

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
APPROVING A PROPERTY IMPROVEMENT AGREEMENT
WITH HANDLEY RANCH L.P. AND AUTHORIZING
THE CITY MANAGER TO EXECUTE THE AGREEMENT**

WHEREAS, the City Council authorized the Public Works Director to negotiate with Handley Ranch L.P. to acquire real property on Orchard lane known as Monterey County Assessor's Parcel Number 022-281-006 for the construction of new sewer and water mains and a new street; and

WHEREAS, Handley Ranch L.P. has executed a grant deed granting the City the described property; and

WHEREAS, the City agreed to install sewer and water stub outs for future development of Handley Ranch property; and

WHEREAS, the City also agreed to construct four new concrete driveways and concrete curb and gutter along Orchard Lane frontage; and

WHEREAS, the sewer and water stub outs were completed in June 2007; and

WHEREAS, the four new concrete driveways, and concrete curb and gutter along the Orchard Lane frontage will be constructed as part of the public improvements of Miravale II, Unit III.

NOW THEREFORE, BE IT HEREBY RESOLVED, by the City Council of the City of Soledad that the City Council Approves a Property Improvement Agreement with Handley Ranch L.P. and Authorizes the City Manager to Execute the Agreement.

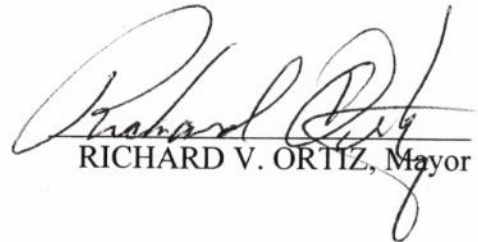
PASSED AND ADOPTED by the City Council of the City of Soledad at a regular meeting duly held on the 17th of October 2007 by the following vote:

AYES, and in favor thereof, Councilmembers: Martha Camacho, Patricia Stephens, Mayor Pro Tem Christopher Bourke, Mayor Richard Ortiz

NOES, Councilmembers: None

ABSTAIN, Councilmembers: None

ABSENT, Councilmembers: Juan Saavedra


RICHARD V. ORTIZ, Mayor

ATTEST:


NOELIA F. CHAPA, City Clerk

**CITY OF SOLEDAD
PROPERTY IMPROVEMENT AGREEMENT**

This Property Improvement agreement ("Agreement") by and between the CITY OF SOLEDAD, a municipal corporation (the "City") and Handley Ranch L.P., a California limited partnership (the "Property Owner") as of _____, 2007 ("Effective Date"). City and Property Owner may be referred to individually as a "Party" or collectively as the "Parties."

RECITALS

A. On September 5, 2007, the Property Owner executed a grant deed (the "Grant Deed") in favor of the City whereby Property Owner granted a portion of that real property known as Monterey County Assessor's Parcel Number 022-281-006, described in Exhibit A, attached hereto and incorporated herein by this reference, to the City.

B. Property Owner owns that certain real property located at 311 Orchard Lane in the City of Soledad, California (the "Property").

C. In consideration for Property Owner's execution and delivery of the Grant Deed, the City has agreed to install certain improvements on the Property, including the construction of four driveways along with curbs and gutters related thereto ("Improvements").

D. The City completed construction of the sewer and water laterals and stub outs on the Property on June 1, 2007.

E. The Parties desire to memorialize the terms pursuant to which the City shall construct and install the Improvements.

NOW, THEREFORE, in exchange of valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Recitals. The foregoing recitals are true and correct and incorporated herein by this reference.

2. Construction of Improvements. City agrees to construct driveway, curb and gutter improvements on the Property as set forth in Exhibit B attached hereto and incorporated herein by this reference.

3. Water and Sewer Connection Costs. Property Owner acknowledges that Property Owner shall bear any and all responsibility to pay for any water and sewer connection and impact fees related to the development of the Property.

4. Indemnification. City agrees to indemnify and save the undersigned Property Owner harmless against any and all loss, damage, and/or liability which may be suffered or incurred by Property Owner, and against any and all claims, demands, and causes of action that may be brought against Property Owner caused by, or arising out of, or in any way connected with, the construction of the Improvements on the Property by City, its agents, contractors or assigns.