



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 11.1d

Meeting Date: Februaury 4, 2021

Subject: Approve Memorandum of Understanding with Food Literacy Center for Floyd Farms

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
- Public Hearing

Division: Facilities Support Services

Recommendation: Approve memorandum of understanding (MOU) with Food Literacy Center for the operation of Floyd Farms.

Background/Rationale: Northwest Land Park LLC previously made arrangements with the Sacramento City Unified School District to use land adjacent to Leataata Floyd Elementary School located at 401 McClatchy Way to establish an urban farm and a community garden to benefit the residents within the surrounding community, including the students who attend the school and their parents.

The Farm is being developed as an urban farm for the purpose of educating students about agriculture, environmental protection, health and nutrition. In January 2016, the District approved the Food Literacy Center, a non-profit corporation, as operator of the Floyd Farm. Food Literacy intends to also use the farm to educate the school site, parents, and the larger community of how sustainable organic gardening provides health and nutrition benefits.

On December 6, 2018, the City of Sacramento and the District entered into the Leataata Floyd Elementary School Farm and Community Garden Project Agreement which allowed for the City to use excess land at the school site in exchange for an annual easement fee paid to the District. The Agreement also outlined a Farm Maintenance Fund that will pass through the District to Food Literacy Center for the ongoing maintenance expenses of the Farm.

The MOU before the Board for approval is the agreement between the District and Food Literacy Center for the operation of Floyd Farms.

Financial Considerations: The District will receive \$82,500 from the City of Sacramento for the Farm and Community Garden Easement.

LCAP Goal(s): College, Career and Life Ready Graduates; Safe, Emotionally Healthy and Engaged Students; Family and Community Empowerment; Operational Excellence

Documents Attached:

1. Memorandum of Understanding with Food Literacy Center for Floyd Farms

<p>Estimated Time of Presentation: N/A Submitted by: Rose F. Ramos, Chief Business Officer Nathaniel Browning, Director of Facilities Approved by: Jorge A. Aguilar, Superintendent</p>
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**MEMORANDUM OF UNDERSTANDING
WITH FOOD LITERACY CENTER FOR
FLOYD FARMS**

This Memorandum of Understanding (“MOU”) is entered into this ___ day of _____, 2021 (“Effective Date”) by and between the Sacramento City Unified School District (“District”) and the Food Literacy Center, a California nonprofit public benefit corporation with a 501(c)(3) federal tax exemption (“Non-Profit”) (each individually, a “Party” and, collectively, “Parties”).

RECITALS

WHEREAS, Northwest Land Park, LLC (“NWLP”), the District and the City of Sacramento (“City”) entered into a Memorandum of Understanding, dated October 3, 2012 (“NWLP MOU”), attached hereto as Schedule I and incorporated herein, which, among other provisions, addressed the construction and financing of an educational, sustainable garden with a structure that would house a kitchen, classroom(s) and administrative offices (“Building”), on the District-owned vacant two and one half (2.5) acre parcel (“Site”), depicted on Schedule II attached hereto and incorporated herein, adjacent to the District’s Leataata Floyd Elementary School (“Elementary School”) located at 401 McClatchy Way and adjacent to the District’s Arthur A. Benjamin Health Professions High School (“High School”) located at 451 McClatchy Way (“Elementary School” and “High School” are referred to collectively as “Schools”); and

WHEREAS, pursuant to the NWLP MOU, NWLP agreed to construct an educational sustainable garden based upon the approved Master Plan, depicted on Schedule III attached hereto and incorporated herein, the terms of that certain Development Agreement for Northwest Land Park recorded in the Official Records of Sacramento County on October 25, 2011 in Book 20111025, Page 0952, and the NWLP MOU; and

WHEREAS, the District and the City entered into an agreement, dated December 6, 2018 (“2018 City Agreement”), attached hereto as Schedule IV and incorporated herein, which, among other provisions, outlined the use of the Site, and further outlines the construction and financing of a farm and community garden; and

WHEREAS, the District adopted an amendment to the 2018 City Agreement, dated January 14, 2021 (“2021 City Amendment”), attached hereto as Schedule V and incorporated herein, that further clarified Article 5 of the 2018 City Agreement pertaining to the Farm Maintenance Fund and Community Garden Easement Fee. The 2021 City Amendment and the 2018 City Agreement shall be jointly referred to as “City Agreement”; and

WHEREAS, the Site is referred to as an educational, sustainable garden in the

NWLP MOU and as an urban farm (“Farm”) and community garden (the “Community Garden”) in the City Agreement; and

WHEREAS, the Community Garden, noted as area C in Schedule II, will be operated and maintained by the City pursuant Section 5 of the City Agreement, and the Farm, noted as areas A and B in Schedule II, will be operated and maintained by the Non-Profit on behalf of the District subject to reimbursement for its costs relating thereto as more particularly set forth in Section 5 of the City Agreement; and

WHEREAS, the Non-Profit is currently providing food literacy and educational services to certain schools in the District; and

WHEREAS the District desires to contract with the Non-Profit pursuant to the terms and conditions set forth in this MOU.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. Non-Profit Obligations.
 - a. The Non-Profit shall cooperate, if desired, with NWLP and the District in the design and construction of the Site.
 - b. Upon the completion of the construction of the Farm and the Building on the Site and in consideration of (i) the Non-Profit’s use of the Site (ii) and the reimbursements from the Farm Maintenance Fund, as outlined in the City Agreement,, the Non-Profit shall perform the following scope of services (hereinafter collectively referred to as the “Services”):
 - i. Provide educational and hands-on Services in food literacy to students who attend the Schools. Additional schools may also receive Services as negotiated and agreed between the Parties and contingent on funding received by the Non-Profit. Such Services shall be developed at a twice-annual meeting between Non-Profit and District to include field trips and relevant Career Technical Education programming;
 - ii. Serve as manager of the Farm, including crop planting, cultivation, production and pest prevention services; and
 - iii. Provide copies of the Non-Profit’s annual report, which evaluates the results of all Services in the District.
 - c. The Non-Profit shall follow the District’s Special Projects Request process before upgrading or modifying the Building in any way not described by this MOU that would otherwise be the obligation of the District to ensure

such work is compliant with District specifications, bargaining agreements, and Division of State Architects. Unless covered by the District's insurance and the Non-Profit pays the associated deductible, the Non-Profit shall pay for any damage caused by the Non-Profit to the Building at its sole cost and expense. The Non-Profit may make repairs if approved by the District in advance. Any upgrades may be subject to public bidding requirements and prevailing wages.

- d. The Non-Profit shall be responsible for (i) subject to the City Agreement and the payment of certain utilities contemplated therein, all separately metered utilities(including sewer, water, and waste disposal) (ii) janitorial expenses, (iii) following all Federal, State and Local guidelines and requirements, to the extent they do not conflict, related to any viral pandemic, such as the Novel Coronavirus (COVID-19) as it relates to the use and occupancy of the Site and the provision of Service, (iv) maintaining and repairing (a) the interior of the Building in good working order and condition, reasonable wear and tear excepted, provided, however, the District shall be responsible for all structural, mechanical, electrical, or plumbing systems within the Building and (b) the Farm consistent with good husbandry practices, which will be evaluated on the basis of cleanliness, plant health, lack of weeds, and percent of fallow soil, and (iv) providing all equipment, supplies and tools necessary to perform the services, which may include (a) gardening tools such as shovels, hoes and wheelbarrows; (b) Farm supplies such as seeds, plants and fertilizers; and (c) kitchen appliances such as a stove, microwave, refrigerator and freezer beyond what is installed from initial construction (which items shall remain the personal property of the Non-Profit, including during the Term (as defined below); provided however, the Non Profit is entitled to reimbursement for all of these costs from the Farm Maintenance Fund. At any time during the Term and at the expiration of the Term, the Non-Profit may remove any or all personal property, which were placed on the Site by the Non-Profit, as long as the District's real property is not damaged. Any equipment that the Non Profit purchased and received reimbursement for from the Farm Maintenance Fund or received through joint grants with the District and/or any of its school sites, including, but not limited to kitchen appliances, shall remain within the Building in the event the MOU is terminated before reaching the expiration of the Term.
- e. The Site shall be used by the Non-Profit, in compliance with all Board Policies and Administrative Regulations, as follows:
 - i. To perform the Services;
 - ii. As its administrative headquarters;
 - iii. For fundraising and special events to continue to provide the Services free-of-charge to the District, at no administrative cost to the District, which may include alcohol service outside of school hours provided that such activities do not interfere with the operations at the Elementary School, all necessary licenses

- and permits are obtained by the Non-Profit, and Non-Profit has provided the District with prior written notice of the event;
- iv. To the extent permitted by law, and subject to the zoning laws of the local jurisdiction, the District's Risk Management Department and insurance provider, or any and all third party administrators or agents thereof, and to the extent such activities do not interfere with the operations at the Elementary School, the Non-Profit may house, raise, care for, and cultivate traditional Farm animals; and
 - v. To otherwise exercise its rights and perform its obligations as set forth in this MOU.
- f. All fees for use of the District's cafeterias at the Schools where services are provided by the Non-Profit shall be in accordance with the Civic Center Act permit process described by the California Education Code and the District's process and policies.
- g. The District grants to the Non-Profit a license to use the Site for the duration of the Term for the purposes stated herein, at no charge, which license may only be terminated pursuant to Section 4 of this Agreement. The Non-Profit shall not permit, license, or sublicense the Building to other individuals or entities, other than permitted District employees, for any purpose; provided however, the Non-Profit may sublicense a portion of the Farm to another qualified organization if later agreed to by the Parties through an amendment to this MOU.
- h. The District's safety requirements applicable to the Non-Profit's operation at the Site, including, but not limited to any screening and fingerprinting requirements, shall be provided by the District or District approved agency, at a cost to the Non-Profit equal to the same cost required of District volunteers and non-profit partners as applicable. Upon the completion of the construction of the Site and the commencement of the services, the Non-Profit shall report directly to, and any feedback from the District shall be relayed through, a representative designated by the District as it relates to activities on the Site. The initial representative for the District shall be the Superintendent or their designee. The Non-Profit will be provided with notice following any change in its District representative.
- i. Prior to occupying the Site and at all times during the Term (as defined below), the Non-Profit shall provide and maintain (i) a policy of commercial general liability insurance that insures against liability for bodily injury, property damage and personal injury arising out of the use, operation or occupancy of the Site in an amount of not less than Two Million Dollars (\$2,000,000.00), in the aggregate which includes the District as an additional insured on this policy and requires the insured to notify the District at least thirty (30) days prior to any lapse, cancellation, non-renewal or termination of such insurance; and (ii) "Special Form" property insurance

coverage, with standard exceptions, covering its fixtures, equipment and personal property located on the Site, and the District shall have no interest in the proceeds of insurance maintained by Tenant under this sub-item (ii).

- j. Nothing in this MOU shall restrict the Non-Profit from engaging in grant writing, fundraising activities, or any activities related to operating under a 501c3 nonprofit status.
 - k. The Non-Profit shall maintain its nonprofit status under California law and shall insure that all filings are made pursuant to California law. Failure to do so, including conversion to a for-profit entity, shall entitle the District to immediately terminate the MOU.
 - l. The Non-Profit will provide District with documentation of the farm maintenance expenses incurred on an annual basis so that the District can provide the same to the City to verify use of the Farm Maintenance Fund proceeds.
2. District Obligations.
- a. The District agrees to coordinate with the Non-Profit, at least thirty (30) days in advance of a hosted event by the District at the Site, at no administrative cost to the Non-Profit and which use shall be subject to mutually acceptable terms given the type of event proposed by the District. To the extent necessary, a calendar shall be mutually developed as agreed by the Parties subject to adjustment from time-to-time. No event hosted by the District shall be planned at the Site without coordination with the Non-Profit.
 - b. Prior to the construction of the Building, the District will make available to the Non-Profit up to two classrooms at the Elementary School which shall be coordinated by the Superintendent or designee and the Principal of the Elementary School.
 - c. The District shall allow the Non-Profit the right to display their name and logo on the Site in a reasonable manner, which signage, upon approval by the District, shall also comply with all laws, statutes and regulations. The Non-Profit shall have the right to erect temporary signage to promote its programs and special events on any portion of the Farm, subject to approval by the District. The Non-Profit shall also have the right to a separate mailing address at the Building provided that such mailing address is available through the U.S. Postal Service and does not involve administrative services provided by the District.
 - d. The District shall maintain Property insurance, or the equivalent through SIA, on the Building and Site.

- e. The District shall invoice the city one half of the Farm Maintenance Fund and the Easement Fee. In January and June each year at the time when the County Tax Collector distributes the CFD proceeds to the City. The District will provide City with documentation of the Farm maintenance expenses incurred on an annual basis to verify use of the Farm Maintenance Fund proceeds.

3. Term.

The “Term” of this MOU shall be for a period of ten years (10) from the District’s Board approval of the Notice of Completion of the construction project (the “Commencement Date”) and shall terminate ten years (10) thereafter. Upon mutual consent, in writing between the Parties, the Term may be extended.

4. Termination for Cause.

A material breach of any provision of the MOU shall entitle either Party to terminate for cause notwithstanding section 3 above. In the event a Party believes a material breach has occurred, the Party shall send a written notice of default specifying the nature of the breach to be cured by the other Party. If the Party exercises due diligence to cure the breach, assuming such breach has occurred, and cures the breach, there shall not be cause for termination. If the default is not cured, the breach shall be deemed a material breach which shall justify early termination notwithstanding section 3. The early termination shall be effective upon a thirty (30) day written notice to terminate for cause.

5. Termination for Convenience.

The MOU may be terminated by either Party for convenience. Written notice of such termination shall be given at least ninety (90) days before becoming effective.

6. Termination of the MOU.

Upon termination of the MOU, the Non-Profit shall vacate the Site, remove all of its furnishings and equipment without incurring damage, and vacate any structural facilities in a broom swept condition in the same condition as occupied, except for reasonable wear and tear. The Site shall be vacated by the Non-Profit within thirty (30) days termination of the MOU and if not so vacated, shall be subject to unlawful detainer or for an action in ejectment or other remedy to terminate the license to occupy the Site granted in section 3.

7. Indemnity.

Except to the extent caused by the gross negligence, recklessness or willful misconduct of the District or any person or entity under its explicit direction or control, the Non-Profit shall indemnify and hold District, its officers, agents, employees, representatives, and members of its Board of Education free and harmless from any and all liability, claims, loss, damages, or expenses resulting from the Non-Profit’s occupation and use of Site, specifically including, without limitation, any liability, claim, loss, damage, or expense arising by reason thereof.

8. Casualty.

If the Building is damaged or destroyed during the Term such that the Non-Profit cannot use the same, the District will provide the Non-Profit with facilities at the Elementary School to continue to provide food literacy and educational services to the District schools. In the event there is no availability within the Elementary School, the District shall use good faith efforts to find space for the Non-Profit within another District school. This District will not relocate the Farm if displaced.

9. General Provisions.

- a. Notices. All notices shall be in writing, duly addressed to the Parties below. By written notice in conformance herewith, either Party may change the address to which notices to said party must be delivered. Any notice deposited with the United States Postal Service shall be deemed to have been duly given upon confirmed receipt, if sent by certified or registered mail, postage prepaid, addressed as set forth below or as changed as set forth herein. Notice may also be given by express mail with proof of delivery. Notice sent by any other manner shall be effective only upon actual receipt thereof.

District:

Chief Business Officer
Sacramento City Unified School District
5735 47th Avenue
Sacramento, CA 95824
Ph: (916) 643-9055

Food Literacy Center:

Prior to the Commencement Date:

Executive Director
2973 Third Avenue
Sacramento, CA 95817
Ph: (916) 476-4766

After the Commencement Date:

The Building

- b. Entire Agreement. The MOU constitutes the sole and entire agreement between the Parties with respect to the subject matter dealt with in the MOU and all understandings, oral or written, with respect to the subject matter of the MOU are hereby superseded. Any additional provisions or requirements shall not be binding on the Parties except through an amendment or superseding agreement in writing.

- c. Amendment of MOU. No modification of, deletion from, or addition to the MOU shall be effective unless made in writing and executed by both District and the Non-Profit.
- d. Waiver. The failure by either Party to enforce any term or provision of the MOU shall not constitute a waiver of that term or provision, or any other term or provision. No waiver by either Party of any term or provision of the MOU shall be deemed or shall constitute a waiver of any other provision of the MOU, nor shall any waiver constitute a continuing waiver unless otherwise expressly provided in writing.
- e. Severability. In the event any clause, sentence, term or provision of the MOU shall be held by any court of competent jurisdiction to be illegal, invalid, or unenforceable for any reason, the remaining portions of the MOU shall nonetheless remain in full force and effect.
- f. Governing Law and Venue. The MOU shall be governed by and interpreted under the laws of the State of California applicable to instruments, persons, transactions and subject matter which have legal contacts and relationships exclusively within the State of California. Subject to the alternative dispute resolution provisions set forth below, any action or proceeding seeking unlawful detainer, action in ejectment, or any equitable remedies with respect to the provisions of the MOU shall be brought in the Superior Court for the County of Sacramento.
- g. Alternative Dispute Resolution. In the event of any dispute regarding the provisions of the MOU, the Parties shall attempt to mediate a resolution. If mediation is not successful, the Parties agree to submit their dispute to binding arbitration with an acceptable third party, or if the Parties cannot agree, with either the American Arbitration Association (“AAA”) or JAMS in Sacramento County. Each Party shall share the cost of the mediator/arbitrator and each Party shall bear their respective attorney’s fees and costs.
- h. Remedies. The remedies of the District and the Non-Profit shall not be exclusive but shall be cumulative and in addition to all remedies now or hereafter available at law or in equity, provided however in no event shall either party be liable for punitive damages.
- i. Assignment. The Non-Profit shall not have the right to assign the MOU or any interest in the MOU, without District’s prior written consent. Any assignment made without such prior written consent shall be void, and at the option of District, shall terminate the MOU. However, notwithstanding the foregoing, the Non-Profit has the right to collaborate with vendors to provide services to the Site, provided, said vendors comply with the District’s policies and procedures. The District hereby approves of the Center for Land Based Learning and Soil Boil Farms as vendors. No right under the MOU, nor claim for any money due or to

become due hereunder shall be asserted against District, or persons acting for District, by reason of any assignment of the MOU without District's written consent. Consent to one assignment, or other transfer shall not be deemed to constitute consent to any subsequent assignment, or other transfer.

- j. Independent Contractor. The Non-Profit is an independent contractor and a nonprofit corporation duly formed under California law with a 501©(3) federal tax exempt status.
- k. Binding Effect; Ratification. The MOU, conditions, and provisions contained in the MOU shall apply to and bind the heirs, executors, administrators, successors, and assigns of the Parties. The MOU shall not be effective until ratified by the District and the Non-Profit's Board of Directors.
- l. Headings and References. The headings of the MOU are for purposes of reference only and shall not limit or enlarge the meaning of the provisions of the MOU.
- m. Signature In Counterparts. The MOU may be executed in any number of counterparts, all of which, taken together, shall constitute the same instrument. A copy, original or facsimile with all signatures appended together shall be deemed a fully executed MOU. Electronic signatures, and copies of all signatures, shall have the same force and effect as original signatures.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed by their duly authorized representatives.

Executed: _____, 2021 SACRAMENTO CITY UNIFIED
SCHOOL DISTRICT

By: _____
Its: _____

Executed: _____, 2021 FOOD LITERACY CENTER

By: Amber K. Stott
Its: Executive Director

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MEMORANDUM OF UNDERSTANDING

**NORTHWEST LAND PARK PROJECT - JEDEDIAH FARMS,
NEIGHBORHOOD CENTER AND OPEN SPACE PLAN**

This Memorandum of Understanding (“MOU”) is entered into as of August 16, 2012, by and between Northwest Land Park LLC (“NWLP”) a California limited liability company, the City of Sacramento, a municipal corporation (“City”) and Sacramento City Unified School District, a public school district (“District”) (collectively, the “Parties”).

RECITALS

A. WHEREAS, NWLP proposes to construct a residential/mixed-use community on approximately 31.7 acres within the Land Park Community Plan Area of the City of Sacramento (“Development”). The Development is located adjacent to the District’s Jedediah Smith Elementary School (“Elementary School”) located at 401 McClatchy Way and adjacent to the District’s Arthur A. Benjamin Health Professions High School (“High School”) located at 451 McClatchy Way (“Elementary School” and “High School” are referred to collectively as “Schools”).

B. WHEREAS, the Development plan includes a new 4.32 acre neighborhood park adjacent to the High School and Elementary School, with retention of an existing 11,000 square foot wholesale produce building at the park to be refurbished (adaptive reuse) as a neighborhood center (“Neighborhood Center”), and a multi-use trail to extend from the neighborhood park into the School property to allow for public access to Jedediah Farms, along with design of the neighborhood park to be integrated with the adjacent open space areas on the School sites to connect and integrate the Development and both Schools and to the surrounding areas and neighborhoods (collectively the “Open Space Plan”).

C. WHEREAS, the District is authorized by State statute to levy school impact or developer fees on residential and commercial/industrial development for the purpose of funding the construction or reconstruction of school facilities. Impact fee revenues cannot be used to cover operation and maintenance costs. The District’s developer fee rates effective as of the date of this Agreement are \$3.20 per square foot, and are subject to annual adjustment consistent with statutory authority.

D. WHEREAS, NWLP will be subject to the developer fees in connection with its proposed Development, as the Development will generate new students in the District and, in particular, will likely impact the Elementary School. The total developer fees for the proposed Development are currently estimated to be \$2,952,152.00, based

upon the anticipated number of new residents and the corresponding student generation rate (amount to be adjusted per actual permits issued).

E. WHEREAS, the Elementary School is located adjacent to the public housing communities of Marina Vista and Alder Grove and the 751 housing units in these communities serve as the main feeder communities for the Elementary School.

F. WHEREAS, the Elementary School is in Program Improvement at this time, and is one of the more significantly underperforming schools out of the District's 54 elementary schools.

G. WHEREAS, NWLP is interested in supporting the District in its efforts to provide locally grown, healthy foods to school cafeterias and to promote healthy eating in the District's curriculum and practice.

H. WHEREAS, NWLP and the City are interested in partnering with the District to create an educational, sustainable garden on the District-owned vacant two and a half-acre parcel adjoining the Elementary School campus ("Jedediah Farms"). Jedediah Farms would be built as a model for green technology, sustainability, recycling, and safety and partnerships with the public sector, the private sector and the local community. Jedediah Farms would provide education to both students and the community in green technology, environmental protection, agriculture, health and nutrition.

I. WHEREAS, Jedediah Farms and open space areas in the Development will seek to showcase best practices for an urban farm and community gardens. The Development plan anticipates exploring development of greenhouses and open gardens, including fruit trees along walkways in the Development; possibly reserved gardens for adjacent School students and community members; energy efficient structures, clean energy generation, fresh water capture systems and grey water recycling to provide a venue for various educational programming such as urban farming, conservation, gardening and health/nutrition.

J. WHEREAS, Jedediah Farms and the Open Space Plan are anticipated to create a positive relationship between the community and the Schools, and are anticipated to increase School attendance, bring a sense of pride to the students and the community, and improve the education and nutrition of the students and their communities.

K. WHEREAS, the District recognizes the value of improving the Elementary School as a model educational facility, including using "green" and sustainable renovation and facility systems, building positive connections to the surrounding neighborhood, and creating the highest quality learning environment. The District would like to work with NWLP and the City to localize the developer fee funding generated by

NWLP to construct the Jedediah Farms improvements to the Elementary School and the Open Space Plan within the District's property.

L. WHEREAS, use of NWLP park fees paid to City to improve District's property for development of Jedediah Farms is contingent on District conveying to City a recreation easement over that portion of the School property and an agreement between the District and the City to allow for public use of Jedediah Farms during non-School hours.

M. WHEREAS, NWLP acknowledges that it is statutorily obligated to pay school impact/developer fees in connection with its proposed Development; and the District acknowledges that it is statutorily authorized to utilize these fees for capital projects as it deems appropriate within the District.

N. WHEREAS, Chapter 16.64 of the City Code implements California Government Code section 6477, which is commonly known as the Quimby Act. The statute provides that "[t]he land, fees, or combination thereof are to be used only for the purpose of developing new or rehabilitating existing neighborhood or community park or recreational facilities to serve the subdivision." (Gov. Code, § 66477, subd. (a)(3).) The City Code further provides that "[f]ees collected pursuant to this chapter shall be used and expended solely for the acquisition, improvement, and expansion of the public parks, playgrounds and recreational facilities reasonably related to serve the needs of the residents of the proposed subdivision." (City of Sacramento Code, Section 16.64.060.)

O. WHEREAS, NWLP acknowledges that it is statutorily obligated to dedicate land or pay Quimby fees in connection with its proposed Development; and the City acknowledges that it is statutorily authorized to utilize Quimby fees for acquiring new parkland or developing new or rehabilitating existing recreational facilities, public parks or playgrounds.

P. WHEREAS, Chapter 18.44 of the City Code implements California Government Code section 66000 *et seq.* Government Code section 66000 *et seq.* allows a municipality to create a development fee for any purpose as long as the municipality explains the purpose and justifies the nexus. (See, e.g., Gov. Code, § 66001.) The City has created the Park Development Impact Fee (PIF) for this purpose.

Q. WHEREAS, Chapter 18.44 of the City Code provides that the City may use the PIF fees for several purposes including the development of neighborhood- or community-serving "park facilities" or to refund/credit developers for "park facilities" they construct. (City Code, §§ 18.44.020, 18.44.110, 18.44.160.) Chapter 18.44 defines "park facilities" as "parks and recreation facilities to be designed, constructed and installed to meet the needs of and address the impacts caused by the additional persons residing or employed on property as a result of new development, which improvements,

infrastructure, and facilities are described in the nexus study, and the costs of the design, construction and installation of which are to be financed by the park development impact fee program.” (City Code, § 18.44.010.)

R. WHEREAS, NWLP acknowledges that it is obligated to construct park improvements or pay PIF fees in connection with its proposed Development; and the City acknowledges that it is authorized to utilize PIF fees for developing park and recreational facilities.

S. WHEREAS, NWLP and the City entered into a Development Agreement for Northwest Land Park (“Development Agreement”) dated September 28, 2011. The Development Agreement governs construction and implementation of the Development and includes commitments by City as to priority of expenditure of the Quimby and PIF funds paid by NWLP.

AGREEMENT

NOW, THEREFORE, the Parties mutually agree as follows:

1. The above recitals are true and are incorporated by reference.
2. By and through this MOU, NWLP agrees it shall:
 - a. Present to the District and City, on or before December 31, 2012, draft master plan(s) for Jedediah Farms and the Open Space Plan. Final review and approval of the master plan(s) shall be pursuant to the terms of the Development Agreement and agreement between the District and the City.
 - b. Pay its statutorily mandated school impact developer fees to the District in connection with the Development.
 - c. Enter into a Credit/Reimbursement Agreement with the City and a construction agreement with the District whereby NWLP shall construct Jedediah Farms on District property and City shall grant credits against NWLP’s Quimby obligation for the value of the easement conveyed from the District to the City and a credit against its PIF obligation for the costs of construction based on the approved budget for Jedediah Farms development as set forth in the Credit/Reimbursement Agreement.

d. As part of the Development plan and private recreational facilities, and pursuant to the terms of the Development Agreement, NWLP will construct a bicycle and pedestrian trail (“Setzer Run”) along with a path through the neighborhood park that connects the Development to pedestrian and bicycle trails on 5th Street, as well as from the western portions of the Development site to connect to a future public trail to Miller Park, which provides access to the Sacramento River and the Docks Promenade.

e. Renovate the approximately 11,000 square foot bow-truss warehouse building located within the neighborhood park site to ensure the building shell is structurally sound, free of hazardous materials, compliant with current code standards as of the date of transfer of ownership, and appropriately weatherized in accordance with the Development entitlements, the Development Agreement and the transfer agreement. The building shall be dedicated to the City for use as a Neighborhood Center. The City will work cooperatively with the District if it desires to obtain rights to use the Neighborhood Center to provide educational or enrichment programs.

f. Upon developing the open air market along Festival Street as set out in the Development plan, NWLP shall provide vendor space to the District, at no cost to the District, for the District’s sale of food to the public. Such vendor space shall not exceed 400 square feet.

g. Provide or cause to provide Broadband fiber to the Elementary School and High School under the following terms and conditions:

- (i) To a single point at the High School facility and a separate single point (if needed) at the Elementary School facility as mutually determined by NWLP and the District.
- (ii) The connection points addressed in subdivision (i) above shall be provided concurrently with the development of the Phase 3 portion of the Development.
- (iii) The physical infrastructure facilities for Broadband Fiber to be provide or caused to be provided at no cost to the District. After installation, the District shall be solely responsible for third party access and usage charges, if any.

h. Pay to the City the statutorily required Quimby Fees. The City shall utilize such Quimby Fees as set forth in the Development Agreement.

i. Pay to the City the PIF fees, consistent with the requirements set forth in Section 18.44 of the City Code. The City shall utilize such PIF fees as set forth in the Development Agreement.

3. By and through this MOU, the District agrees it shall:

a. Utilize all of the Development's school impact developer fees as follows: first toward improving the Elementary School as a model educational facility, including using "green" and sustainable renovation and facility systems, building positive connections to the surrounding neighborhood, creating the highest quality learning environment; and second to install appropriate security features to allow for joint use of the Elementary School and High School.

b. Subject to the Civic Center Act as set forth in the California Education Code, work with NWLP and the City to develop appropriate joint use or other agreements for non-School related daytime use by the public and maintenance of Jedediah Farms, along with other outdoor areas, parking facilities, offer District programs at the Neighborhood Center, and use of certain on-site school facilities including, but not limited to, computer labs, gymnasiums, multi-purpose rooms, and theaters, as may be applicable to programs operated by City or by the Development's homeowner's association.

c. Work with the City and NWLP to facilitate construction of Jedediah Farms on District property.

d. Ensure that all proceeds from food sales from the vendor space provided by NWLP at the Open Air Market shall be for the sole benefit of the Elementary School and High School subject to approval of the Board of Education and legal requirements imposed on the District.

e. Provide easements to NWLP as necessary to allow access for installation and ongoing maintenance of Broadband fiber to a single point at the High School facility and a separate single point (if needed) at the Elementary School facility.

f. Endeavor to establish and implement a "greening" plan for the Elementary School.

4. By and through the Development Agreement, the City acknowledges that it shall:

a. Enter into a Credit/Reimbursement Agreement with NWLP whereby NWLP shall construct Jedediah Farms as a turnkey project.

b. Accept NWLP's dedication to the City of the Neighborhood Center, after NWLP has completed renovations to the building envelope of the approximately

11,000 square foot bow-truss warehouse building located within the Development to ensure the building is structurally sound, free of hazardous materials, and appropriately weatherized.

5. By and through this MOU, the City agrees that it will:

a. Subject to the Civic Center Act as set forth in the California Education Code, work with the District to develop appropriate joint use or other agreements for non-School related daytime use by the public and maintenance of Jedediah Farms, along with other outdoor areas, parking facilities and certain on-site school facilities including, but not limited to, computer labs, gymnasiums, multi-purpose rooms, and theaters, as may be applicable to programs operated by City or by the Development's homeowner's association.

b. Work with the District to develop appropriate joint use or other agreements for School related use of the Neighborhood Center, as may be applicable to programs operated by District.

c. Work with the District to plan the design of the neighborhood park as a larger open space area that encompasses a portion of the School property, and grant NWLP credits against its Quimby obligation for the value of the easement conveyed from the District to the City and its PIF obligation for the costs of construction of the improvements on District's property undertaken by NWLP based on the approved budget.

6. By and through this MOU, NWLP and the District agree to work cooperatively to:

a. Attempt to secure grants from Sacramento Municipal Utility District, and to explore other available grant programs and funding mechanisms to the extent practicable, for "greening" the Elementary School, building and operating Jedediah Farms, and furnishing and programming/operating the Resource Center.

b. Work with the Housing Authority and other stakeholders to reinstate before and after school programs for the neighborhood residents on the Elementary School site.

c. Participate in the transformation plan under the Choice Neighborhoods Grant application to be submitted to the Department of Housing and Urban Development regarding planning for a revitalization of the entire 160+/-acre neighborhood surrounding the Elementary School and High School.

7. This MOU may be executed in one or more counterparts, each of which shall for all purposes be deemed an original and all of which shall constitute the same instrument.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed by their duly authorized officers to be effective as of the date of final execution.

Date: Northwest Land Park LLC

By: _____
Its: _____

Date: City of Sacramento

By _____
James L. Combs,
Director, Parks and Recreation Department

ATTEST:

By _____
City Clerk

APPROVED AS TO FORM:

By _____
Deputy City Attorney

Date: Sacramento City Unified School District

By: _____
Its: _____

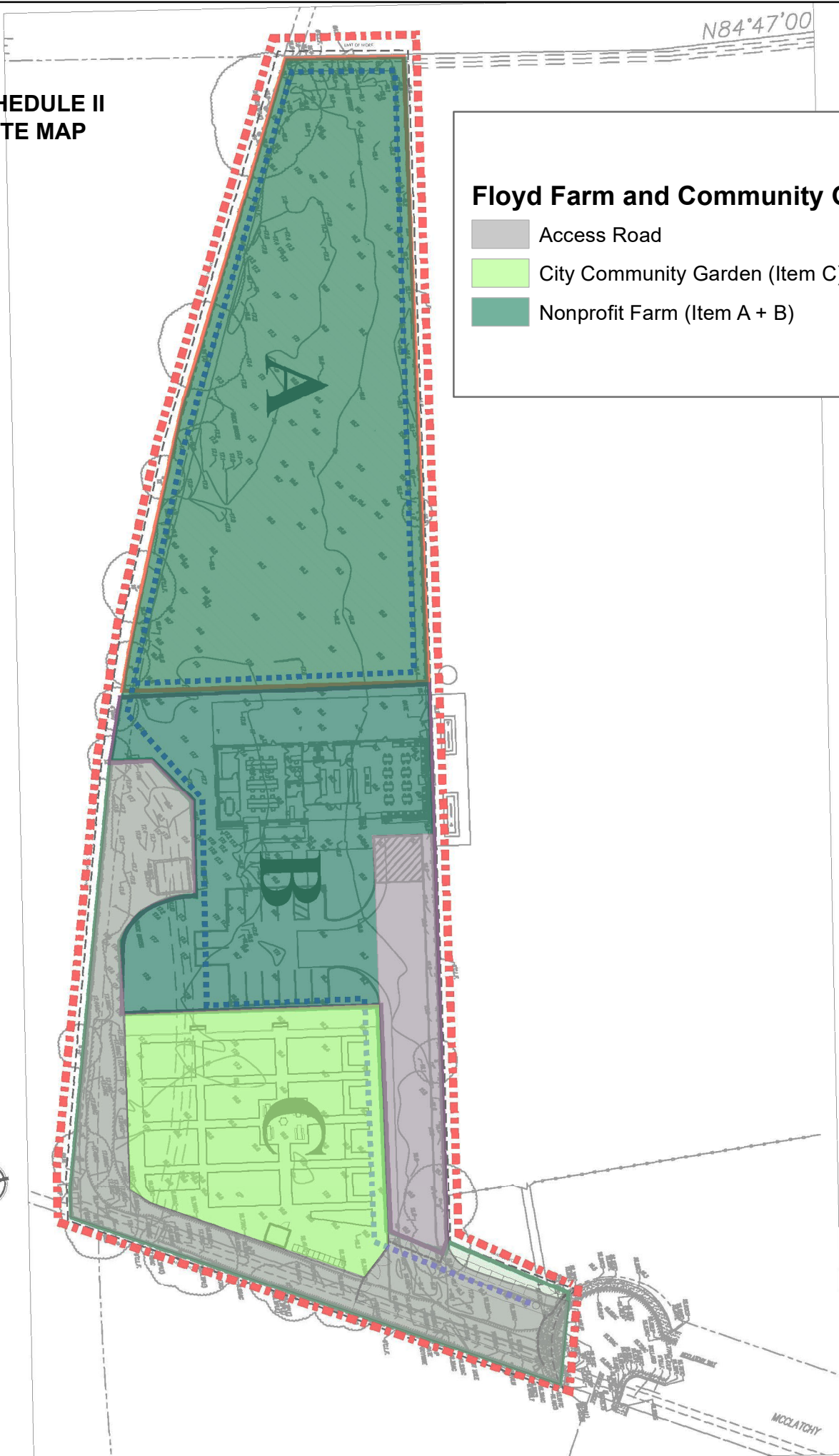
SCHEDULE II SITE MAP

Floyd Farm and Community Garden

- Access Road
- City Community Garden (Item C)
- Nonprofit Farm (Item A + B)



0
50
100'
Scale: 1" = 50'-0"





LEGEND

- FARM/ GARDEN PLANTING
- EXISTING LAWN
- DECOMPOSED GRANITE
- SOIL
- CONCRETE
- ASPHALTIC CONCRETE
- EXISTING ASPHALT/GRAVEL
- UTILITY ACCESS ROAD TO REMAIN
- FRUIT TREES (NEW AND EXISTING)
- TALL FENCE (NEW AND EXISTING)
- PROPOSED WALKING TRAIL

SITE CALLOUTS

- URBAN FARM (-/- 1.5 ACRE)**
 - 1A FUTURE FARMHOUSE COMMUNITY BUILDING BY SCUSD (5000 SF)
 - 1B FUTURE AREA FOR ADA PARKING
 - 1C FUTURE EVA HAMMERHEAD
- COMMUNITY GARDEN (0.5 ACRE)**
 - 2A 10'X10' GARDEN PLOTS - ARRANGED IN SUCH A WAY THAT THEY CAN BE CONVERTED TO 10'X20' OR 20'X20' AS NEEDED (87 TOTAL); 2x4 TREX BOARD PLOT DIVIDERS
 - 2B ADA ACCESSIBLE RAISED GARDEN BEDS (16 TOTAL)
 - 2C GARDEN SHED
 - 2D COMPOST BINS (8 TOTAL)
 - 2E GARDEN ENTRYWAY & PEDESTRIAN GATE
 - 2F 12-FOOT-WIDE MAINTENANCE ACCESS GATE
 - 2G PICNIC TABLES WITH UMBRELLA HOLES
- EXISTING UTILITY AREA TO REMAIN**
 - 3A EXISTING UTILITY AREA
 - 3B EXISTING PIONEER COMBINED STORM-SEWER VAULT
 - 3C COMBINED STORM-SEWER ACCESS AND MAINTENANCE ACCESS AREA
 - 3D HATCH LAY-DOWN AREA
- LEATATTA FLOYD ELEMENTARY**
 - 4A EXISTING BLACKTOP AREA TO REMAIN
 - 4B EXISTING GATE
 - 4C EXISTING SCHOOL GARDENS
 - 4D EXISTING FENCE WITH GRAPE VINES
 - 4E EXISTING SCHOOL ORCHARD
- ACCESS/ CONNECTIVITY**
 - 5A MCCLATCHY WAY ACCESS ROAD AND ACCESS GATE TO REMAIN
 - 5B VEHICULAR DROP-OFF AREA
 - 5C PEDESTRIAN ENTRY
 - 5D GATE
 - 5E GATEWAY AND ENTRY ORCHARD
 - 5F 20-FOOT-WIDE EVA ROUTE, INCLUDING HAMMERHEAD EXTENSION (VEHICULAR-RATED PAVING) FOR FUTURE FARMHOUSE



**SCHEDULE IV
2018 CITY AGREEMENT**

**LEATAATA FLOYD ELEMENTARY SCHOOL
FARM AND COMMUNITY GARDEN PROJECT AGREEMENT**

THIS AGREEMENT (“Agreement”) is made as of _____, 2018, by and between the SACRAMENTO CITY UNIFIED SCHOOL DISTRICT, a public school district (“District”) and the CITY OF SACRAMENTO, a municipal corporation (“City”) (collectively, the “Parties”).

Background

- A. Northwest Land Park LLC (“Developer”) has made arrangements with the Sacramento City Unified School District (“District”) to use excess land at the Leataata Floyd Elementary School (the “School”) located at 401 McClatchy Way to establish an urban farm (the “Farm”) and a community garden (the “Community Garden”) to benefit the residents within the surrounding community, including the students who attend the School and their parents.
- B. The Farm is to be developed as urban farm for the purpose of educating students about agriculture, environmental protection, health and nutrition. The District has made arrangements with Food Literacy Center, a non-profit corporation, for operation of the Farm. Food Literacy intends to also use the Farm to educate School parents and the larger community about how sustainable organic gardening provides health and nutrition benefits.
- C. The Community Garden component will allow for School staff, parents, and community members to obtain rights to a garden plot to grow their own fruits and vegetables. The Community Garden is to be operated and maintained by the City.
- D. The children of residents at the Northwest Land Park development project are expected to attend the School. The students, their parents, and other residents within the Northwest Land Park community would benefit from the establishment of the Farm and the Community Garden as an educational and recreational learning center. CA Education Code Section 10900 authorizes school districts to work with cities to conduct programs of community education and recreation for children and adults.
- E. CA Government Code Section 66477(f) (the “Quimby Act”) provides that land used for “recreational community gardening” can qualify as parkland as long as the produce is not sold for commercial purposes. The City must obtain an interest in the property that is to be dedicated as parkland in order to qualify for Quimby Act credit. Under the terms of an agreement between Developer, District and City dated October 3, 2012, City is to grant Developer parkland dedication credit for the Farm and Community Garden easement area granted to City by District.
- F. The agreement between the City and Developer also provides that the Developer will construct the Farm and Community Garden with park impact fees generated from the Northwest Land Park development project. The Farm site will be graded, an

irrigation system and utilities installed, and fencing provided in accordance with the Farm and Community Garden Master Plan and the District's specifications. The District, subject to available District funds and budget constraints, intends to construct a building, the cost and size to be determined, within the Farm area for food processing, storage, and education. Any additional structures desired by the Parties will be constructed by the Developer, upon receiving District approval.

- G. The Parties intend that the Farm and Community Garden are constructed concurrently. After the District grants City the easement over the Farm and Community Garden property, City will enter into an agreement with the Developer to construct these facilities in accordance with the terms of this Agreement.

Agreement

NOW, THEREFORE, the Parties agree as follows:

1. EASEMENT – In consideration of the terms and covenants set forth in this Agreement, the District agrees to grant City an easement over a portion of the School property in the form attached, and City agrees to accept the easement.
2. MASTER PLAN - The District's grant of the easement is conditioned on District's prior approval of the Farm and Garden Master Plan, which is to be prepared by Developer and subject to approval by the City Council. As used herein, "Farm" and "Community Garden" means the areas as depicted in the easement's Exhibit B, the plat map depicting the Easement Area.
3. FARM AND COMMUNITY GARDEN CONSTRUCTION - City will arrange for the construction of the Farm and Community Garden by the Developer in accordance with the approved Farm and Garden Master Plan, and the District and City specifications as applicable. City accepts the property in its current condition and District shall have no liability to make the property suitable for construction of the Farm and Community Garden. City will insure that Developer's construction contractor posts 100% performance and payment bonds, and carries a minimum \$1 million General Liability insurance coverage which names District and City as additional insureds, as well as workers compensation coverage with a waiver of subrogation. The Farm and Community Garden, subject to available District funds and budget constraints, are to be constructed concurrently and the construction schedule is subject to District's approval to minimize impacts to the School operation. City will provide District with a minimum of fifteen days prior notice before construction commences.
4. FARM OPERATION AND MAINTENANCE – District shall have the exclusive right to make arrangements for the operation and maintenance of the Farm. District, through its arrangements with the Food Literacy Center, shall insure that members of the public, including residents of the Northwest Land Park development project, will have an opportunity to benefit from the educational component of the Farm operation by granting public access, such as an open house, to portions of the Farm

on days and hours as determined by the District. The Parties acknowledge that the Farm will be fenced and generally not open for unsupervised access by the public in order to protect the equipment and plantings from damage and to protect the public from harm.

5. FARM MAINTENANCE AND OPERATION COSTS – Although the City has established a maintenance assessment community facilities district that encompasses the Northwest Land Park development project and an allocation for park maintenance, which includes the off-site Farm and Community Garden, before the Farm commences operations, and before each fiscal year thereafter, the City and the District shall agree on a budget, subject to available funds described herein and subject to available District funds and budget constraints, to apportion for payment all operational and maintenance expenses, including utilities and staff costs associated with the Food Literacy Center, to support the Farm.
6. SALE OF FARM PRODUCE - The Parties acknowledge that the Farm is intended to educate students regarding agricultural, environmental protection, health and nutrition practices. City agrees that the produce from the Farm may be sold by the Food Literacy Center as long as the net sales proceeds are invested in the operation and maintenance of the Farm.
7. COMMUNITY GARDEN OPERATION AND MAINTENANCE - The Community Garden is intended to provide an opportunity for School teachers and students, School parents, and Northwest Land Park residents to engage in planting and harvesting produce for their own use. City will be responsible for the operation and maintenance of the Community Garden, and payment of all utility charges.

City agrees to provide a preference in allocating garden plots to School staff and parents, with at least half of the plots set-aside for registration by School users. If the School is not using all of their assigned garden plots, City will have the opportunity to assign the vacant/abandoned plots to members of the public for a one year term. All gardeners will be required to comply with City’s community garden rules, which include plant type restrictions, herbicide prohibition, and plot maintenance requirements.
8. INSURANCE AND INDEMNITY – District and City have entered into a Memorandum of Understanding (“MOU”) dated May 31, 2001 (City Agreement No. 2001-050), which provides for each party to maintain certain insurance coverages and to defend and hold harmless the other party for any liability caused by the negligence of their officers, agents or employees. The Parties agree to be bound by the terms of the MOU and to incorporate the indemnity provisions set forth in the MOU in this Agreement in the event that the MOU is ever terminated.
9. NAYLOR ACT WAIVER – City agrees that in consideration of the easement to be granted by District to City at no cost, City will not assert rights under the Naylor Act regarding acquiring the District property at less than fair market value if District

determines that the School site is surplus property. District is willing to enter into this Agreement under the express understanding that the easement will not create Naylor Act issues for District. Therefore, in consideration of District's permission to allow its property to be made available for public recreational use, City hereby waives any rights in the Easement Area (as defined in the attached Easement Deed) that may arise in the future under the Naylor Act.

If District ever determines that it would be in District's best interest to close the School and sell the parcel of land which includes the Easement Area, then either, at City's election: (i) the Easement Area shall be segregated from the remainder and City shall have the right to purchase the residual fee interest based on an appraisal, and continue to use the Easement Area for open space and recreational purposes; or (ii) City shall reconvey its interest in the Easement Area without any recourse of, or obligation to, District, including any obligation to remove any improvements on the Easement Area.

10. SIGNAGE - City may install directional and information signage within the Community Garden portion of the Easement Area without the prior written consent of District. Any signage to be placed outside of the Easement Area within the School property must be approved by District. City's signage shall post the hours that the Community Garden is open to the public, which is generally from sunrise to sunset. City will also post rules with regard to garden operations to prohibit use of radios or other audio equipment during School hours, as well as any other rules that the Parties mutually agree is needed to minimize disruption to School operations.
11. WAIVER - The waiver by either party of any breach of any term or condition in this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term or condition.
12. COMPLIANCE WITH ENVIRONMENTAL LAWS - City represents, warrants and covenants that City and its employees, agents and contractors will occupy and use the Easement Area in compliance with all applicable federal, state and local laws, ordinances and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment (collectively "Environmental Laws"). City will not permit any storage, release, or disposal of any hazardous material, as that term is defined in the Environmental Laws, on or within the Easement Area. City shall immediately notify District of any release of hazardous material in or around the Easement Area and shall take such necessary remediation measures at City's expense to the complete the remediation to the satisfaction of District.
13. NOTICES

All notices and demands required to be given between the Parties shall be in writing and transmitted by any of the following methods: (1) facsimile with proof of transmission; (2) overnight mail with proof of delivery; (3) email provided receipt is acknowledged; (4) personal delivery; (5) certified mail, return receipt requested; or

(6) by regular mail placed in the United States Mail, postage prepaid, and addressed as follows:

Notice to City:

City of Sacramento
Director, Department of Youth, Parks and Community Enrichment
New City Hall
915 I Street, 3rd Floor
Sacramento, CA 95814

Notice to District:

Sacramento City Unified School District
Superintendent
5735 47th Avenue
Sacramento, CA 95824

The Parties may designate other addresses by notice in writing.

14. NO JOINT VENTURE OR AGENCY

The Parties to this Agreement do not constitute a joint venture, partnership or association. It is understood and agreed that each Party is an independent contractor and neither Party, nor any of its employees or agents, shall be considered for any reason whatsoever to be employees of the other Party.

15. NO THIRD PARTY BENEFICIARIES

This Agreement is for the sole benefit of the Parties. Nothing set forth in this Agreement is intended to benefit or create any legal rights to any person not a party to this Agreement, including without limitation Developer.

16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties and supersedes any prior written or oral agreements between the Parties with respect to the matters contained herein.

17. AUTHORITY

Each of the signatories to this Agreement represents that he/she is authorized to sign the Agreement on behalf of such party and that all agency approvals, resolutions and consents which must be obtained to bind such party have been obtained that no further approvals, acts or consents are required to bind such party to this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

City of Sacramento

Sacramento City Unified School District

By: _____

By: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Senior Deputy City Attorney

By: _____
Legal Counsel

ATTEST:

By: _____
Assistant City Clerk

**SCHEDULE V
2021 CITY AMENDMENT**

**AMENDMENT TO LEATAATA FLOYD ELEMENTARY SCHOOL
FARM AND COMMUNITY GARDEN PROJECT AGREEMENT**

THIS FIRST AMENDMENT (“Amendment”) is made as of _____, 202_, by and between the SACRAMENTO CITY UNIFIED SCHOOL DISTRICT, a public school district (“District”) and the CITY OF SACRAMENTO, a municipal corporation (“City”) (collectively, the “Parties”).

Background

- A. On December 6, 2018, City and District entered into the Leataata Floyd Elementary School Farm and Community Garden Project Agreement (the “Principal Agreement”) which allowed for the City to use excess land at the school site to establish an urban farm and a community garden to benefit the residents within the Northwest Land Park development and the surrounding community, including the students who attend the school and their parents. On April 22, 2019, the District conveyed to the City an easement over the excess land. The easement provided that after the farm is constructed, the District would have the exclusive rights to operate and maintain the farm and that the City would fund a portion of the farm maintenance costs using the proceeds from the Northwest Land Park maintenance assessment district. However, the City has been unable to access the easement area to construct the farm and community garden due to District’s construction of the farm building for the school.
- B. The farm is to be developed as urban farm for the purpose of educating students about agriculture, environmental protection, health and nutrition. The District is constructing the farm building to use for processing the vegetables grown on the farm and for instruction on the benefits of a healthy diet. The District has made arrangements with Food Literacy Center, a non-profit corporation, for operation of the farm. Food Literacy Center intends to also use the farm to educate school parents and the larger community about how sustainable organic gardening provides health and nutrition benefits.
- C. The Principal Agreement provided that before the farm commences operation, and before each fiscal year thereafter, the City and District would agree on a budget, subject to each party’s funds and budget constraints, to apportion the payment for all operational and maintenance expenses, including utilities and staff costs associated with the Food Literacy Center, to support the farm. The Parties desire to specify the amount of payments to be made by City for the farm maintenance and the farm easement from the Northwest Land Park maintenance assessment district.

Agreement

NOW THEREFORE, it is mutually agreed between the Parties as follows:

1. **Allocation of Maintenance Assessment District Funds**

Section 5, Farm Maintenance and Operation Costs, of the Principal Agreement is amended to read in its entirety as follows:

“5. FARM MAINTENANCE AND OPERATION COSTS – The City has established a maintenance assessment community facilities district (CFD) that encompasses the Northwest Land Park development project. Included in the maintenance assessment is an allocation for park maintenance, which includes the off-site Farm and Community Garden, and payment for the easement.

City will pay the District \$26,300 (the “Farm Maintenance Fund”) on an annual basis after construction of the farm and community garden is completed. This amount will increase annually by the inflation index adopted when the CFD was established. Eligible Farm Maintenance Fund costs include (a) purchase of supplies (e.g., plants and seeds), equipment (e.g., hand tools), and equipment such as vehicles (e.g., tractor); (b) repair and replacement of irrigation systems, lighting, and fencing; (c) utility costs (e.g., water and power); and (d) staff costs for Farm operations and labor.

City will pay District \$82,500 for the Farm and Community Garden Easement (the “Easement Fee”) on an annual basis after District allows City access to the easement area to construct the farm and community garden. This amount is for District’s use to maintain the Farm Building or any other expense related to the school’s farm and nutrition program. This amount will increase annually by the inflation index adopted when the CFD was established.

The Setzer Family Foundation and Developer have established a fund in the amount of \$100,000 to be allocated for the Farm at \$20,000 per year. Funds are to be used to support the Farm operation and maintenance expenses during the first five years of operation which are not covered by the Farm Maintenance Fund, and for equipment and maintenance of the Farm Building.

If after expenditure of the Setzer Family Foundation grant, there are capital improvements needed for the Farm or the Farm Building or there are equipment and maintenance costs for the Farm or the Farm Building which are not covered by the CFD proceeds, the City and District shall meet to determine if there is additional funding available to cover such costs.

City will initiate collection of the CFD proceeds for the Easement Fee within six months after the City obtains access to the easement area, and for the Farm Maintenance Fund within six months after the Farm and Community Garden improvements have been completed. The Parties anticipate that there may be a shortage in the amount of the CFD proceeds for the initial year (FY 2021-22) due to the process for increasing the existing Northwest Land Park CFD assessment and collecting the proceeds on a semi-annual basis based on the tax collection schedule.

The District shall invoice City one-half of the Farm Maintenance Fund and the Easement Fee, respectively, in January and June each year at the time when the County Tax Collector distributes the CFD proceeds to the City. The District will

provide City with documentation of the Farm maintenance expenses incurred on an annual basis to verify use of the Farm Maintenance Fund proceeds. All costs associated with the operation and maintenance of the Community Garden shall be borne by the City.”

2. **Entire Agreement.** This Amendment constitutes the entire agreement, and supersedes any prior written or oral agreements, between the Parties with respect to the matters contained herein. All other terms and conditions of the Principal Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the day and year first written above.

City of Sacramento

Sacramento City Unified School District

By: _____
Mario Lara, Director
Youth, Parks, & Community Enrichment
For: Howard Chan, City Manager

By: _____
Name:
Title:

APPROVED AS TO FORM:

By: _____
Senior Deputy City Attorney

ATTEST:

By: _____
Assistant City Clerk