

**DENNIS DRAEGER**
ASSESSOR – RECORDER – CLERK

P Counter

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:City Clerk
City of Redlands
PO Box 3005
Redlands, California, 92373

Doc#: 2013 – 0400934



Titles:	1	Pages:	8
Fees			0.00
Taxes			0.00
Other			0.00
PAID			\$0.00

(Space above this line for Recorder's Use)

FEES NOT REQUIRED
PER GOVERNMENT CODE
SECTION 6103**DETACHMENT AGREEMENT**

THIS DETACHMENT AGREEMENT ("Agreement"), dated as of September 3, 2013, is made by and between CITY OF REDLANDS ("City"), and TREH PARTNERS, LLC, a California limited liability company ("Owner").

Recitals

A. Owner is the owner of certain unimproved real property located in the City of Redlands, County of San Bernardino ("County"), State of California, commonly known as Assessor Parcel Nos. 0292-072-07 and 0292-072-12 and legally described in Exhibit A attached hereto (collectively, the "Property"). Owner intends to construct a building(s) on the Property (the "Building(s)").

B. Owner has applied to the Local Agency Formation Commission for San Bernardino County ("LAFCO") for permission to detach the Property from the jurisdiction of the City and place it within the jurisdiction of the County ("Detachment"). The Detachment process requires that both the City and the County consent to such detachment. City is willing to consent to such detachment subject to, among other things, Owner's agreement to pay an annual fee to City as more particularly described below.

Agreement

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

1. Definitions.

1.1 "Due Date" means the date which is twenty-four (24) months after the date of filing of a Certificate of Completion for the Detachment, and each anniversary of such date.

1.2 "Fee Commencement Date" means the date which is twenty-four (24) months after the date of filing of a Certificate of Completion.

1.3 "Sales Tax Offset Amount" means the total dollar amount of sales taxes actually received by City as a result of sales taxes paid to the County each Tax Year by each

Owner, tenant or other person or entity doing business (collectively, "Sales Tax Generators") within the Building(s). The Sales Tax Offset Amount occurs if and when the Building(s) is ever constructed and sales taxes are generated. Owner shall be responsible for providing to City all documentation reasonably required by City to verify the amount of sales tax received by City from the Sales Tax Generators. City shall not be obligated to refund the Sales Tax Offset Amount unless Owner has provided such documentation at least thirty (30) days after the Due Date. If City does not receive the documentation for a Tax Year, then City shall not be obligated to provide Owner with a Sales Tax Offset Amount for that Tax Year.

1.4 "Tax Year" means the twelve (12) months immediately preceding a Due Date.

1.5 "Term" means a period of ten (10) years, commencing on the Fee Commencement Date.

2. Detachment Fee. Provided that Owner has obtained all governmental approvals required to complete a Detachment with respect to the Property (including without limitation LAFCO, City and County approval), Owner agrees to pay to City on each Due Date during the Term a fee ("Detachment Fee") equal to \$55,000.00 per annum less the Sales Tax Offset Amount applicable to the immediately preceding Tax Year. For example, if the Fee Commencement Date is April 1, 2015, the first Due Date would be April 1, 2015 and the full \$55,000 Detachment Fee would be due and payable on such date but the Detachment Fee due would be offset by the City's share of sales taxes paid by Sales Tax Generators to the County during the prior twelve (12) months.

3. Security. The original Owner hereunder (TREH Partners, LLC) agrees to provide to City a bond or other security, in an amount and form reasonably satisfactory to City, to secure Owner's obligation to pay the Detachment Fees due and payable hereunder. In connection therewith, TREH Partners, LLC reserves the right to cause the amount of such bond or other security to be reduced on an annual basis to reflect the then-remaining amount of Detachment Fees due to City under this Agreement for the balance of the Term.

4. City Support for Detachment Proceedings. City agrees to support Owner's Detachment application with LAFCO. City agrees to execute such documentation or take such actions as may be requested or required by LAFCO to evidence City's consent to the Detachment of the Property.

5. Notices. Any notices relating to this Agreement shall be given in writing and shall be deemed sufficiently given and served for all purposes when delivered personally, by generally recognized overnight courier service, by facsimile (provided that sender retains a printed confirmation of delivery to the facsimile number provided below), or three (3) days after deposit in the United States mail certified or registered, return receipt requested, with postage prepaid, addressed as follows:

Owner:

City:

TREH Partners, LLC
4 Corporate Plaza Drive, Suite 210
Newport Beach, CA. 92660
Attention: Tom Robinson
Phone: 949 631-6620
Fax: 949-706-9013

City of Redlands
35 Cajon Street
Redlands, CA 92373
Attention: Sam Irwin, City Clerk
Phone: 909-798-7531
Fax: 909-798-7535

With copy to:

Manatt, Phelps & Phillips, LLP
695 Town Center Drive, 14th Floor
Costa Mesa, California 92626
Attention: Adam R. Salis
Phone: 714-371-2529
Fax: 714-371-2569

Either party may change its address by written notice to the other given in the manner set forth above.

6. Removal of Lien. Upon the expiration of the Term and within thirty (30) business days following written demand by Owner, City agrees to execute, notarize and deliver to Owner a termination agreement (in recordable form and otherwise in form and content as may be reasonably required by Owner) to remove the lien of this Agreement from title to the Property, which Owner is authorized to record in the Official Records of San Bernardino County, California.

7. Entire Agreement. This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes any prior or contemporaneous agreement or understanding among them as to such subject matter. This Agreement may not be modified or amended except in a writing executed by both parties.

8. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California without regard to principles of conflict of laws.

9. Successors and Assigns; Personal Liability. This Agreement shall run with the land and shall be binding upon the successors and assigns of Owner.

10. Construction. Every covenant, term, and provision of this Agreement shall be construed according to its fair meaning and not strictly for or against any party hereto.

11. Captions. Section and other captions and headings contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of this Agreement or any provision hereof.

12. Severability. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed one and the same instrument.

14. Attorneys' Fees. In any dispute between the parties arising out of this Agreement, the prevailing party shall be awarded its attorney fees (including a party's fees for use of in-house counsel) and costs incurred in connection with the dispute, including fees and costs incurred in any appeal. All such attorney fees and costs shall be deemed to have accrued on commencement of any legal action or proceeding and this section shall be enforceable whether or not such legal action or proceeding is prosecuted to judgment. For purposes of this section, and to the fullest extent permitted by law, "prevailing party" includes a party against whom a legal action is filed and later voluntarily dismissed in whole or in part, regardless of the reason or motivation for such dismissal.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first above written.

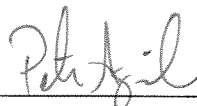
Owner:

City:

TREH PARTNERS, LLC,
a California limited liability company

CITY OF REDLANDS

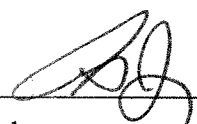
By: 

By: 

Its: Manager
[Printed Name and Title]
Thomas N. Robinson II
Manager

Its: MAYOR
Pete Aguilar, Mayor

Attest:


Sam Irwin, City Clerk

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)

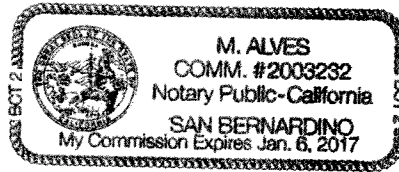
) ss.

COUNTY OF San Bernardino)

On September 5th 2013 before me, M ALVES, Notary Public,
personally appeared Thomas N Robinson II, who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



M. Alves
Notary Public

(Seal)

Exhibit A

Legal Description of Property

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

PARCEL 1: (APN 0292-072-07)

ALL THAT PORTION OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, BEGINNING AT A POINT 1419 FEET EAST OF THE SOUTHWEST CORNER OF SAID SECTION 16; THENCE NORTH $1^{\circ} 20'$ EAST 720.55 FEET; THENCE EAST 475.38 FEET; THENCE SOUTH $0^{\circ} 01'$ WEST 720.34 FEET; THENCE WEST 492.16 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED JULY 31, 1980, AS INSTRUMENT NO. 80-170199, OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY.

PARCEL 2: (APN 0292-072-12)

THAT PORTION OF THE EAST $\frac{1}{2}$ OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF DATED SEPTEMBER 4, 1858, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED JUNE 15, 1979, AS INSTRUMENT NO. 375, IN BOOK 9708, PAGE 672, OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE WEST LINE OF SAID PARCEL, SOUTH $0^{\circ} 06' 23''$ EAST 522.61 FEET TO A POINT 49.67 FEET NORTHERLY OF THE SOUTH LINE OF SAID SECTION; THENCE NORTH $89^{\circ} 59' 13''$ EAST 74.74 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE COURSE "A", EASTERLY, NORTHEASTERLY AND NORTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF $103^{\circ} 22' 59''$ A DISTANCE OF 54.13 FEET; THENCE COURSE "B", NORTH $13^{\circ} 23' 46''$ WEST, 258.24 FEET TO THE BEGINNING OF A TANGENT CURVE EASTERLY AND HAVING A RADIUS OF 400.00 FEET; THENCE COURSE "C", NORTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF $41^{\circ} 07' 12''$, A DISTANCE OF 287.07 FEET; THENCE COURSE "D", NORTH $27^{\circ} 43' 26''$ EAST 412.24 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 905.00 FEET; THENCE COURSE

"E", NORTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF 20° 25' 14" A DISTANCE OF 322.55 FEET; THENCE COURSE "F", NORTH 07° 18' 12" EAST, 143.68 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 1070.00 FEET; THENCE WESTERLY ALONG SAID CURVE FROM A TANGENT BEARING NORTH 77° 17' 30" WEST THROUGH AN ANGLE OF 12° 38' 34" A DISTANCE OF 236.10 FEET; THENCE NORTH 89° 56' 04" WEST 100.00 FEET; THENCE NORTH 00° 03' 56" EAST 10.00 FEET TO THE NORTH LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED AUGUST 13, 1979, AS INSTRUMENT NO. 269, IN BOOK 9748, PAGE 440, OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID NORTH LINE NORTH 89° 56' 04" WEST, 54.19 FEET TO THE NORTHWEST CORNER OF LAST SAID PARCEL; THENCE ALONG THE WEST LINE OF LAST SAID PARCEL, SOUTH 00° 06' 23" EAST 894.13 FEET TO THE POINT OF BEGINNING.