



# SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 12.1i

**Meeting Date:** December 14, 2023

**Subject:** **Approve Resolution No. 3369: Agreement for Termination of Leases and Quit Claim Deed for the Umoja International Academy HVAC Replacement Project**

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

**Division:** Business Services

**Recommendation:** Approve Resolution No. 3369: Agreement for Termination of Leases and Quit Claim Deed for the Umoja International Academy HVAC Replacement Project

**Background/Rationale:** On July 5<sup>th</sup>, 2022, the Sacramento City Unified School District (“District”) and CORE Construction, Inc. (“Developer”) executed the Site Lease and Facilities Lease for the Umoja International Academy HVAC Replacement Project (“Project”).

On or about September 14<sup>th</sup>, 2023, the District and Developer executed the Memorandum of Commencement Date under the Facilities Lease, acknowledging that (i) Developer had completed the construction of the Project, (ii) the District had accepted and entered into possession of the Project, (iii) the term for lease payments under the Facilities Lease would now commence.

The District has paid its obligations under the Facilities Lease in full, including paying the balance of the lease payments to Developer. Upon District’s payment in full, Developer has executed a Termination Agreement and Quitclaim Deed, which will terminate the Facilities Lease and Site Lease and releases Developer’s interests in the Project and site.

District staff ask that the Board approve, and authorize the Superintendent to execute, the Termination Agreement and Quitclaim Deed and the corresponding Certificate of Acceptance.

**Financial Considerations:** \$241,513.70 paid for the balance of the lease payments

**Documents Attached:**

1. Termination Agreement and Quit Claim Deed
2. Resolution Agreement for Termination of Leases and Quit Claim Deed
3. Agenda Item Resolution

**Estimated Time of Presentation:** N/A

**Submitted by:** Janea Marking, Chief Business & Operations Officer

Tina Alvarez Bevens, Contract Analyst

**Approved by:** Lisa Allen, Interim Superintendent

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

Sacramento City Unified School District  
5735 47<sup>th</sup> Avenue  
Sacramento, CA 95824  
Attention: Tina Alvarez-Bevens

(Recording Fee: Exempt  
under Section 27383 of  
the Government Code)

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TERMINATION AGREEMENT AND QUIT CLAIM DEED

THIS TERMINATION AGREEMENT AND QUIT CLAIM DEED (this "Agreement") dated as of December 14, 2023, is entered by and between the SACRAMENTO CITY UNIFIED SCHOOL DISTRICT, a political subdivision duly organized and existing under and by virtue of the laws of the State of California (the "District"), and CORE Construction, Inc. (the "Developer").

WITNESSETH

**WHEREAS**, District and Developer entered into a Facilities Lease, dated July 5<sup>th</sup>, 2022, as amended ("Facilities Lease") and a Site Lease, dated July 5<sup>th</sup>, 2022 ("Site Lease") for the construction of certain improvements by the Developer at the District's Umoja International Academy HVAC Replacement project ("Project"), located at 5301 N St, Sacramento, California 95819, as described in Exhibit A hereto and incorporated herein ("Project Site");

**WHEREAS**, under the terms of the Site Lease the District leased the Project Site to the Developer for the construction of the Project;

**WHEREAS**, under the terms of the Facilities Lease the District leased back the Project from the Developer and was obligated to make lease payments to the Developer for the lease of the Project;

**WHEREAS**, the District has paid its Project obligations in full which were secured by the lease payments payable under the Facilities Lease by making its final lease payment to the Developer and the District has paid all other amounts due or to become due with respect to the Facilities Lease;

**WHEREAS**, upon such payment in full, title to the Project leased under the Facilities Lease is to vest in the District and the Facilities Lease and the Site Lease are to terminate immediately upon such payment; and

**NOW THEREFORE**, in consideration of the mutual covenants herein contained and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District and the Developer do hereby agree as follows:

1. Termination of Leases. The District and the Developer do hereby unconditionally terminate the Facilities Lease, which pertains to that certain real property defined above as the Project Site, as more particularly described in the Facilities Lease and incorporated herein by reference. The District and Developer concurrently unconditionally terminate the related Site Lease, which pertains to that certain real property defined above as the Project Site, as more particularly described in the Site Lease and incorporated herein by reference. The District and the Developer agree that the District has fulfilled its obligations under the Facilities Lease and fee title to the Project and the Project Site leased thereunder is to vest in the District. The Developer and its successors and assigns shall be released from all obligations and liabilities as to the Project Site, the Facilities Lease and the Site Lease, whether arising or accruing prior to or following the date hereof, except for warranty, guarantee and latent defect obligations to the District. The Facilities Lease and the Site Lease shall no longer have any force or effect.

2. Quitclaim. The Developer does hereby remise, release and forever quitclaim the Project Site and the Project to the District.

3. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

4. Counterparts. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto and may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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

ACCEPTED AND AGREED on the first date indicated above.

**SACRAMENTO CITY UNIFIED SCHOOL DISTRICT**

**CORE Construction, Inc.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Janea Marking

Name: \_\_\_\_\_

Title: Chief Business & Operations Officer

Title: \_\_\_\_\_

**EXHIBIT "A"**  
**PROPERTY DESCRIPTION**

**Attached is the Legal Description for:**

**Umoja International Academy Reroofing and HVAC Replacement Project**

Recorded Address: **5301 N St. Sacramento, CA**

**95819** Physical Address: **5301 N St. Sacramento, CA**

**95819** APN: 008-0010-001-0000

D E S C R I P T I O N

All that certain real property situate in the City of Sacramento, County of Sacramento, State of California, particularly described as follows:-

Lots 15, 16, 17, 18, 19 and 20 as shown on the official "Plat of Smith Tract", recorded in the office of the County Recorder of Sacramento County, January 15, 1901, in Book 4 of Maps, Map No. 7.

Also all that portion of Lot 14 as shown on the official "Plat of Smith Tract", recorded in the office of the County Recorder of Sacramento County, January 15, 1901, in Book 4 of Maps, Map No. 7 lying South of the property conveyed by Josephine L. Tichacek, formerly Josephine L. Zurfluh, to City of Sacramento, a municipal corporation, by deed dated September 30, 1924, recorded October 4, 1924, in Book 695 of Deeds, page 424, described as follows: Beginning at a point on the Easterly line of Rodeo Way, in the City of Sacramento, distant South 19° 38' West 26.6 feet from the Northwest

corner of said Lot 14 of said Smith Tract; thence from the point of beginning South 70° 28' East 200.21 feet to the Northerly line of said Lot 14; thence South 62° 53' East 499.60 feet along the Northerly line of said Lot 14 of Smith Tract to the Westerly line of 54th Street; thence South 28° 13' West 32.96 feet along the Westerly line of said 54th Street; thence North 63° 08' West 342.25 feet; thence by a curve to the left having a radius of 475 feet and whose chord bears North 66° 48' West 60.75 feet; thence North 70° 28' West 287.96 feet to the Easterly line of said Rodeo Way; thence North 19° 38' East 50.00 feet to the point of beginning.

**California All-Purpose Certificate of Acknowledgment**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 202\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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 of Notary Public

**California All-Purpose Certificate of Acknowledgment**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 202\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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 of Notary Public

CERTIFICATE OF ACCEPTANCE

This Acceptance dated as of December 14, 2023, is executed by the SACRAMENTO CITY UNIFIED SCHOOL DISTRICT, a public school district duly organized and existing under and by virtue of the laws of the State of California (the "District").

In consideration of the covenants contained in the Termination Agreement and Quit Claim Deed and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District hereby accepts that certain real property and facilities located in the County of Sacramento, California, as more particularly described in that certain Termination Agreement and Quit Claim Deed dated as of the date hereof, by and between the District and CORE Construction, Inc.

IN WITNESS WHEREOF, the District has executed this Acceptance as of the date first written above.

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_

Name: Janea Marking

Title: Chief Business & Operations Officer



**RESOLUTION NO. 3369**

**RESOLUTION OF THE GOVERNING BOARD  
OF THE SACRAMENTO CITY UNIFIED SCHOOL DISTRICT  
TO ACCEPT AGREEMENT FOR TERMINATION OF LEASES  
AND QUIT CLAIM DEED**

**WHEREAS**, Sacramento City Unified School District ("District") and CORE Construction, Inc. ("Developer") entered into a Facilities Lease, dated July 5<sup>th</sup> 2022, as amended ("Facilities Lease") and a Site Lease, dated July 5<sup>th</sup>, 2022 ("Site Lease") for the construction of certain improvements by the Developer, known as Umoja International Academy HVAC Replacement Project ("Project"), located at 5301 N St, Sacramento, CA 95819 as described in Exhibit A to the Facilities Lease ("Project Site");

**WHEREAS**, under the terms of the Site Lease the District leased a portion of the Project Site to the Developer for the construction of the Project;

**WHEREAS**, under the terms of the Facilities Lease the District leased back the Project from the Developer and is obligated to make lease payments to the Developer for the lease of the Project;

**WHEREAS**, the District has paid its Project obligations in full which were secured by the lease payments payable under the Facilities Lease by making its final lease payment to the Developer, and the District has paid all other amounts due or to become due with respect to the Facilities Lease;

**WHEREAS**, upon such payment in full, title to the Project leased under the Facilities Lease is to vest in the District, and the Facilities Lease and the Site Lease are to terminate immediately upon such payment;

**WHEREAS**, the District and the Developer desire to unconditionally terminate the Facilities Lease, which pertains to the Project Site and to concurrently unconditionally terminate the related Site Lease, which also pertains to the Project Site; and

**WHEREAS**, the District and the Developer agree that the District has fulfilled its obligations under the Facilities Lease and that fee title to the Project and the Project Site leased thereby is to vest in the District.

**NOW, THEREFORE**, the Governing Board of the Sacramento City Unified School District hereby finds, determines, declares, orders, and resolves as follows:

**Section 1.** The above recitals are true and correct.

**Section 2.** The District hereby accepts and approves the Termination Agreement and Quit Claim Deed terminating the Facilities Lease and the Site Lease and conveying all of Developer's right, title and interest in the Project Site and the Project to the District.

**Section 3.** The District does hereby accept all of Developer's right, title and interest in the Project Site and the Project remised, released, quitclaimed and conveyed to the District by the Termination Agreement and Quit Claim Deed.

**Section 4.** The Superintendent and the Superintendent’s designees are authorized to take all steps and sign all documents necessary to effect the intent of this resolution, including but not limited to the Termination Agreement and Quit Claim Deed and the Certificate of Acceptance of the real property and facilities located in Sacramento County, California, as more particularly described in the Termination Agreement and Quit Claim Deed.

**IN WITNESS WHEREOF**, this resolution was approved and adopted by the Governing Board of the Sacramento City Unified School District this 14th day of December, 2023.

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
President of the Governing Board of the  
Sacramento City Unified School District

ATTEST:

\_\_\_\_\_  
Clerk of the Governing Board of the  
Sacramento City Unified School District

**BOARD AGENDA ITEM**

**DATE:** December 14, 2023

**ITEM NO.** 12.1i

**TOPIC: APPROVAL OF RESOLUTION NO. 3369 TO ACCEPT TERMINATION OF LEASES AND QUIT CLAIM DEED FOR THE UMOJA INTERNATIONAL ACADEMY HVAC REPLACEMENT PROJECT**

**DESCRIPTION:** On July 5<sup>th</sup>, 2022, the Sacramento City Unified School District ("District") and CORE Construction, Inc. ("Developer") executed the Site Lease and Facilities Lease for the Umoja International Academy HVAC Replacement Project ("Project").

On or about September 14<sup>th</sup>, 2023, the District and Developer executed the Memorandum of Commencement Date under the Facilities Lease, acknowledging that (i) Developer had completed the construction of the Project, (ii) the District had accepted and entered into possession of the Project, (iii) the term for lease payments under the Facilities Lease would now commence.

The District has paid its obligations under the Facilities Lease in full, including paying the balance of the lease payments to Developer. Upon District's payment in full, Developer has executed a Termination Agreement and Quitclaim Deed, which will terminate the Facilities Lease and Site Lease and releases Developer's interests in the Project and site.

District staff ask that the Board approve, and authorize the Superintendent to execute, the Termination Agreement and Quitclaim Deed and the corresponding Certificate of Acceptance.

**FISCAL IMPACT:** \$241,513.70 paid for the balance of the lease payments.

**RECOMMENDATION:** It is recommended that the Board approve and adopt Resolution No. 3369 to Accept Termination of Leases and Quit Claim Deed for the Umoja International Academy HVAC Replacement Project.

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**Janea Marking**  
**Chief Business and Operations Officer**