DEVELOPMENT AGREEMENT

By and Between

CITY OF ALAMEDA a municipal corporation

And

EDWARD AND MADLYN MURPHY. Individuals

November 2, 1998

DEVELOPMENT AGREEMENT

This DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of November 2, 1998, by and between CITY OF ALAMEDA, a municipal corporation, ("City") and EDWARD AND MADLYN MURPHY, Individuals ("Murphys").

RECITALS

(As used in these Recitals, capitalized terms have the meaning given them in this Agreement or in **Exhibit A** to this Agreement.)

This Agreement is predicated upon the following facts:

- A. The Murphys are the owners of real Property comprising approximately 1.7 acres of real Property within City located at the northeast corner of Broadway Avenue and Santa Clara Avenue which is the subject of this Agreement and is referred to as the Property as defined in Exhibit "A" of this Agreement.
- B. The Development Agreement Law, Section 65864 et seq. of the Government Code, authorizes City to enter into a binding development agreement with any person having a legal or equitable interest in real Property, and City desires to enter into a binding development agreement with the Murphys for the potential development of the Property. The Murphys are a qualified party to enter into a development agreement under the Development Agreement Law.
- C. City acknowledges that development of the Property requires substantial financial commitments and expenditures by the Murphys, and the Murphys seek assurances by City that

development of the Property will not be jeopardized by later changes in the Development Regulations.

- D. City desires that the development of the Property proceed in a well-planned manner. Development of the Property in accordance with the Existing Development Regulations, subject to the terms and conditions of this Agreement, will provide for orderly growth in accordance with the policies and goals set forth in the General Plan.
- E. City has thoroughly considered the potential for significant environmental impacts of the Rezoning, and City has determined that the Rezoning including Planned Development Combining Zoning District, along with the terms and conditions incorporated into this Agreement, will not have any significant environmental impact. On November 10, 1998, after a duly noticed public hearing, the City Council of City considered and, pursuant to Resolution No. 1305 approved the Negative Declaration in compliance with the California Environmental Quality Act, for the Rezoning of the Property and the approval of this Development Agreement.
- F. Following consideration of the Negative Declaration, after conducting a duly noticed public hearing, and after adoption of Findings, the City Council adopted Ordinance No. 2779 on November 17, 1998 Rezoning the Area "A" of the Property from R-4 to R-5-PD (General Residential with Planned Development Combining Zoning District) and Area "B" from R-4 to R-4-PD (Neighborhood Residential with Planned Development Combining Zoning District).
- G. On November 17, 1998, the City Council of City found that the provisions of this Agreement are consistent with the General Plan of City as adopted on February 5, 1991, and as amended to date and by approving this Agreement, authorized the execution of this Agreement.

AGREEMENT

Now, THEREFORE, the parties hereto do hereby agree as follows:

- 1. Recitals. The Recitals set forth above are true and correct and are incorporated by reference into this Agreement.
- **2. Definitions.** Capitalized terms used in this Agreement have the meaning given them in this Agreement or in Exhibit A.

3. Term.

(a) Except as otherwise provided herein, the term of this Agreement commences on the Effective Date, and terminates on the twenty fifth anniversary of the Effective Date.

4. Land Use; Density; and Intensity.

- (a) During the term of this Agreement, Area "A" of the Property which is zoned R-5-PD (General Residential with Planned Development Combining Zoning District) shall be permitted to develop in accordance with the Existing Property Development Standards of the R-5-PD Zoning District as defined in Exhibit "A". The Murphys shall be permitted to develop to the maximum extent permitted under these regulations subject to the limitations set out in 4(b).
- (b) The development of the Property shall be subject to the following requirements:
- (i) Nonresidential uses shall only be located in buildings fronting along Broadway Avenue, with parking for non-residential uses accessible only from Broadway Avenue.
 - (ii) Only residential uses shall be located along Santa Clara Avenue and

residential uses, open space, recreational uses, residential parking and parking for nonresidential uses located along Broadway Avenue may be located on the interior of the Property.

(iii) Existing structures shall be substantially retained or replaced inkind with structures of the same height, building coverage, style and quality. Any future nonresidential uses permitted along Broadway Avenue shall be accommodated within existing structures through remodeling.

- (c) At any time during the term of this Agreement, the Murphys may at their sole discretion elect to apply the then currently Existing Development Regulations in their entirety, to any proposed development project on the Property, subject to the requirements set out in this Agreement.
- 5. Project Review and Approval Process. No substantial building construction or change in land use may commence on the Property, except for construction of three dwelling units in reliance upon that certain Design Review approval DR-98-16 approved by the City Council September 1, 1998 of which a copy is on file with the City Clerk, until the Murphys submit a Planned Development for the Property in accordance with Alameda Municipal Code Subsection 30-4.13 of the "PD, Planned Development Combining Zoning District," and have applied for and City has approved a Design Review application and issued a building permit for such building. Minor changes to existing buildings, such as porch additions, new stairways and replacement of existing building elements in kind shall not require a Planned Development amendment; however, other City building or Design Review permit requirements for these actions may be required. The Design Review and building permit applications must contain such information as City deems necessary to ensure that the construction conforms to the Existing Regulations. Approval or disapproval of a

Design Review application or building permit for failure to comply with any of the foregoing may be appealed, subject to procedural requirements and fees for appeal applicable at the time of appeal.

- 6. Construction Requirements. The construction of any improvements on the Property, including buildings and other structures of any type are subject to the Building Regulations in effect at the time of construction.
- The date of this Agreement prevents or precludes compliance with one or more material provisions of this Agreement, then the provisions of this Agreement will, to the extent feasible, be modified or suspended as may be necessary to comply with the new Law. Immediately after enactment of any new Law, the parties shall meet and confer in good faith to determine the feasibility of modification or suspension based on the effect modification or suspension would have on the purposes and intent of this Agreement. If the Murphys determine in good faith using reasonable business judgment that modification or suspension is infeasible, then the Murphys may terminate this Agreement by written notice to City. Alternatively, at the Murphys' election, the Murphys may extend the term of this Agreement for the duration of the period during which that new Law precludes compliance with this Agreement.
- 8. Other Agency Approvals. The Murphys shall be responsible for obtaining all permits and Approvals as may be required by other governmental entities for the development of the Property.
- 9. Annual Review. Pursuant to the provisions of Government Code Section 65865.1, the Planning Board on behalf of City shall, on an annual basis, review the good faith compliance by the Murphys with this Agreement. The Murphys or their successors in interest shall initiate this review each year no later than the anniversary of the date of execution of the Development

Agreement and shall submit a written report outlining compliance with the Agreement. If, as a result of that review, conducted in compliance with Alameda Municipal Code Section 30-95, the Planning Board determines, on the basis of substantial evidence, that the Murphys have not complied in good faith with this Agreement, City may terminate or modify this Agreement in whole or in part, subject to the following limitations:

- (a) Any finding of default or non-compliance with this Agreement by the Planning Board shall be automatically appealed to the City Council of City;
- (b) Any determination of noncompliance by the Planning Board of City or by the City Council of City on appeal shall specify in writing the respects in which the Murphys have failed to comply in good faith with the terms and conditions of this Agreement; and
- (c) City shall give the Murphys a notice of default pursuant to Section 16 and the termination of this Agreement will be governed by Section 12.
- 10. Amendments. This Agreement may be amended by mutual consent of all parties, confirmed by ordinance of City's City Council, at a public hearing for which notice has been given in accordance with Government Code Section 65867.

11. Events of Default; Remedies; Termination

(a) Subject to any extensions of time by mutual consent in writing, and subject to the provisions of Section 11, any failure by any party to perform any material term or provision of this Agreement shall constitute an Event of Default if:

- (i) The defaulting party does not cure the failure within 30 days following notice of default from the other party, where the failure can be cured within the 30 day period; or
- (ii) The defaulting party does not commence substantial efforts to cure the failure within that 30 day period where the failure can not be cured within that 30 day period, and thereafter does not proceed diligently to cure the failure.
- (b) Any notice of default must specify in detail the nature of the failure to perform which the noticing party claims constitutes the Event of Default and the manner in which the Event of Default can be satisfactorily cured. While a party is attempting to perform within the time periods specified in this Section for cure of a failure to perform, the party charged with failure to perform is not in default for purposes of termination of this Agreement, institution of legal proceedings with respect thereto, or issuance of any Approvals with respect to the Project.
- Upon the failure to cure an Event of Default, any nondefaulting party may bring any action at law or in equity permitted by the Laws or this Agreement, including but not limited to any proceeding in the nature of specific performance, injunctive relief or mandamus. In addition, upon the failure of a defaulting party to cure an Event of Default, any nondefaulting party may terminate this Agreement, but the termination will not affect that party's right to seek compensatory damages on account of the Event of Default for which this Agreement has been terminated.
- (d) Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by any other party, irrespective of the length of time for which that failure continues, is not a waiver of that party's right to demand strict compliance by the other party in the

future. No waiver by a party of an Event of Default is effective or binding upon that party unless the waiver is in writing, and no waiver may be implied from any omission by a party to take any action with respect to any Event of Default. No express written waiver of any Event of Default affects any other Event of Default, or covers any other period of time, other than the Event of Default or period of time specified in the express waiver. One or more written waivers of an Event of Default is not a waiver of either any subsequent Event of Default or the performance of the same or any other term or provision contained in this Agreement. All of the remedies available to a party under this Agreement, or at law or in equity, are cumulative and not alternative, and invocation of any right or remedy is not a waiver or election of remedies with respect to any other permitted or available right or remedy.

(e) If this Agreement is terminated because of an Event of Default, the termination does not affect any right or duty arising out of any development Approvals obtained concurrently or subsequently to the approval of this Agreement, but the rights, duties and obligations of the parties under this Agreement cease as of the date of the termination. Nothing in this subsection precludes City from revoking any development approval either contemporaneously with termination of this Agreement or subsequent thereto. No termination may prevent the Murphys from receiving building permits for buildings for which the Murphys have made application, or from completing and occupying buildings or other improvements authorized pursuant to valid building permits previously approved by City. City shall treat all uses of those buildings or other improvements, to the extent applicable, as nonconforming uses subject to the nonconforming use provisions of City's Zoning Ordinance. City's covenants under this Section survive termination of this Agreement.

- (f) In connection with the foregoing provisions, each party acknowledges, warrants and represents that:
- (i) It has been fully informed by and represented by counsel of that party's choice in connection with the rights and remedies of that party under, and the waivers contained in those provisions; and
- (ii) After that advice and consultation, it has presently and actually intended, with full knowledge of that party's rights and remedies otherwise available at law or in equity, to waive and relinquish those rights and remedies to the extent specified.

12. Litigation Expenses

- (a) If either party brings an action or proceeding (including any crosscomplaint, counterclaim, or third-party claim) against the other party by reason of an Event of Default, or otherwise arising out of this Agreement, the prevailing party in that action or proceeding is entitled to its costs and expenses of suit, including reasonable attorneys' fees, which are payable whether or not the action is prosecuted to judgment.
- (b) If either party must initiate or defend any action or proceeding with a third person (including, without limitation, any cross-complaint, counterclaim or third-party claim) because the other party is in default under this Agreement, or has failed to enforce this Agreement, or otherwise failed to perform duties or obligations arising out of this Agreement, whether that failure constitutes a default under this Agreement, and the party initiating or defending the action or proceeding prevails therein, then the prevailing party is entitled to reasonable attorneys' fees from the other party.

(c) Attorneys' fees under this Section 13 include attorneys' fees on any appeal, and, in addition, a party entitled to attorneys' fees is entitled to receive all other reasonable costs and expenses incurred in connection with the action.

13. Transfers and Assignments

- (a) Except as provided in subsection (b), the Murphys may sell, assign or transfer this Agreement, and any of its rights, duties and obligations hereunder, to any person at any time during the term of this Agreement, subject to the written approval of City. City's approval shall not unreasonably be withheld.
- (b) In no event shall the rights, duties and obligations conferred upon the Murphys pursuant to this Agreement be at any time transferred or assigned except through a transfer of an interest of the Murphys in the Property, or a portion thereof.
- (c) All provisions of this Agreement are enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable law, including, but not limited to, Section 1468 of the Civil Code of the State of California. Each covenant to do or refrain from doing some act on the Property, or with respect to any City-owned Property:
- (i) Is for the benefit of those properties and is a burden upon those properties;
 - (ii) Runs with those properties; and

(iii) Binds each party to this Agreement and each successive owner during

its ownership of those properties or any portion, and each person having an interest in those

properties derived in any manner through any owner of those properties, or any portion, and benefits

each party and its Property hereunder, and every other person succeeding to an interest in those

properties.

14. Assignment. Nothing in this Agreement prevents the Murphys from conveying all

or a part of, their interest in the Property to a buyer, assignee, or other nominee as the Murphys may

elect. This Agreement is binding upon and inures to the benefit of the respective assigns, heirs,

successors and legal representatives of the parties.

15. Notices

(a) All notices, demands and requests that may be given or made by any party to

the other parties must be in writing.

(b) All notices, demands and requests to the Murphys must be deposited with the

United States Postal Service, first class postage pre-paid, addressed to the Murphys as follows:

EDWARD AND MADLYN MURPHY

2618 Janis Circle

Alameda CA 94501

Telephone:

(510) 521-7257

Fax:

(510) 522-4459

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With a copy to:

LINDSEY & WOOD

425 California Street, Suite 1900

San Francisco CA 94104

Attention:

Joseph Wood, Esq.

Telephone:

(415) 788-4505

Fax:

(415) 394-0201

or to another addressee and at another place which the Murphys may from time to time designate in written notice to all parties.

(c) All notices, demands and requests to City must be deposited with the United States

Postal Service, first class, postage pre-paid, addressed to City as follows:

CITY OF ALAMEDA

City Hall

2263 Santa Clara Avenue

Alameda CA 94501

Attn: City Manager

With copies to:

CITY OF ALAMEDA

City Hall

2263 Santa Clara Avenue

Alameda CA 94501

Attn: Planning Director

CITY OF ALAMEDA
City Hall
2263 Santa Clara Avenue

Alameda CA 94501

Attn: City Attorney

or to other addressees and at other places as City may from time to time designate in written notice to all parties herein.

- 16. Section Headings. The headings of Sections are for convenience only and must not be used to determine the meaning or interpretation of the contents of the Sections.
- 17. Applicable Law. The Laws of the State of California govern the interpretation and enforcement hereof, and the conduct of the parties under this Agreement.
- **18. Time Is Of The Essence.** Time is expressly declared to be of the essence in this Agreement and of all its terms, covenants, agreements, obligations and conditions.
- 19. Severability. If any part, term, portion, or provision of this Agreement is determined to be illegal or in conflict with any Law or otherwise rendered unenforceable or ineffectual, the remaining parts, terms, portions or provisions are severable and not affected thereby if those remaining portions or provisions can be construed in substance to constitute the agreement the parties entered into.
- **20. Interpretation.** The language in all parts of this Agreement must be construed as a whole according to its fair meaning, and not strictly for or against any party. All parties have equally participated in the preparation of this Agreement. The term "assign" includes the term

"transfer." The plural includes the singular, and the singular the plural. One gender includes all

genders.

21. Entire Agreement And Amendments. This instrument, together with any Exhibits

and schedules hereto, constitutes the entire Agreement between the parties relating to the subject

matter of this Agreement. This Agreement can be altered, amended or revoked only by an

instrument in writing signed by the parties. No representations whatsoever have been made relating

to the subject matter of this Agreement except as are expressly stated in writing in this Agreement.

22. Recordation. Murphys shall request recordation of this Agreement in the Official

Records of Alameda County, California within 10 days of the Effective Date. If this Agreement is

not recorded within 15 days of the Effective Date, the validity of the Agreement is not affected. City

may record this Agreement in the Official Records of Alameda County, California at any time.

23. Exhibits. The following Exhibits are attached to this Agreement and incorporated

into this Agreement by this reference:

Exhibit A Definitions

IN WITNESS WHEREOF, the parties hereto have read, approved and executed this Agreement

as of the day and year first hereinabove written.

CITY OF ALAMEDA,

a municipal corporation

EDWARD J. MURPHY, an Individual

Bv:

Edward & Murphy

Attest: Adult b. Felsele.
City Clerk

MADLYN K. MURPHY, an Individual

maslynk murghey

Authorized by Ordinance 2780 NS Adopted Nov. 17, 1998

Approved as to form:

Persity City Attorney

Recommended by:

Toutte V

EXHIBIT A

DEFINITIONS

Each capitalized reference in the Recitals of this Agreement and in this Agreement to any of the following terms has the meaning set forth below for each such term.

Approvals. Any and all permits, Approvals or other entitlements for development or use of any kind or character required under the Development Regulations in order to develop a Project on the Property, and all amendments, revisions, and modifications thereto. The Approvals include the Existing Approvals.

Area "A". That southwestly rectangular portion of the Property, approximately 1.2 acres in size, which is bounded as follows: commencing at the southwesterly corner of Assessor Parcel Number 070-156-22, then northerly 245.75 feet along the Property boundary along Broadway Avenue, then easterly 206 feet, then southerly 245.75 feet, then westerly along the Property boundary at Santa Clara Avenue, to the point of beginning. Area "A" was subject to Rezoning from R-4 to R-5/PD by Ordinance No. 2779 and includes buildings addressed as 1500 to 1518 Broadway Avenue and 2607 to 2615 Santa Clara Avenue. Area "A" includes all of Assessor Parcel Numbers 70-156-21, 70-156-22, and 70-156-23, and a portion of 70-156-44-4.

Area "B". That portion of the 1.7 acre Property, which is not included in Area "A," being a portion of Assessor Parcel Number 70-156-44-4 which includes buildings addressed as 2617 and 2619 Santa Clara Avenue, 2606 and 2610 St. Margaret Court and 2618-2622 Janis Circle. Area "B" was subject to rezoning to R-4-PD by Ordinance No. 277.9 NS

Building Regulations. City's Building, Fire, Plumbing, and Mechanical Codes and any other ordinances, resolutions, codes, rules, regulations and official policies that establish construction standards that are intended to be applied ministerially to the construction of improvements on private Property.

Development Agreement Law. Sections 65864 through 65869.5 of the California Government Code.

Development Regulations. The ordinances, resolutions, codes, rules, regulations and the official policies of City governing zoning, land use, permitted uses, building density, building height, building size, and building design, that are applicable to the development of real Property within City. Specifically, but without limiting the generality of the foregoing, the Development Regulations include City's General Plan, City's Zoning Ordinance, and City's Subdivision Code. The Development Regulations do not include the Building Regulations.

Effective Date. The date on which the ordinance approving this Agreement becomes effective or the date on which the last party executes this Agreement, whichever is later.

Existing Approvals. Those Approvals obtained by the Murphys from City as of the Effective Date, and all amendments, revisions, and modifications thereto pursuant to this Agreement. The following Approvals constitute the Existing Approvals:

- (i) The Negative Declaration IS/ND 97-04 approved by the City Council on November 10 1998 by Resolution 13 05 8 N5
- (ii) The Rezoning RZ-97-06 approved by the City Council on Nov. 17 1998 by Ordinance 27.79 N5

(iii) The Design Review DR-98-16 approved by the City Council on September 1,1998 by Resolution 13038.

Existing Development Regulations. The Development Regulations in effect as of the Effective Date.

Laws. The Laws of the State of California; the Constitution of the United States; and any codes, statutes, regulations, and executive mandates, and an court decision, state or federal, thereunder.

Negative Declaration. The Negative Declaration (Initial Study IS-97-04) for the Rezoning of the Property and approval of a Development Agreement adopted by the City Council of City on November 10, 1998, by Resolution No. 13058 NS

Property. The 1.7 acres at the northeast corner of Santa Clara Avenue and Broadway Avenue, with additional street frontage on St. Margaret Court and Janis Circle, which includes Area "A" and Area "B" as defined in this Agreement and is comprised of Assessor Parcel Numbers 70-156-21, 70-156-22, 70-156-23 and 70-156-44-4.

Existing Property Development Standards and Uses of the R-5 Zoning District. The standards and those Existing Property Development provisions of the Existing Development Regulations which establish the criteria for the physical development for properties within the R-5 Zoning District, including, but not limited to, allowable building height, density, setbacks, required parking spaces, parking dimensions, backout and curb cut standards, landscaping requirements, open space requirements and other zoning standards, as such standards may be modified by a Planned Development submitted by the Property owners and approved by City. The Existing Uses are those uses specified for the R-5 District as set out in Alameda Municipal Code Section 30-4.5.b (Uses

Permitted) and 30-4.5.c. (Uses Requiring Use Permits) on the Effective Date. The Existing Property Development Standards and Uses of the R-5 Zoning District specifically exclude provisions regarding procedures, administration, and AMC Article VI, "Real Estate Subdivision Regulations."

Rezoning. The Rezoning of the Area "A" of the Property from R-4 to R-5/P-D and Area "B" of the Property from R-4 to R-4/PD as approved by in Ordinance No. $2779 \, \text{MS}$

g:\pb\reso\mudaorig 10/29/98 dv

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California	ss.	
County of <u>Alameda</u>	∫ "".	
On November 2, 1998, before me,	Lynette Louise Mladinic	h
personally appearedEdward J. Murpl	Name and Title of Officer (e.g., "Jane Doe, Nohame and Title of Officer (e.g., "Jane Doe, Nohame and Title of Officer (e.g., "Jane Doe, Nohame and Title of Officer (e.g., "Jane Doe, Nohame").	tary Public")
	Name(s) of Signer(s)	
	□ personally known to me □ proved to me on the basis evidence	of satisfactor
LYNETTE LOUISE MLADINICH Commission # 1189358 Notary Public - California Alameda County My Comm. Expires Aug 4, 2002	to be the person(s) whose subscribed to the within in acknowledged to me that he/sh the same in his/her/the capacity(ies), and that by signature(s) on the instrument the entity upon behalf of whice acted, executed the instrument	nstrument and e/they executed ir authorized y his/her/thei he person(s), o h the person(s
	WITNESS my hand and official	
Place Notary Seal Above	Signature of Notary Publi	c.
OF	PTIONAL	
Though the information below is not required by law and could prevent fraudulent removal an	w, it may prove valuable to persons relying and reattachment of this form to another docu	
Description of Attached Document Title or Type of Document:Development	Agreement	
	Number of Pages:	15 pages Exhibits A-1 - A-4
Signer(s) Other Than Named Above:		
Capacity(ies) Claimed by Signer		
Signer's Name:		RIGHT THUMBPRIN
☐ Individual		OF SIGNER Top of thumb here
☐ Corporate Officer — Title(s):		100
□ Partner — □ Limited □ General		
☐ Attorney in Fact		
Trustee		
☐ Guardian or Conservator ☐ Other:		6
Signer Is Representing:	,	

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California)	
County ofAlameda	} ss.	
On November 5, 1998 before me,	Lynette Louise Mladinich	lotary Public"
personally appearedMadlyn Murph	ny	
	Name(s) or Signer(s)	
	personally known to me proved to me on the base evidence	is of satisfactory
LYNETTE LOUISE MLADINICH Commission # 1189358 Notary Public - California Alameda County My Comm. Expires Aug 4, 2002	to be the person(s) whose subscribed to the within acknowledged to me that he/s the same in /his/her/kh/capacity(ies), and that signature(s) on the instrument the entity upon behalf of whicacted, executed the instrument	instrument and he/thely executed eif authorized by his/her/thelr the person(s), or the person(s)
Place Notary Seal Above	WITNESS my hand and official Signature of Notary Put	
Though the information below is not required by la		
Description of Attached Document Title or Type of Document: Development	Agreement	
Document Date: November 2, 1998	Number of Pages: _	15 pages and Exhibits A-1
Signer(s) Other Than Named Above:		
Capacity(ies) Claimed by Signer		
Signer's Name:		RIGHT THUMBPRINT OF SIGNER
☐ Individual		Top of thumb here
☐ Corporate Officer — Title(s):		
Attorney in Fact		
☐ Trustee		
☐ Guardian or Conservator ☐ Other:		_
Signer Is Representing:		
Signer is representing.		_