtenance is shown for information purposes only and is not to be construed as a part of this report.

An easement for Guest Parking over the Northeasterly 14 feet of Lot 8 of Goodrich Subdivision as set forth in The Mutual Grant of Easement, executed by Don E. Munns, et ux, and Lowell Sisco, recorded December 12, 1995 in Book 3367 of Official Records, at Page 578, Shasta County Records.

APN: 201-740-062, 201-740-063



Plot Plan



ATTACHMENT 3