



LARRY WALKER
Auditor/Controller – Recorder

R Regular Mail

RECORDING REQUESTED BY:

WHEN RECORDED RETURN TO AND
MAIL TAX STATEMENTS TO:

CITY CLERK
CITY OF REDLANDS
P.O. BOX 3005
REDLANDS CA 92373

Doc#: 2008 – 0427949



Titles: 1 Pages: 10

Fees	0.00
Taxes	0.00
Other	0.00
PAID	\$0.00

(Space above for Recorder's Use.)

FEES NOT REQUIRED
PER GOVERNMENT CODE
SECTION 6103

REGULATORY AGREEMENT

These Covenants, Conditions and Restrictions, herein sometimes referred to as these "CC&Rs" or "Declaration" or "Regulatory Agreement" are made by the signatories hereto.

RECITALS

WHEREAS, the **REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS**, a public body, corporate and politic ("Agency") and **PROPERTY ONE, LLC**, a California limited liability company ("Operator") are parties to this Declaration. The Operator and the Agency are sometimes collectively referred to herein as the "Declarants;"

WHEREAS, the Agency and the Operator have entered into that certain Owner Participation Agreement dated as of September 3, 2008 (the "OPA") for the improvement, development and use of certain real property described in Exhibit "A" (to which these CC&Rs are attached) as the "Site," which OPA provides for the recordation of this Regulatory Agreement. The OPA is on file with the Agency as a public record and is deemed to be incorporated herein by this reference and any capitalized term not defined herein shall have the meaning established therefor in the OPA;

WHEREAS, this Regulatory Agreement establishes a plan concerning the conduct of certain activities on the Site, for the benefit of the Project Area, as well as the rest of the City;

WHEREAS, the Operator holds title to certain real property (the "Site," as defined in the OPA);

WHEREAS, the parties to this Regulatory Agreement have mutually agreed that the Operator shall cause the recordation of this Regulatory Agreement to affect and encumber the Site (the "Site," which Site is described in Exhibit "A" hereto which is incorporated herein by reference); and

WHEREAS, Agency and the Operator wish to employ this Regulatory Agreement to further govern the development, maintenance and use of the Site in conjunction and along with the OPA and to ensure that the Agency achieves its objectives under the OPA.

NOW, THEREFORE, the Agency and the Operator, declare that the Site shall be held, transferred, encumbered, used, sold, conveyed, leased and occupied subject to the Covenants, Conditions and Restrictions hereinafter set forth expressly and exclusively for the use and benefit of said property, and the Agency and the City. Each and all of the restrictions, limitations, conditions, covenants, liens, reservations and charges herein contained shall run with the land and be recorded on the property title and shall be binding on Declarants, their grantees, successors, heirs, executors, administrators, devisees or assigns, and all subsequent owners of all or any part of the Site.

ARTICLE I **DEFINITIONS**

The definitions provided herein shall be applicable to this Declaration and also to any amendment or supplemental Declaration (unless the context implicitly or explicitly shall prohibit), recorded against the Site pursuant to the provision of this Declaration.

Section 1. “Agency” means the Redevelopment Agency of the City of Redlands and its successors in interest.

Section 2. “City” means and refers to the City of Redlands, a municipal corporation.

Section 3. “City Code” means and refers to the City of Redlands Municipal Code as revised from time to time.

Section 4. “Conforming Activities” means the operation of an informational technology business specializing in geographic information systems (“GIS”) software and associated uses and activities in furtherance of carrying out the business, including parking.

Section 5. “Date of Commencement” means the earlier to occur of (i) the Opening, or (ii) the sixtieth (60th) day following the recordation of this Regulatory Agreement and continuing until the fifth (5th) anniversary of the Opening.

Section 6. “OPA” is defined in the second recital above.

Section 7. “Opening” means the opening for business of a business which operates Conforming Activities on the Site.

Section 8. “Operating Covenant Period” means a sixty (60) month period commencing as of the Date of Commencement.

Section 9. “Redevelopment Plan” means the Redevelopment Plan for Redlands Redevelopment Project, as adopted by Ordinance No. 1500 and as subsequently amended.

Section 10. “Regulatory Agreement” means this Regulatory Agreement and any amendments, modifications or supplements which may also be referred to herein as these “CC&Rs” or this “Declaration.”

Section 11. “Site” means that property described in Exhibit “A” hereto and is deemed to include real property and appurtenances, including all structures and other improvements thereon, and those hereafter constructed.

ARTICLE II

LAND USE RESTRICTIONS; IMPROVEMENTS

Section 1. Uses. The Operator shall operate only the uses specified in the OPA and this Regulatory Agreement for the periods of time specified herein. All uses conducted on the Site, including, without limitation, all activities undertaken by the Operator or the Operator pursuant to the OPA, shall conform to all applicable provisions of the City Code.

Operator, on behalf of itself and its successors, assigns, and each successor in interest to the Site or any part thereof, hereby covenants and agrees:

(i) To use, devote, and maintain the Site and each part thereof, for the purposes and the uses specified in the Redevelopment Plan as in effect as of the effective date of the OPA. The Site shall comply with all provisions of the City Code.

(ii) To maintain the Site in conformity to all applicable laws.

(iii) To use, devote, and maintain the Site and each part thereof, for the purposes and the uses specified in the Redevelopment Plan as in effect as of the effective date of the OPA. The Site shall comply with all provisions of the Municipal Code of the City of Redlands; Operator shall maintain the Site in conformity to all applicable laws. Operator or its affiliate shall operate on the Site throughout the "Operating Covenant Period." Operator covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Site or any part thereof that the Operator, and such successors and such assignees, shall on a continuous basis throughout the Operating Covenant Period cause the Site to be devoted to Conforming Activities.

(iv) Operator shall carry out all of its undertakings pursuant to this Agreement in conformity with the Redevelopment Plan, all applicable laws, and the OPA. Operator covenants to cause to be operated on the Site only Conforming Activities for a period equal to the Operating Covenant Period; this covenant is made for the benefit of the Agency and the City.

(v) Operator or its successors, assigns or transferee shall operate on the Site throughout the Operating Covenant Period, only Conforming Activities. Operator covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Site or any part thereof, that the Operator, and such successors and such assignees, shall, during the Operating Covenant Period, cause the Site to be devoted only to Conforming Activities and for the remainder of the term of the effectiveness of the Redevelopment Plan after the Operating Covenant Period, only uses conforming to the Redevelopment Plan.

Section 2. Nondiscrimination. There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

(1) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(2) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

(3) In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

The covenants established in this Declaration and the deeds of conveyance for the Site shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Agency, its successors and assigns, the City and any successor in interest to the Site, together with any property acquired by the Operator or the Operator pursuant to this Agreement, or any part thereof. The covenants against discrimination as set forth in this Section 1 of Article II shall remain in effect for the five-year period equal to the Operating Covenant Period.

Section 3. Compliance with Laws. Operator shall comply with all applicable laws in connection with the development and use of the Site, including without limitation the California Community Redevelopment Law (Health and Safety Code section 33000, *et seq.*). Operator is familiar with and has reviewed all laws and regulations pertaining to the acquisition, development and operation of the Conforming Activities and uses on the Site.

ARTICLE III

ENFORCEMENT

Section 1. Remedies. Breach of the covenants contained in the Declaration may be enjoined, abated or remedied by appropriate legal proceeding by the Agency or City. This Declaration does not in any way infringe on the right or duties of the City to enforce any of the provisions of the City Code including, but not limited to, the abatement of dangerous buildings.

Section 2. Cumulative Remedies. The remedies herein provided for breach of the covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

Section 3. Failure to Enforce. The failure to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

Section 4. Enforcement and Nonliability. The City or Agency may from time to time make such efforts, if any, as it shall deem appropriate enforce and/or assist in enforcing this Declaration. However, neither the Agency nor the City will be subject to any liability for failure to affirmatively enforce any provision of this Declaration.

ARTICLE IV

GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in all force and effect.

Section 2. Term. This Declaration shall run with and bind the interest of the Operator in the Site, and shall inure to the owner(s) of any property subject to this Declaration, such owner's legal representatives, heirs, successors and assigns. This Declaration shall be enforceable by each of the Agency and by the City, for a term equal to the Operating Covenant Period.

Section 3. Limitation on Liability of Operator. If Operator sells or conveys its interests in the Site, all terms and conditions of these CC&Rs shall remain in full force and effect, provided that upon conveyance of all of Operator's interests in the Site, the original Operator shall have no further liability under these CC&Rs for any violations thereof arising or occurring after such transfer of Operator's interests, but its transferees, buyers or conveyees shall be liable under these CC&Rs to the Agency and the City.

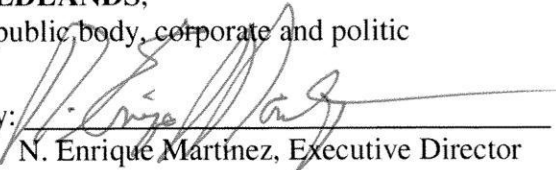
Section 4. Amendments. This Declaration may be amended only by the written agreement of the Operator, the Agency and the City.

Section 5. Notices. Any notice permitted or required to be delivered as provided herein to Operator shall be in writing and may be delivered either personally or by certified mail. Notice to the Agency shall be made by certified mail to the Executive Director or his designee at 35 Cajon Street, Redlands, California 92373 and shall be effective upon receipt. Notice to Operator shall be made by certified mail to Property One, LLC, Attention: Don Berry; 380 New York Street, Redlands, California 92373-8100, and shall be effective upon receipt. Such address may be changed from time to time by notice in writing.

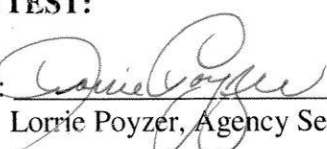
**REDEVELOPMENT AGENCY OF THE CITY OF
REDLANDS,**

a public body, corporate and politic

Dated: September 17, 2008

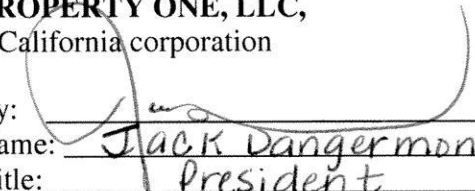
By: 
N. Enrique Martinez, Executive Director

ATTEST:

By: 
Lorrie Poyzer, Agency Secretary

PROPERTY ONE, LLC,

a California corporation

By: 
Name: Jack Dangermond
Title: President

By: _____
Its: _____

ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS
CITY OF REDLANDS)

By the authority granted under Chapter 4, Article 3, Section 1181, of the California Civil Code, and Chapter 2, Division 3, Section 40814, of the California Government Code, on September 17, 2008, before me, Teresa Ballinger, Assistant City Clerk, on behalf of Lorrie Poyzer, City Clerk of the City of Redlands, California, personally appeared N. Enrique Martinez, Executive Director and Lorrie Poyzer, Agency Secretary 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.
LORRIE POYZER, CITY CLERK

By: Teresa Ballinger
Teresa Ballinger, Assistant City Clerk
(909)798-7531

CAPACITY CLAIMED BY SIGNER(S)

- ☐ ☐ **Individual(s) signing for oneself/themselves**
☐ ☐ **Corporate Officer(s)**
Title(s) _____
Company _____
☐ ☐ **Partner(s)**
Partnership _____
☐ ☐ **Attorney-In-Fact**
Principal(s) _____
☐ ☐ **Trustee(s)**
Trust _____
☒ ☐ **Other**
Title(s): Executive Director and Secretary
Entity Represented: Redevelopment Agency of the City of Redlands

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED BELOW:

Title or Type of Document: Regulatory Agreement

Signer(s) Other Than Named Above: Property One, LLC, by: Jack Dangermond, President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of

San Bernardino

On

9/16/08

before me,

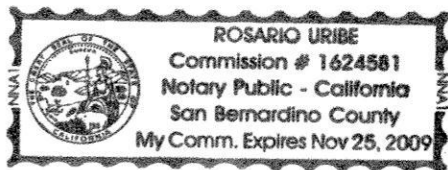
Rosario Uribe, Notary

Here Insert Name and Title of the Officer

personally appeared

Jack Dangermend

Name(s) of Signer(s)



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.

Signature

Rosario Uribe

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document:

Regulatory agreement

Document Date:

9/16/08

Number of Pages:

Signer(s) Other Than Named Above:

N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name:

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name:

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

EXHIBIT A
LEGAL DESCRIPTION

Site Address: 457 NEW YORK ST REDLANDS CA 92373

APN: 0171-011-58

BARTON RANCHO PTN LOT 26 DESC AS COM AT A PT ON W LI NEW YORK ST 194 FT S
OF S LI OF PARK AVE TH W ON A LI PARALLEL WITH S LI PARK AVE 210.23 FT TH S
PARALLEL WITH E LI SD LOT 125.29 FT TH N 72 DEG 16 1/2 MIN E 221.97 FT TO W LI
NEW YORK ST TH N ALG W LI NEW YORK ST TO POB EX PTN TO FLOOD CONTROL
DEED RECORDED 2/25/69 BK 7187 PG 315

EXHIBIT A
LEGAL DESCRIPTION

[to come]

NEW BUSINESS

Owner Participation Agreement - Property One, LLC - Due to a potential conflict of interest, Councilmember Harrison retired from the Council Chambers and did not participate in this matter; a Public Disclosure of Potential Conflict of Interest form is on file in the City Clerk's Office. Redevelopment Agency Director Hobbs reported the City Manager established a task force to look at several issues of concern to ESRI as he wanted us to make sure we were paying sufficient attention to our local premier company in the interest of economic development. The task force was co-chaired by the Redevelopment Agency Director and the Chief of Police. The outstanding issue at the time was the relocation of Joseph's Store House to another location. Joseph's Store House was providing a gathering location for clientele who were not compatible with the employees at ESRI and the community's ability to comfortably and safely use the nearby Jennie Davis Park. In the interest of problem-oriented policing, which solves community problems in order to reduce required police services, the Police Chief engaged in multi-part negotiations. These discussions have resulted in an affiliate of ESRI (Property One, LLC) agreeing to underwrite the relocation of Joseph's Store House to a parcel at 760 East Stuart Avenue (at Church Street). As part of those multi-party discussions, the Redevelopment Agency Director agreed to contribute \$100,000.00 which will be used by Joseph's Store House to handle moving expenses and expenses to sufficiently retrofit the facility at their new location. To execute the understanding among the parties, the Redevelopment Agency prepared an owner participation agreement which assists Joseph Store House in its move in the interest of economic development facilitating the future expansion of ESRI on its campus.

CEQA Exemption - Mr. Aguilar moved to determine that the proposed owner participation agreement with Property One, LLC is exempt from review under the California Environmental Quality Act because this agreement is not a project pursuant to Public Resources Code Section 21065. Motion seconded by Mr. Gallagher and carried by AYE votes of all present with Board Member Harrison having abstained.

Resolution No. 426 - Mr. Aguilar moved to adopt Resolution No. 426 approving the owner participation agreement with Property One, LLC in order to facilitate the move of Joseph's Store House currently located on New York Street. Motion seconded by Mr. Gallagher and carried by AYE votes of all present with Board Member Harrison having abstained.

These actions generated a standing ovation from members of the audience.