

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
)
Office of the City Attorney)
City of Redwood City)
P.O. Box 391)
Redwood City, CA 94064)
APN: 052-367-010)

(Space Above Line for Recorder's Use)

**COOPERATIVE AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND
THE CITY OF REDWOOD CITY FOR PRESERVATION OF THE HISTORIC
COUNTY COURTHOUSE BLOCK, REMOVAL OF THE SOUTH ANNEX,
RECONSTRUCTION OF THE COURTHOUSE FAÇADE AND CREATION OF A
COURTHOUSE PLAZA, AND GRANT OF EASEMENT AND LICENSE**

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THIS COOPERATIVE AGREEMENT is made and entered into this ____ day of _____, 2005 (the "Cooperative Agreement"), by and between the County of San Mateo, a political subdivision of the State of California ("County"), and the City of Redwood City, a charter city and municipal corporation of the State of California ("City") (jointly, the "Parties" or individually, a "Party").

THIS COOPERATIVE AGREEMENT IS MADE IN LIGHT OF THE FOLLOWING FACTS:

- A. There exists a historic County courthouse (the "Courthouse"), completed in 1910, on a block of land bounded by Broadway, Hamilton, Marshall and Middlefield Streets (the "Courthouse Block") in the downtown area of the City, as reflected in the area map attached hereto as Exhibit "A";
- B. In 1939, the southern façade of the Courthouse was removed and an annex (the "South Annex") was constructed in front of, and connected to, the Courthouse;
- C. In 1941, a second annex (the "North Annex") was constructed in the rear of, and connected to, the Courthouse;
- D. The Courthouse Block and all the structures on it, which are legally described in Exhibit "B" attached hereto, are owned by the County;
- E. The Courthouse, which is no longer utilized for regular court functions, is being leased by the San Mateo County Historical Association (the "Association") as a museum (the "County Museum") pursuant to an agreement (the "County Museum Agreement") dated March 21, 1995, between the County and the Association;
- F. In order to preserve and enhance the Courthouse and the Courthouse Block as an important community asset, and to create a community gathering place for the people of the County, the City proposes to remove the South Annex, reconstruct the historic southern façade of the Courthouse, and create a public plaza (the "Courthouse Square") in front of the Courthouse, all of which work is more particularly described in Exhibit "C" hereto, and which shall be referred to hereinafter as the "Project". The Project shall be completed in accordance with the plans and specifications on file with and approved by the City, which are dated March 2, 2005 (the "Plans"), which were prepared by DES Architects and Engineers (the "Architect");
- G. In order to assist the City in undertaking the Project, which will benefit all the Parties and all residents of the County, as well as assist in developing an active and successful downtown in the City, the County joins with the City in this Cooperative Agreement to

state the terms on which the Courthouse, the Courthouse Block and the Courthouse Square will be reconstructed, preserved, enhanced and operated as a community resource for the long-term future;

- H. The County, which has sole ownership, custody and control of the Courthouse Block, subject only to the provisions of the County Museum Lease, seeks to have the Courthouse Block become a vital and vibrant public gathering space which may be used and enjoyed by the public;
- I. The Parties understand, acknowledge and agree that the Project cannot occur nor can the Courthouse Block be maintained for public benefit without the full ongoing cooperation and assistance of the Parties; and
- J. The Parties desire to continue their longstanding history of cooperation and collaboration on projects of mutual benefit by entering into this Cooperative Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS CONTAINED HEREIN, the Parties agree as follows:

Section 1. Vision.

1.0 The purpose of this Cooperative Agreement is to implement the following vision (the "Vision"):

The historic Courthouse Block is a unique community asset and gathering place which must be preserved. The County Museum is an integral part of the Courthouse Block, and the City and the County value and support the long-term success of the County Museum. The City and the County share the desire that the Courthouse Block, including the reconstructed historic Courthouse and an open plaza, be preserved as a unique community asset for the benefit of all of the residents of the County.

1.1 The Parties agree on the Vision and further agree to work cooperatively together to implement it.

Section 2. Implementation of the Project.

2.1 To implement the Project and the Vision, the Parties agree that the Courthouse, once reconstructed, and the Courthouse Square, once constructed, will be preserved and utilized as unique community assets and to provide a community gathering place for the use of all the residents of the County. In order to implement the terms and spirit of this Cooperative Agreement and to foster the Vision, the County hereby rents the Courthouse Square to the City for the Term of this Cooperative Agreement, including any extensions thereof, for the sum of One Dollar (\$1.00). The Courthouse Square shall be used, notwithstanding any language in this Cooperative Agreement to the contrary, solely as a public plaza.

2.2 The City agrees that it will invest approximately Nine Million Dollars (\$9,000,000) in implementing the Project, including removal of the South Annex, reconstruction of the historic Courthouse façade and construction of Courthouse Square. It is recognized by the Parties that the exact amount to be expended by the City cannot be known until final designs have been approved and bids have been received. In the event that the final cost of the Project is determined to exceed the foregoing amount, the City will make good faith efforts to locate additional funding. If it cannot do so on terms acceptable to it, the City will be excused from further performance of this Cooperative Agreement without liability or penalty. The County acknowledges that the City, either on its own or through its redevelopment agency or public facilities financing authority, has issued or may issue obligations the interest on which is excluded from gross income for federal income tax purposes (the “Bonds”) to finance all or a part of the Project. The County agrees that it will not sell its fee interest in all or portions of the Courthouse Block to a non-governmental entity without coordinating with the City to minimize or eliminate any adverse impact on the tax-exempt status of the interest on the Bonds.

2.3 The County hereby grants and conveys to the City an exclusive easement (the “Easement”) to construct the Project, and to operate, maintain and use a public plaza, together with any and all appurtenances connected therewith and rights incidental thereto, on, over and across the area shown in Exhibit “D” and more specifically described in Exhibit “E” (the “Easement Area”), subject only to the terms of this Cooperative Agreement.

2.3.1 The Easement Area shall be preserved by the City as an open plaza available for public use and community gathering for all of the residents of the County. The County, subject to the provisions of Section 2.2, agrees to maintain the Courthouse, a necessary element for the success of the Courthouse Square, as a facility for public access and use that facilitates the use of the Courthouse Square as a unique public space.

2.3.2 The City shall be entitled to enter upon the Easement Area at all times during the Term of this Cooperative Agreement for the purposes of operating, maintaining and repairing the Easement Area, including, without limitation, all public improvements, utilities and landscaping located thereon.

2.3.3 The Easement includes such appurtenant rights as are necessary to make the Easement effective for the purposes described herein.

2.3.4 The Easement shall be in effect for the full Term of this Agreement, including extensions, and may not be revoked during that period except in the case of a default by the City under the terms of this Cooperative Agreement or as otherwise specifically set forth herein.

2.3.5 The County hereby reserves unto itself, its administrators, representatives, successors and/or assigns, the right to enter upon and use the Easement Area for the purposes of access to the portion of the Courthouse Block that is not within the Easement Area (the “Northern Portion”) and for operation, maintenance, construction in, on or about the Northern Portion, and any and all appurtenances connected therewith and rights incidental thereto. In exercising its reserved rights as provided in this section, the County

agrees that if its entry upon or use of the Easement Area would interfere with or adversely affect any use, event or activity located on or being conducted in the Easement Area, it will confer with the City and will exercise its reserved rights in such a way as to minimize any such effect.

2.4 In addition to the Easement hereby granted, the County hereby grants to the City, and to its employees, agents, representatives, contractors and subcontractors, without charge or fee whatsoever, an occasional, temporary and recurring license (the “License”) to enter upon (i) the interior of the Courthouse and other structures located on the Courthouse Block, and (ii) such other areas of the Courthouse Block as are reasonably necessary to complete the Project and to operate, maintain and use a public plaza in, on and over the Easement Area, (all of which areas are hereinafter referred to as the “License Area”), for the following purposes:

2.4.1 The City may enter upon the License Area to demolish the existing South Annex and to reconstruct the facade of the Courthouse, together with such related or necessary work as is required for such purposes.

2.4.2 The City may enter upon the License Area to cause the construction of the Courthouse Square, including, without limitation, the installation of utilities, lighting and related landscaping. All of such work shall be done in accordance with the Plans.

2.4.3 Under the License, the City may take all reasonably necessary steps to complete the Project on the Courthouse Block as provided in this Cooperative Agreement. The Parties acknowledge that the work associated with the Project will involve some inconvenience to and/or disturbance of the Association’s activities. The City agrees to work cooperatively with the Association in order to minimize such effects.

2.4.4 The cost of any work undertaken by the City under this License shall be solely that of the City, and the County shall have no liability for payment thereof.

2.4.5 This License includes such appurtenant rights as are necessary to make the License effective for the purposes described in this Cooperative Agreement.

2.4.6 Except in the event of an emergency, the City shall give the County and any other occupant of the License Area not less than three (3) business days prior written notice before commencing any use of the License Area under the License.

2.4.7 To the extent reasonably and legally feasible, the City shall restore any portions of the License Area that may be physically damaged by the City to essentially the same condition that existed prior to entry under the License. It is understood that the City shall exercise reasonable care to avoid damage to the License Area while performing such work.

2.5 The City will construct the Project in accordance with the Plans, and in compliance with the City’s codes and regulations. The County agrees that the City shall not be required to obtain any building or use permit from the County in order to undertake the

construction of public improvements or the installation and maintenance of landscaping on County property necessary to implement this Cooperative Agreement, or as necessary for the long term operation and maintenance of the Easement Area. The County agrees that the City shall, as between the Parties, have all rights and/or obligations regarding the issuance or obtaining of rights, approvals or entitlements to do the work or perform the services as set forth in this Cooperative Agreement. The County agrees that construction in accordance with the City's codes and regulations, and all applicable State and Federal laws, codes and regulations, shall constitute compliance with the County's rules, regulations, ordinances and/or resolutions. The City will undertake all required environmental review and approvals and shall be considered the lead agency for that purpose.

2.6 The Parties acknowledge that utilities, including electrical, water and sewer, must be provided to the Courthouse Square by the City. All of the utilities to the Courthouse Square shall be installed by the City as independent service to the Courthouse Square, and shall be separately metered. The City shall pay the cost of such installation and during the Term shall pay the charges for such separately metered service to the Courthouse Square as such charges become due.

2.7 The Parties acknowledge that the County is in the process of renegotiating the County Museum Lease, the term of which is intended to closely parallel this Cooperative Agreement. In the event that the County Museum ceases to operate in the Courthouse, the Parties acknowledge that the County may utilize the Courthouse for other County purposes, subject to the provisions of Section 2.2 hereof. In the event that the County determines to permit the use of the Courthouse for non-County purposes, the County agrees that the City will be afforded the first opportunity for the use of the Courthouse, on terms agreeable to the Parties. In the event that the City does not exercise this right and the County subsequently receives an offer to use the Courthouse for a non-County use, the City will be afforded a right of first refusal to utilize the Courthouse on the same terms and conditions. Notice of any such third party use shall be given by the County to the City in accordance with Section 9 of this Cooperative Agreement and the City shall then have 60 days to exercise its right of first refusal.

Section 3. Maintenance Obligations.

3.1 Upon completion of the Project, the City will, at its own expense, manage, operate, maintain and repair the Easement Area for the Term.

3.2 The County will continue to have responsibility for the maintenance and repair of all portions of the Courthouse Block which are not included in the Easement Area, including, without limitation, the exterior and interior of the Courthouse (including the restored façade, subject to Section 3.2.1), the North Annex and the parking lot. Nothing contained in this Cooperative Agreement shall be interpreted as imposing on the City any of the County's obligations under the County Museum Lease.

3.2.1 The County will be responsible for the maintenance and repair of the restored Courthouse façade only when the work to be performed by the City has been completed, including punch list items, and accepted in writing by the County ("Final Acceptance"). In

determining Final Acceptance, the County may require the written certification of the Architect that the restoration has been completed in accordance with the Plans to the extent necessary to enable the Association to occupy the Courthouse pursuant to the terms of its lease, use the restored entry and conduct its normal business operations therein without significant impairment or interference. The County shall not unreasonably withhold a determination of Final Acceptance. Final Acceptance shall not constitute a waiver of any latent defects. The City shall cooperate with the County to ensure that any construction warranties associated with the Project inure to the benefit of the County.

Section 4. Term.

4.1 The Parties intend that this Cooperative Agreement shall be effective from the date first written above (which is intended to be the date on which the legislative bodies of each of the Parties has approved the Cooperative Agreement) and shall continue for a period of fifty-five (55) years. At the end of said initial 55-year period, this Cooperative Agreement shall be automatically renewed on the same terms and conditions without further action of the Parties for an additional ten (10) year term, unless earlier terminated pursuant to Section 11 or 15 below. Thereafter, each ten years for an additional 30 years, this Cooperative Agreement shall be automatically renewed, on the same terms and conditions, without further action of the parties, unless earlier terminated pursuant to Section 11 or 15 below. The intent is that there are a total of 4 ten-year renewals each with its own renewal date. This Cooperative Agreement shall be binding upon execution by the Parties. All periods during which this Cooperative Agreement is in effect, including the original term and all extensions, shall be referred to herein as the "Term."

Section 5. Reserved.

Section 6. Management and Operation of Courthouse Square.

The City shall have the right to operate the Courthouse Square as a public plaza. In doing so, the City shall have the right to make determinations regarding the management and operation of the Courthouse Square in its sole discretion, save that the City shall not discriminate against non-City residents from other areas of the County. It is the intent of this section that the City shall have such authority and powers as are necessary to (i) carry out the intent of this Cooperative Agreement, (ii) manage and operate a public plaza, and (iii) implement the Vision, including, without limitation, the issuance or denial of permanent or temporary permits for vendors, the approval or denial of private or public events, the right to charge for events and to limit attendance, and the right to set hours or other conditions for use. It is acknowledged that the Courthouse Square is subject to the general application of the City's ordinances, including, without limitation, such ordinances as may exist from time to time regarding loitering, solicitation, noise or public intoxication.

Section 7. Waiver of Claims; Indemnification.

7.1 Limitation on County's Liability; Waiver of Claims. Except as expressly provided under this Agreement, the County shall not be responsible for or liable to the City, and

the City hereby assumes the risk of, and waives and releases the County and its Agents (as defined below) from all Claims (as defined below) for, any injury, loss or damage to any person or property in or about the Easement Area by or from any cause whatsoever, excluding willful misconduct or gross negligence by the County or its Agents, but including, without limitation, (i) theft, (ii) explosion, fire, steam, oil, electricity, water, gas or rain, pollution or contamination (other than pollution or contamination existing on the Easement Area prior to the commencement of the Easement), (iii) construction defects in the Project, and (iv) any other acts, omissions or causes. Nothing herein shall relieve the County from liability caused solely and directly by the gross negligence or willful misconduct of the County or its Agents, but the County shall not be liable to the City under any circumstances for any punitive damages. As used herein, the term "Agent" or "Agents" shall mean all persons acting on behalf of or at the direction of a Party.

7.2 City's Indemnity. The City, on behalf of itself and its successors and assigns, shall indemnify, defend and hold harmless ("Indemnify") the County including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, and all of its respective Agents, and their respective heirs, legal representatives, successors and assigns (individually and collectively, the "County Indemnified Parties"), and each of them, from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including, without limitation, direct and vicarious liability of every kind (collectively, "Claims"), incurred in connection with or arising in whole or in part from: (a) any accident, injury to or death of a person, including, without limitation, employees of the City, or loss of or damage to property, howsoever or by whomsoever caused, occurring in or about the Easement Area; (b) the use or occupancy or manner of use or occupancy of the Easement Area by the City, its Agents or invitees or any person or entity claiming through or under any of them; (c) the condition of the Easement Area; (d) any construction or other work undertaken by City on the Easement Area, whether before or during the Term of this Cooperative Agreement; or (e) any acts, omissions or negligence of the City, its Agents or invitees, in, on or about the Easement Area, all regardless of the active or passive negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on, the County Indemnified Parties, except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Cooperative Agreement and further except only such Claims as are caused exclusively by the willful misconduct or gross negligence of the County Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and the County's costs of investigating any Claim. The City specifically acknowledges and agrees that it has an immediate and independent obligation to defend the County from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to the City by the County and continues at all times thereafter. The City's obligations under this Section shall survive the termination of the Cooperative Agreement.

7.3 County's Indemnity. The County, on behalf of itself and its successors and assigns, shall Indemnify the City, including, but not limited to, its Council, boards, commissions, departments, agencies and other subdivisions, and all of its respective Agents, and their respective heirs, legal representatives, successors and assigns (individually and collectively, the

“City Indemnified Parties”), and each of them, from and against any and all Claims incurred in connection with or arising in whole or in part from the condition of the Easement Area prior to the commencement of the Easement, including, without limitation, Claims arising from soil contamination, underground tanks or other forms of pollution or hazardous condition of the Easement Area existing prior to the commencement of the Easement. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and the City’s costs of investigating any Claim. The County specifically acknowledges and agrees that it has an immediate and independent obligation to defend the City from any claim which actually or potentially falls within this Indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to the County by the City and continues at all times thereafter. The County’s obligations under this Section shall survive the termination of this Cooperative Agreement.

Section 8. Insurance

8.1 City's Insurance. The City, at its sole cost, shall procure and keep in effect at all times during the Term insurance for the Easement Area in the form and amounts and under the terms and conditions specified in this Agreement and consistent with prudent risk management standards in effect for public entities as such standards may exist from time-to-time during the Term. At all times during implementation of the Project, including removal of the South Annex, reconstruction of the historic Courthouse façade and construction of Courthouse Square, the City shall require all contractors and subcontractors to procure and keep in effect at all times liability and auto insurance in an amount of not less than \$3,000,000 per incident, and workers compensation insurance of not less than \$1,000,000. The County shall be named as additional insured under all such policies.

8.2 City's Personal Property. The City shall be responsible, at its expense, for separately insuring the City's personal property.

8.3 County's Self Insurance. The City acknowledges that the County self-insures against casualty, property damage and public liability risks and agrees that the County may at its sole election, but shall not be required to, carry any third party insurance with respect to the Easement Area or otherwise.

8.4 Waiver of Subrogation Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance, the County and the City each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance covering the Easement Area or any portion thereof, for any loss or damage maintained by such other party with respect to the Easement Area or any portion thereof or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Easement Area or this Agreement carried by either Party does not permit the foregoing waiver or if the coverage under any such policy would be invalidated due to such waiver, said Party shall obtain, if possible, from the insurer under such policy a waiver of all rights of subrogation the insurer might have against the other Party or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

Section 9. Notices.

The names and addresses of the persons who are authorized to give written notice or to receive written notice on behalf of each of the Parties under this Cooperative Agreement are as follows:

City: City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063
Attn: City Manager
(650) 780-7300

With a Copy to: Office of the City Attorney
City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063
(650) 780-7200

County: County of San Mateo
400 County Center
Redwood City, CA 94063
Attn: County Manager
(650) 363-4123

With a Copy to: The Office of County Counsel
400 County Center, 6th Floor
Redwood City, CA 94063
(650) 363-4250

Except as otherwise stated, all notices to be provided or that may be provided hereunder must be in writing and delivered by regular or certified mail. Each Party will notify the other immediately of any changes of address that would require any notice or delivery to be directed to another address.

Section 10. Discrimination and Harassment Prohibited.

Each of the Parties will comply with all applicable local, state and federal laws and regulations prohibiting discrimination and harassment.

Section 11. Termination; Notice of Termination.

This Cooperative Agreement may be terminated as of any renewal date by any Party by giving written notice to the other Party one (1) year prior to such renewal date. The termination shall be authorized by majority vote of the governing board of the terminating Party after a

public hearing with 30 days advance written notice to the other Party and to the Association, if the Association is still a tenant in the Courthouse at the time the notice is given.

Section 12. Eminent Domain.

Each of the Parties hereto covenants and agrees that it will not use its powers of eminent domain to condemn any interest of the other Party in the Courthouse Block.

Section 13. Hazardous Materials.

13.1 Definitions

13.1.1 “Environmental Laws” shall mean any present or future federal, state, local or administrative law, rule, regulation, order or requirement relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage), or to health and safety, industrial hygiene or the environment, including, without limitation, soil, air and groundwater conditions.

13.1.2 “Hazardous Material” shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local government authority to pose a present or potential hazard to human health, welfare or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a “hazardous substance,” “pollutant” or “contaminant” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”, also commonly known as the “Superfund” law), as amended (42 U.S.C. Sections 9601 et seq.) or pursuant to 25316 of the California Health & Safety Code; any “hazardous waste” as listed pursuant to Section 25140 of the California Health & Safety Code; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids.

13.1.3 “Investigate and Remediate” (“Investigation” and “Remediation”) shall mean the undertaking of any activities to determine the nature and extent of Hazardous Material that may be located in, on or about the Courthouse Square or that has been, are being or threaten to be Released into the environment, and to clean up, remove, contain, treat, stabilize, monitor or otherwise control such Hazardous Material.

13.1.4 “Release” when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside the Courthouse Square, or in, on, under or about any part thereof or into the environment.

13.2 If any act or omission of either Party, or its agents, tenants or invitees, results in the Release of Hazardous Material in, on, under or about the Courthouse Square in violation of any applicable Environmental Laws, then the responsible Party shall, on behalf of itself and its successors and assigns, indemnify, hold harmless and defend the other Party, including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions,

including without limitation, all of its agents, and their respective heirs, legal representatives, successors and assigns, and each of them, from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including, without limitation, direct and vicarious liability of every kind (including, without limitation, damages for decrease in value of the Courthouse Square, the loss of usable space or of any amenity of the Courthouse Square and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees and costs) arising during or after the Term and relating to such Release. The foregoing indemnity includes, without limitation, costs incurred in connection with the activities undertaken to Investigate and Remediate Hazardous Material and to restore the Courthouse Square to its prior condition, fines and penalties assessed for the violation of any applicable Environmental Laws, and any natural resource damage. Without limiting the foregoing, if the responsible Party, or any of its agents or invitees, causes or permits the Release of any Hazardous Material in, on or about the Courthouse Square, the responsible Party shall immediately and at no expense to the other Party take any and all appropriate actions to return the Courthouse Square affected thereby to the condition existing prior to such Release and otherwise Investigate and Remediate the Release in accordance with all Environmental Laws. The responsible Party specifically acknowledges and agrees that it has an immediate and independent obligation to defend the other Party from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time the claim is tendered to the responsible Party by the other Party and continues at all times thereafter. The responsible Party shall afford the other Party a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise or proceeding involving Hazardous Material. The Parties' obligations under this Section shall survive the termination of this Cooperative Agreement.

Section 14. Assignment and Subletting.

14.1 The City may not assign its obligations under this Cooperative Agreement without the consent of the County. The City may, however, sublet any or all portions of the Courthouse Square without obtaining the consent of the County for the purposes of maintaining the Courthouse Square as a public plaza, including subleases or licenses to vendors or activity sponsors and for such other purposes as the City deems advisable in order to further the use of the Courthouse Square as a community gathering place. If the City enters into an assignment or a full sublease of all of its interests in and obligations as to the Easement Area, it shall give written notice (a "Notice of Transfer") to the County of its intention to do so at least fifteen (15) days prior to entering into such agreement. The Notice of Transfer shall identify the transferee and state the terms and conditions of the assignment or sublease.

14.2 No sublease or assignment by the City nor any consent by the County thereto shall relieve the City of any obligation to be performed by the City under this Cooperative Agreement. Any sublease or assignment not in compliance with this Section shall be void and, at the County's option, shall constitute a material default by the City under this Cooperative Agreement. The recognition of any transferee by the County shall not constitute a waiver by the County of any failure by the City or other transferee to comply with this Section. If there is an assignment or sublet, whether in violation of or in compliance with this Section, in the event of

default by any transferee, or any successor of the City, in the performance of observance of any of the terms of this Cooperative Agreement or any sublease or assignment agreement, the County may proceed directly against the City without the necessity of exhausting remedies against such transferee or successor.

14.3 Each transferee under an assignment or a sublease (other than the permitted subleases or licenses referenced in Section 14.1) shall assume all obligations of the City under this Cooperative Agreement and shall be liable jointly and severally with the City for all of the terms, covenants and conditions to be performed on the City's part hereunder. No assignment shall be binding on the County unless the City or the transferee has delivered to the County a counterpart of the assignment and an instrument in recordable form that contains a covenant of assumption by such transferee in form and substance satisfactory to the County. However, the failure or refusal of such transferee to execute such instrument of assumption shall not release such transferee from its liability as set forth above. The City shall reimburse the County on demand for any reasonable costs that may be incurred by the County in connection with any proposed sublease or assignment, including, without limitation, the costs of making investigations as to the acceptability of the proposed transferee and legal costs incurred in connection with the granting of any requested consent.

14.4 The City shall cause any transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Cooperative Agreement. The City shall indemnify the County for any and all losses arising out of any relocation assistance or benefits required by law to be paid to any transferee.

Section 15. Default; Remedies.

15.1 A Party shall be in default of this Cooperative Agreement (an "Event of Default") upon its failure to comply with any covenant, condition or representation made under this Cooperative Agreement if such failure continues for thirty (30) days after the date of written notice by the non-defaulting Party, provided that if such default is not capable of cure within said 30 day period, the defaulting Party shall have a reasonable period of time to complete such cure if the defaulting Party undertakes action to cure such default with such 30 day period and thereafter diligently prosecutes the same to completion. A Party shall also be in default of this Cooperative Agreement upon the appointment of a receiver to take possession of all or substantially all of the assets of the defaulting Party, or an assignment by the defaulting Party for the benefit of creditors, or any action taken or suffered by the defaulting Party under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted, if any such receiver, assignment or action is not released, discharged, dismissed or vacated with sixty (60) days.

15.2 Upon the occurrence of an Event of Default by the City, the County shall have the following remedies, which shall not be exclusive but shall be cumulative and shall be in addition to any other remedies now or hereafter allowed by law or in equity:

15.2.1 The County may terminate the City's right to possession of the Courthouse Square at any time by written notice to the City. No other act of the County,

in the absence of such written notice, shall constitute an acceptance of the City's surrender of the Courthouse Square or constitute a termination of this Cooperative Agreement.

15.2.2 Upon such termination in writing, the County shall be entitled to recover possession of the Courthouse Square and to recover damages from the City for (i) the reasonable costs of recovering possession of the Courthouse Square, (ii) the reasonable cost of removing the City's personal property from the Courthouse Square, and (iii) such other amounts in addition to or in lieu of the foregoing as permitted from time to time by applicable law, including without limitation any other amount necessary to compensate the County for the detriment proximately caused by the City's failure to perform its obligations under this Cooperative Agreement which in the ordinary course of things would be likely to result therefrom.

15.2.3 The County may require the City to remove any and all alterations from the Courthouse Square, or, if City fails to do so within ten (10) days after the County's request, the County may do so at the City's expense.

15.2.4 The City hereby waives, for itself and all other persons claiming by and under the City, all rights and privileges which it might have under any present or future legal requirement to redeem the premises or to continue this Cooperative Agreement after being dispossessed or ejected from the Courthouse Square.

15.2.5 If the City defaults in the performance of any of its obligations under this Cooperative Agreement, then the County may, at its sole discretion, remedy such default for the City's account and at the City's expense by providing the City with three (3) days prior written notice of the County's intention to cure such default (except that no such prior notice shall be required in the event of an emergency as reasonably determined by the County). Such action by the County shall not be construed as a waiver of such default or any rights or remedies of the County, and nothing herein shall imply any duty of the County to do any act that the City is obligated to perform. The City shall pay to the County on demand all costs, damages, expenses, or liabilities incurred by the County in remedying or attempting to remedy such default. The City's obligations under this Section shall survive the termination of this Cooperative Agreement.

15.3 Upon the occurrence of an Event of Default by the County, the City shall have all rights and remedies available in law or equity, including injunctive or declaratory relief, as well as a suit for damages incurred by the City. The City may, at its sole option, remedy a default by the County for the County's account and at the County's expense by providing the County with three (3) days prior written notice of the City's intention to cure such default (except that no such prior notice shall be required in the event of an emergency as reasonably determined by the City). Such action by the City shall not be construed as a waiver of such default or any rights or remedies of the City, and nothing herein shall imply any duty of the City to do any act that the County is obligated to perform. The County shall pay to the City on demand all costs, damages, expenses, or liabilities incurred by the City in remedying or attempting to remedy such default.

The County's obligations under this Section shall survive the termination of this Cooperative Agreement.

15.4 Notwithstanding any language in this Cooperative Agreement to the contrary, in the event of a dispute between the Parties, including disputes which result in mediation, arbitration or litigation, there shall be no award of attorneys' fees to either Party.

Section 16. Earthquake Damages.

In the event that the Courthouse Square is damaged by an earthquake and the City fails or refuses to restore it, the County may terminate this Cooperative Agreement. If the Courthouse is damaged by an earthquake, the County will restore it to the extent covered by insurance. To the extent that such damage is not covered by insurance, the County will restore the Courthouse if funding is available, and the County and the City will meet and confer to seek to find funding sources.

Section 17. Jurisdiction and Venue.

Any action at law or in equity brought by any of the Parties for the purpose of enforcing a right or rights provided for by this Cooperative Agreement will be tried in a court of competent jurisdiction in the County of San Mateo, California, and the Parties hereby waive all provisions of law providing for a change of venue in these proceedings to any other county.

Section 18. Successors and Assigns.

It is mutually understood and agreed that this Cooperative Agreement will be binding upon the Parties and their respective successors and assigns.

Section 19. Section Headings.

Section headings as used herein are for convenience only and will not be deemed to be a part of the text of such sections and will not be construed to change the meanings thereof.

Section 20. Entire Agreement.

This Cooperative Agreement, together with any other written document referred to or contemplated by it, embodies the entire agreement and understanding between the Parties relating to the subject matter of it. Neither the Cooperative Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by the Parties.

Section 21. Incorporation of Exhibits.

Each Exhibit referenced in this Cooperative Agreement shall be deemed incorporated herein by reference.

Section 22. No Presumption Against Drafter.

Both of the Parties were fully represented by counsel and participated in the drafting of this Cooperative Agreement, and, accordingly no presumption shall be applied against either Party concerning the interpretation of this Cooperative Agreement on the basis that said Party is the drafter hereof.

Section 23. Execution of Counterparts.

The Parties may execute counterparts of this Cooperative Agreement, which taken together shall be considered one and the same agreement.

[Signatures appear on following page]

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

COUNTY: COUNTY OF SAN MATEO

By: _____
Richard S. Gordon
President of the Board of Supervisors

Attest:

Clerk of the Board

CITY: CITY OF REDWOOD CITY

By: _____
Ed Everett, City Manager

Attest:

Patricia Howe, City Clerk

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California)

County of _____)

On _____, before me, _____,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared _____,
Name(s) of Signer(s)

- personally known to me
- 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.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

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: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name _____

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

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California)

County of _____)

On _____, before me, _____,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared _____,
Name(s) of Signer(s)

- personally known to me
- 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.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

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Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name _____

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

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer is Representing: _____

EXHIBIT "A"

AREA MAP

EXHIBIT "B"

LEGAL DESCRIPTION
OF COURT HOUSE BLOCK

All that certain real property situate in the City of Redwood City, County of San Mateo, State of California, described as follows:

All of Block 3, Range "B" as designated on the map entitled "Town of Mezesville", which map was filed in the Office of the Recorder of the County of San Mateo, State of California, on August 1, 1856, in Book 1 of Maps at Page 79.

APN: 052-367-010

EXHIBIT “C”

DESCRIPTION OF PROJECT

The City shall, at its sole cost and expense, demolish and remove the South Annex, reconstruct the historic southern façade of the Courthouse, and create a public plaza in front of the Courthouse, all of which work shall be performed in accordance with the Plans. The Project includes, without limitation, the following:

1. Demolition and removal of the South Annex.
2. Reconstruction of the entry-way and parapets of the southern Courthouse façade.
3. Removal, as needed, of any public improvements existing in, on or about the Courthouse Square.
4. Construction of a public plaza, and the modification and upgrade of existing landscaping within the Easement Area consistent with the Plans.

EXHIBIT "D"

MAP OF EASEMENT AREA

EXHIBIT "E"

LEGAL DESCRIPTION OF EASEMENT AREA

Easement Area

The following described portion of that certain property described in the Deed recorded January 26, 1966, in Volume 5101 at Page 628, Official Records of San Mateo County more particularly described as follows:

Beginning at the southeasterly corner of Block 3, Range "B" as designated on the map entitled "Town of Mezesville", which map was filed in the Office of the Recorder of the County of San Mateo, State of California, on August 1, 1856, in Book 1 of Maps at Page 79, Thence from said Point of Beginning southwesterly along the southerly line of said Block, South $86^{\circ} 30' 00''$ West 199.99 feet (called 200 feet on said map) to the southwesterly corner of said block; Thence North $03^{\circ} 29' 27''$ West (called North $03^{\circ} 30' 00''$ West on said map) along the westerly line of said block 238.51 feet, said point being distant South $03^{\circ} 29' 27''$ East 62.43 feet from the northwesterly corner of said Block, Thence leaving said westerly line; the following courses and distances:

North $86^{\circ} 29' 06''$ East 19.38 feet more or less,

Thence along the exterior face of the North Annex and the Courthouse structures the following courses and distances;

South $03^{\circ} 28' 18''$ East 42.26 feet;

North $86^{\circ} 31' 42''$ East 6.00 feet;

South $03^{\circ} 28' 18''$ East 17.33 feet;

South $86^{\circ} 24' 25''$ West 2.35 feet;

South $03^{\circ} 35' 35''$ East 38.51 feet;

North $86^{\circ} 24' 25''$ East 2.38 feet;

South $03^{\circ} 43' 29''$ East 17.99 feet;

North $86^{\circ} 19' 23''$ East 29.96 feet;

South $03^{\circ} 40' 37''$ East 13.12 feet;

North $86^{\circ} 13' 57''$ East 16.69 feet;

South $03^{\circ} 32' 45''$ East 0.80 feet;

North $86^{\circ} 31' 30''$ East 8.85 feet;

North $03^{\circ} 32' 45''$ West 0.87 feet;

North 86° 25' 30" East 37.68 feet;
South 03° 30' 32" East 0.91 feet;
North 86° 29' 28" East 8.92 feet;
North 03° 30' 32" West 0.91 feet;
North 86° 29' 28" East 16.83 feet;
North 03° 30' 32" West 12.85 feet;
North 86° 29' 28" East 30.07 feet;
North 03° 46' 29" West 18.11 feet;
North 86° 31' 21" East 2.38 feet;
North 03° 30' 32" West 38.42 feet;
South 86° 31' 21" West 2.30 feet;
North 03° 30' 32" West 17.45 feet;
North 87° 23' 46" East 6.03 feet;
North 03° 35' 36" West 42.22 feet;
North 86° 29' 06" East 19.48 to a point in the easterly line of said block; Thence South 03° 30' 54" East along said easterly line (called South 03° 30' 00" East on said map) 238.56 feet to the Point of Beginning;

Excepting therefrom any structural element or fixture of the North Annex or the Courthouse that may protrude into such area including, without limitation, stairways, entranceways, gutters, downspouts, or other building systems.

Containing: 28,529 sq. ft. more or less = 0.65 ac. more or less