



RESOLUTION No. 19-024

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION APPROVING AN AGREEMENT FOR THE PURCHASE OF A 5 ACRE PARCEL LOCATED AT 936 OLD TUNNEL ROAD, GRASS VALLEY, CALIFORNIA (APN 35-400-54-000) FROM LEO R. GRANUCCI REVOCABLE 1997 TRUST, AUTHORIZING THE CHAIR OF THE BOARD OF SUPERVISORS TO EXECUTE THE PURCHASE AGREEMENT ON BEHALF OF THE COUNTY OF NEVADA, AND TO AMEND THE FISCAL YEAR 2018/2019 BUDGET (4/5 AFFIRMATIVE VOTE REQUIRED)

WHEREAS, the County is requesting to purchase a 5-acre parcel located at 936 Old Tunnel Road, Grass Valley, CA 95945, as the property purchase will support the County's effort to develop a site for affordable housing, transitional housing, and supportive services programs; and

WHEREAS, Leo R. Granucci Revocable 1997 Trust has offered to sell to the County the 5 acre parcel located at 936 Old Tunnel Road, Grass Valley, California (APN 35-400-54-000) for \$223,900; and

WHEREAS, the County will incur up to \$10,000 for the closing costs; and

WHEREAS, pursuant to Government Code Section 25350, on January 8, 2019, the Board of Supervisors held a duly noticed public hearing to consider acquisition of the Property on the terms and conditions set forth in the Purchase Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Nevada, State of California that:

1. The above recitals are true and correct.
2. Acquisition of the Property, as proposed, is not an activity subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15004(b)(2) and 15060(c)(2) because this is a land acquisition for vacant but disturbed land, the County does not have specific plans or funding to change the existing uses of the Property, and the County has conditioned future use of the site on CEQA compliance.
3. The purchase of a 5 acre parcel located at 936 Old Tunnel Road, Grass Valley, CA (APN 35-400-54-000) from the Leo R. Granucci, Revocable 1997 Trust in the amount of \$223,900 is approved in substantially the form attached hereto and the Chair of the Board of Supervisors is hereby authorized to execute the Purchase Agreement on behalf of the County.
4. Allocation of up to \$10,000 for the closing costs is hereby approved.

5. Mr. Steve Monaghan, Chief Information Officer, is hereby authorized to execute on behalf of the County any or all documents required to consummate this real property transaction and to wave exceptions to the title report if necessary.
6. The Chair of the Board of Supervisors is hereby authorized to accept conveyance of the deed for 936 Old Tunnel Road and execute the certificate of acceptance on behalf of the County for recordation purposes.
7. The Auditor-Controller is directed to release \$233,900 of fund balance from HHS Fund 1589 and amend the Fiscal Year 2018/2019 Capital Facilities and Behavioral Health Budget as follows:

| | | | |
|---------------------|--------|--------------|-----------|
| Increase: | | | |
| 0101-10801-416-1000 | 474000 | Transfer In | \$233,900 |
| 0101-10801-416-1000 | 540100 | Land | \$233,900 |
| 1589-40103-493-1000 | 550700 | Transfer Out | \$233,900 |

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 8th day of Januray, 2019, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Edward Scofield, Dan Miller,
Susan K. Hoek and Richard Anderson

Noes: None.

Absent: None.

Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER
Clerk of the Board of Supervisors

By: 



Richard Anderson, Chair

1/08/19 cc: CSS*(a)
AC* (Hold)

1/18/19 cc: CSS*
Purchasing*
AC* (Release)
LRGR 1997 Trust

PURCHASE AND SALE AGREEMENT

Leo R. Granucci, Revocable 1997 Trust (“SELLER”)

AND

**COUNTY OF NEVADA,
A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA (“BUYER”)**

JANUARY 8, 2019

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT (the "Agreement"), is made and is effective as of January 8, 2019 ("Effective Date") by and between **LEO R. GRANUCCI, REVOCABLE 1997 TRUST** ("Seller"), and **COUNTY OF NEVADA**, a political subdivision of the State of California ("Buyer").

RECITAL

A. Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, all of Seller's right, title and interest in and to real property constituting approximately 5 acres located at 936 Old Tunnel Road, Grass Valley, California, 95945, commonly known as Assessor's Parcel Number: 35-400-54-000 ("Subject Property"), more specifically described in Exhibit "A" as parcel 54, upon the terms and conditions set forth in this Agreement.

AGREEMENTS

NOW, THEREFORE, in consideration of the foregoing recitals which are specifically incorporated into the body of this Agreement, the promises, the mutual representations, warranties, covenants and agreements hereinafter contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Agreement to Purchase and Sell.** Upon the terms and conditions herein set forth, Seller agrees to sell to Buyer all of Seller's right, title and interest in and to the Property, together with any and all rights, privileges and easements benefiting or appurtenant thereto and any and all improvements and fixtures thereon, and including all of Seller's right, title and interest in and to any and all streets, alleys and vacated or existing public or private rights of way abutting the Property (the "Property"), and Buyer agrees to purchase all of Seller's right, title and interest in and to the Subject Property from Seller. It is further understood and agreed by and between Buyer and Seller that the negotiated purchase price was the result of an arms-length transaction based on last purchase price and market data, and not an appraisal. Buyer and Seller waive any appraisal requirements otherwise set forth in Government Code Section 7267.1.

2. **Opening of Escrow.** Within five (5) days after the Effective Date, Seller shall open an Escrow with First American Title, 10124 Commercial Avenue, Penn Valley, CA 95946 ("Escrow Holder"). Buyer and Seller agree that the duties of the Escrow Holder hereunder are purely ministerial in nature and are limited to the receipt and disbursement of funds and the safekeeping and disposition of any documents required to be deposited in Escrow in accordance with this Agreement.

3. **Purchase Price.** The total purchase price for the Subject Property (the "Purchase Price") shall be Two Hundred Twenty-three Thousand Nine Hundred Dollars (\$223,900.00).

4. **Buyer's Due Diligence.**

(a) **Due Diligence Period.** Subject to the terms and conditions of this Agreement, Buyer shall have the right to conduct a due diligence investigation of the Property and of all matters

which Buyer deems relevant to Buyer's purchase of the Property. Seller certifies that it has provided Buyer copies of, and disclosed, all Due Diligence Materials that are in Seller's possession as of the Effective Date (the "Due Diligence Period"). Seller will reasonably and in good faith cooperate with Buyer's due diligence efforts.

(b) Documents and Records. Not later than two (2) days after the Effective Date, Seller will deliver to Buyer copies of all documents and materials in Seller's possession or control which are relevant to the use, occupancy and/or condition of the Subject Property, including the following: (i) all plans, ALTA and boundary surveys, specifications, permits, reports, investigations, written warranties, notices of violation, and other documents pertaining to the physical, geological, or environmental condition of the Subject Property, (ii) copies of all agreements pertaining to or affecting the Subject Property, and (iii) copies of all documents pertaining to zoning and land use regulations applicable to the Property (collectively, "Due Diligence Materials"). Seller shall also deliver to Buyer such additional Due Diligence Materials as may come into Seller's possession or control prior to the Closing Date.

(i) Phase I Assessment. Seller has delivered to Buyer a Phase I and a current Phase II Environmental Site Assessment covering the Property, and shall deliver to Buyer, within two (2) days after the Effective Date, a letter from the environmental consultant that prepared such Phase I and Phase II Reports entitling Buyer to rely on such Reports.

(c) Approval of Title. Buyer acknowledges that it has received the Preliminary Title Report from First American Title Company, 10124 Commercial Avenue, Penn Valley, CA 95945, dated December 5, 2018 ("Preliminary Title Report"). Buyer shall have the right to approve or disapprove any and all matters of and Exceptions to title of the Property as disclosed by the following documents and instruments (collectively, "Title Documents"): (A) current Preliminary Title Report; (B) copies of all documents referred to in such Preliminary Title Report; and (C) copies of all vesting deeds for the Property. Seller shall remove the following Exception set forth in the Preliminary Title Report prior to Closing:

(i) No. 11: The fact that the land lies within the boundaries of the GRASS VALLEY Redevelopment Project Area, as disclosed by the document recorded June 02, 2011 as INSTRUMENT No. 2011-013095 of Official Records.


Buyer agrees to accept title subject to all remaining Exceptions as shown in the Preliminary Title Report.

Buyer shall have the right to terminate this Agreement if Seller does not provide written notice to Buyer within seven (7) days of the Approval Date that the Exception No. 11 shown in the Preliminary Title Report will be removed prior to Closing.

All mortgages and monetary liens, except the lien for current real estate taxes and any assessments, shall be deemed disapproved. Seller shall have five (5) days after receipt of Buyer's objections to give to Buyer written notice that Seller will remove (by endorsement reasonably acceptable to Buyer or otherwise) such objectionable items/exceptions on or before the Closing Date, and Seller shall provide a supplemental report documenting that the identified exception has been removed.


1-18-19

2


1-18-19

(d) Buyer's Approval of Subject Property; Right to Terminate. Within ten (10) business days after the Effective Date ("Approval Date"), Buyer shall deliver written notice to Seller of Buyer's decision to complete its purchase of the Subject Property on the terms of this Agreement, or of Buyer's decision to exercise its unqualified right to terminate this Agreement. If Buyer, on or before the Approval Date, delivers a written notice of termination under Sections 4(c) above and/or 5(a)-(b) below, or (ii) disapproval under this Section 4(d), then this Agreement shall terminate, the Initial Deposit shall be returned to Buyer, and neither party shall have any further obligation to the other under this Agreement (other than those which this Agreement provides will survive the termination of this Agreement). If Buyer does not deliver any notice of Buyer's decision to Seller on or before the Approval Date, then Buyer shall be deemed to have elected to complete its purchase of the Subject Property on the terms and conditions of this Agreement.

5. Conditions to Closing.

(a) Seller's Conditions Precedent. The Closing and Seller's obligation to sell the Subject Property to Buyer are subject to the satisfaction of the following conditions ("Seller's Conditions Precedent"). Seller's Conditions Precedent are intended solely for the benefit of Seller. If any of Seller's Conditions Precedent are not satisfied, Seller shall have the right in its sole discretion either to waive such Seller's Condition(s) Precedent and proceed with the sale or terminate this Agreement by written notice to Buyer and the Escrow Holder.

(i) Representations and Warranties. The representations and warranties of Buyer contained herein shall be true and correct as of the Closing Date as though made at and as of the Closing Date, and Buyer's covenants under this Agreement shall be satisfied as of the Closing Date (to the extent such covenants are to be satisfied as of the Closing Date).

(ii) Performance by Buyer. Buyer shall have performed, satisfied and complied with all obligations, agreements and conditions required by this Agreement to be performed or complied with by Buyer on or before the Closing Date.

(b) Buyer's Conditions Precedent. The Closing and Buyer's obligation to purchase the Subject Property from Seller are subject to the satisfaction of the following conditions ("Buyer's Conditions Precedent"). Buyer's Conditions Precedent are intended solely for the benefit of Buyer. If any of Buyer's Conditions Precedent are not satisfied, Buyer shall have the right in its sole discretion either to waive such Buyer's Condition(s) Precedent and proceed with the acquisition or terminate this Agreement by written notice to Seller and the Escrow Holder.

(i) Elimination of Exceptions. Seller, at its sole cost, on or prior to the Closing, shall cause to be eliminated all liens on the Property evidencing monetary encumbrances (other than liens for non-delinquent real estate taxes and assessments, and supplemental taxes and assessments), and all objectionable items and exceptions to Title that Seller has agreed to remove pursuant to Paragraph 4(c) above.

(ii) Contracts and Leases. Except as may be approved by Buyer, the Property shall not be encumbered by any contracts, leases, licenses, options, right of first refusal, instruments or other rights affecting any portion of the Subject Property, whether written or oral and whether recorded or unrecorded (collectively, "Contracts").

(iii) Representations and Warranties. The representations and warranties of Seller contained herein shall be materially true and correct as of the Closing Date as though made at and as of the Closing Date, and Seller's covenants under this Agreement shall be satisfied as of the Closing Date (to the extent such covenants are to be satisfied as of the Closing Date).

(iv) Performance by Seller. Seller shall have performed, satisfied and complied with all obligations, agreements and conditions required by this Agreement to be performed or complied with by Seller on or before the Closing Date.

(v) Conveyances by Seller. On or before the Closing, Seller shall deliver into escrow a grant deed in recordable form duly executed by Seller, conveying to Buyer all of Seller's rights and interests in and to the Property to Buyer, in a form reasonably approved by Buyer (the "Grant Deed").

(vi) Title Policy. Title shall be evidenced by Escrow Holder's title insurance underwriter ("Title Company") issuing its standard coverage Owner's Policy of Title Insurance to Buyer in an amount equal to the Purchase Price, showing title to the Property vested in Buyer, subject only to those title exceptions approved by Buyer in accordance with Section 4(c) above, any title matters caused by Buyer, and any other matters approved in writing by Buyer.

(vii) Condition of Property. The physical condition of the Property shall be substantially the same on the Closing Date as on the Effective Date (and there shall be no tenants, squatters or other persons occupying the Property as of the Closing Date).

6. **Covenants Upon Termination or Failure to Close.**

(a) Payment of Escrow Cancellation Costs. In the event of any termination of this Agreement or the failure of escrow to close as provided herein due to a default of a party or the exercise of a party's right to terminate as provided herein, then the defaulting or terminating party, as the case may be, shall pay any cancellation costs imposed by the Escrow Holder.

7. **Closing and Escrow.**

(a) Closing Date.

(i) Closing Date. The closing of the transaction contemplated by this Agreement (the "Closing") shall occur no later than January 22, 2019, unless such date is extended by mutual agreement of the parties.

(b) Deposit of Agreement and Escrow Instructions. The parties shall promptly deposit a fully executed copy of this Agreement with Escrow Holder and this Agreement shall serve as escrow instructions to Escrow Holder for consummation of the transactions contemplated hereby. The parties agree to execute such commercially reasonable additional escrow instructions as may be required to enable Escrow Holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of this Agreement shall control unless a contrary intent is expressly indicated in such supplementary instructions. Seller and Buyer hereby designate Escrow Holder as

the reporting person for the transaction pursuant to Section 6045(e) of the Internal Revenue Code and the regulations promulgated thereunder.

(c) Seller's Deliveries to Escrow. At least one (1) business day before the Closing, Seller shall deliver or cause to be delivered to Buyer through escrow the following, to the extent they have not already been delivered:

(i) the original duly executed and acknowledged Grant Deed conveying to Buyer fee title to the Property, free and clear of all encumbrances except for the following: those encumbrances as to which Buyer has given approval pursuant to Section 4, above, any encumbrances caused by Buyer, and any other matters approved in writing by Buyer;

(ii) a FIRPTA affidavit pursuant to Section 1445(b)(2) of the Internal Revenue Code of 1986, and on which Buyer is entitled to rely, that Seller is not a foreign person within the meaning of Section 1445(f)(3) of the Internal Revenue Code, in form and substance reasonably acceptable to Buyer and Seller;

(iii) an applicable California Form 593 (or equivalent form for another appropriate state) from Seller certifying any real estate taxes that must be withheld, in form and substance reasonably acceptable to Buyer and Seller;

(iv) any duly executed closing statement reflecting the Purchase Price and the costs, prorations and adjustments required under Section 8 of this Agreement, and the Closing Payment; and

(v) any other instruments, records or correspondence called for hereunder which have not previously been delivered.

(d) Seller's Deliveries to Buyer. At or before the Closing (or at such other time indicated below), Seller shall deliver or cause to be delivered to Buyer the following, to the extent they have not already been delivered:

(i) originals (if any) of the Contracts and Due Diligence Materials, to the extent previously requested by Buyer; and

(ii) any other instruments, records or correspondence called for hereunder which have not previously been delivered.

(e) Buyer's Deliveries to Escrow. At or before the Closing, Buyer shall deliver or cause to be delivered to Seller through escrow the following:

(i) the Closing Payment; and

(ii) a Letter of Acceptance of Seller's Grant Deed.

(f) Deposit of Other Instruments. Seller and Buyer shall each deposit such other commercially reasonable instruments as are reasonably required by Escrow Holder or otherwise

required to close the escrow and consummate the transactions described herein in accordance with the terms hereof.

(g) Distribution of Funds and Documents.

(i) The Escrow Holder will, at the close of Escrow pay, from funds to which Seller will be entitled and from funds, if any, deposited by Seller with Escrow Holder, to the appropriate obligees, all monetary encumbrances caused, permitted, or suffered by Seller.

(ii) Escrow Holder will cause the County Recorder to mail the Grant Deed after recordation to the Buyer. Escrow Holder will cause the County Recorder to mail any other document which is expressed to be, or by general usage, is recorded, to the party for whose benefit the instrument was obtained. Escrow Holder will, at the close of Escrow, deliver by United States mail to Buyer and Seller a copy of each document caused to be recorded by Escrow Holder (conformed to show recording data).

(iii) Escrow Holder will, at the close of Escrow, deliver by United States mail each non-recorded instrument received by the Escrow Holder to the payee or person (i) acquiring rights under the instrument, or (ii) for whose benefit the instrument was obtained.

(iv) The Escrow Holder will, at the close of Escrow, deliver by United States mail or wire transfer as requested, (i) to Seller the balance of the cash portion of the Purchase Price to which Seller will be entitled and (ii) to Buyer, or order, any excess funds delivered to Escrow Holder by Buyer.

(v) As the party responsible for closing the transaction contemplated by this Agreement, the Escrow Holder will take all steps necessary to report this transaction to the Internal Revenue Service, as required by section 6045 of the Internal Revenue Code of 1986. Buyer and Seller will provide Escrow Holder with all documents reasonably required by Escrow Holder to satisfy this reporting requirement.

(h) Delivery of Possession. Seller shall surrender possession of the Subject Property to Buyer at Closing.

8. **Closing Adjustments and Prorations.** With respect to the Property, the following adjustments shall be made, and the following procedures shall be followed:

(a) Basis of Prorations. All prorations shall be calculated as of 12:01 a.m. on the Closing Date (i.e., with Buyer being deemed to own the Property for the entire day of the Closing Date), on the basis of a three hundred sixty-five (365) day year.

(b) Closing Adjustments. Prior to Closing, Seller shall cause Escrow Holder to prepare and deliver to Seller and Buyer a proration statement for the Property on an estimated basis with respect to the matters set forth in this Section 8(b), to the extent then possible. Each party shall be credited or charged at the Closing, in accordance with the following:

(i) Expenses.

(A) Unpaid Expenses. To the extent any taxes or other expenses for the Property relating to the period prior to Closing are accrued and unpaid as of the Closing Date but are ascertainable or estimatable, such taxes or other expenses shall be ascertained or estimated as appropriate, and Buyer shall be credited for Seller's pro rata share of such taxes or other expenses for the period prior to the Closing Date provided that Buyer assumes the obligations pursuant to which such expenses arise.

(ii) Post-Closing Adjustments. If any of the prorations or adjustments required pursuant to Section 8(b) cannot be definitely calculated on the Closing Date, including but not limited to the proration of supplemental real estate taxes pursuant to California Revenue and Taxation Code sections 75, et seq, then they shall be estimated at the Closing and definitively calculated as soon after the Closing Date as feasible. As soon as the necessary information is available, Buyer and Seller shall conduct a post-Closing review to determine the accuracy of all prorations and adjustments. Either party owing the other party a sum of money based on such subsequent prorations(s), adjustments or post-Closing review shall promptly pay said sum to the other party, together with documentation to support such demand. The obligations of Seller and Buyer under this Section 8(b) shall survive the Closing.

(c) Allocation of Closing Costs. Closing costs shall be allocated as set forth below:

- (i) Escrow charges: one hundred percent (100%) to Buyer.
- (ii) Recording cost for Seller's Grant Deed: one hundred percent (100%) to Buyer.
- (iii) Title insurance premium: Buyer to pay the cost of the standard coverage portion and any extended coverage, if required by Buyer, and all endorsements.
- (iv) County transfer taxes (if any): one hundred percent (100%) to Buyer.

Any other closing fees and costs shall be borne by the respective parties in a manner customary to real estate transfers in Nevada County, California. Buyer and Seller shall each bear the cost of their respective legal fees incurred in connection with the negotiation and preparation of this Agreement.

9. **Seller's Representations and Warranties**. Seller hereby makes the following representations and warranties to Buyer, each of which Seller acknowledges is material and being relied upon by Buyer:

(a) Ownership. Seller holds, or will hold as of the date and time of the Close of Escrow, fee title to the Property. Seller has not, and will not, sell, transfer, or assign such rights to any other party prior to Closing.

(b) Organization and Authorization; No Conflicting Documents.

(i) Seller has full power and authority to execute and deliver this Agreement and to perform all of the terms and conditions hereof to be performed by it and to consummate the transactions contemplated hereby. This Agreement has been, and all documents

executed by Seller which are to be delivered to Buyer at Closing, will be, duly executed and delivered by Seller, and are or at the time of Closing will be the legal, valid and binding obligation of Seller. Seller is not subject to any bankruptcy, insolvency, reorganization, moratorium, or similar proceeding.

(ii) The individual(s) executing this Agreement and the instruments referenced herein on behalf of Seller have the legal power, right and actual authority to bind Seller to the terms and conditions hereof and thereof.

(iii) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, nor the compliance with the terms and conditions hereof will (a) violate or conflict, in any material respect, with any provision of Seller's organizational documents or any statute, regulation or rule, or, to Seller's actual knowledge, any injunction, judgment, order, decree, ruling, charge or other restrictions of any government, governmental agency or court to which Seller is subject, and which violation or conflict would have a material adverse effect on the ownership and operation of the Property, or (b) result in any material breach or the termination of any lease, agreement or other instrument or obligation to which Seller is a party or by which any of the Property may be subject, or cause a lien or other encumbrance to attach to any of the Property. Seller is not a party to any contract or subject to any other legal restriction that would prevent fulfillment by Seller of all of the terms and conditions of this Agreement or compliance with any of the obligations under it.

(iv) Seller hereby represents and warrants to Buyer that to Seller's actual knowledge, there are no Hazardous Substances now located, or that previously were located on, in, under, or within any portion of the Property except for those expressly identified and disclosed in the Due Diligence Materials. For purposes of this Agreement, "Hazardous Substance" means any substance which is (A) defined as a hazardous waste, pollutant or contaminant under any Environmental Law, (B) a petroleum hydrocarbon, including crude oil or any fraction thereof, (C) hazardous, toxic, corrosive, flammable, explosive, infectious, radioactive, carcinogenic or reproductive toxicant, (D) regulated pursuant to any environmental law, or (E) any pesticide regulated under state or federal law; and the term "Environmental Law" means each and every federal, state and local law, statute, ordinance, regulation, rule, judicial or administrative order or decree, permit, license, approval, authorization or similar requirement of each agency or other governmental authority, pertaining to the protection of human health and safety or the environment.

(iv) All material consents required (if any) from any third party in connection with the execution and delivery of this Agreement by Seller or the consummation by Seller of the transactions contemplated hereby have been made or obtained or shall have been made or obtained by the Closing Date. Complete and correct copies of all such consents shall be delivered to Buyer prior to the Closing.

(c) Contracts and Leases. To Seller's knowledge, there are no contracts, leases, licenses, options, right of first refusal, instruments or other rights (written or oral, and recorded or unrecorded) affecting any portion of the Property which will survive or otherwise be enforceable against Buyer following the Closing Date.

(d) No Other Liens or Encumbrances. To Seller's knowledge, there are no encumbrances or liens against the Property, including, but not limited to, actual or impending

mechanics liens against the Property or any portion thereof, unexpired options, mortgages or deeds of trust, other than those disclosed herein or which will be set forth in the Title Report.

(e) No Litigation. To Seller's knowledge, there is no litigation pending or threatened against Seller that arises out of the ownership of the Property or that might materially and detrimentally affect the value or the use or operation of any of the Property for its intended purpose or the ability of Seller to perform its obligations under this Agreement. Seller shall notify Buyer promptly of any such litigation of which Seller becomes aware.

(f) Conformance with Law. There are no uncured violations of any federal, state or local zoning, building, fire, environmental, health and safety laws and regulations affecting the Property of which Seller has received written notice from any governmental authorities having the responsibility for monitoring compliance with such laws and regulations, and Seller has no actual knowledge of any violations of such laws and regulations, except for those violations disclosed in the Phase I or other Due Diligence Materials.

(g) Federal Tax Liens. Seller represents Seller is not subject to any recorded or unrecorded federal tax liens or claims.

(h) Seller Not a Foreign Person. Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code.

(i) Absence of Fraud and Misleading Statements. No representation, warranty or statement of Seller in this Agreement, contains any intentional untrue statement of a material fact or to Seller's actual knowledge, omits to state a material fact or premise that thereby renders any representation, warranty or statement contained herein to be misleading.

If Seller obtains actual knowledge that any of the above representations and warranties is not true, Seller shall give immediate written notice to Buyer (which notice shall include copies of the instrument, correspondence, or document, if any, upon which Seller's notice is based). Upon receipt of such notice from Seller, Buyer may either (i) terminate this transaction and receive a refund of its Deposit, and seek any and all remedies available at law or equity (subject to Section 14(a) below), or (ii) proceed with the Closing hereunder.

10. **Buyer's Representations and Warranties.** Buyer hereby represents and warrants to Seller as follows:

(a) Organization and Authorization; No Conflicting Documents.

(i) Buyer has full power and authority to execute and deliver this Agreement and to perform all of the terms and conditions hereof to be performed by it and to consummate the transactions contemplated hereby. This Agreement and all documents executed by Buyer which are to be delivered to Seller at Closing have been duly executed and delivered by Buyer and are or at the time of Closing will be the legal, valid and binding obligation of Buyer. Buyer is not subject to any bankruptcy, insolvency, reorganization, moratorium, or similar proceeding.

(ii) Prior to the Effective Date, Buyer's governing body, the Board of Supervisors for the County of Nevada, has approved a resolution authorizing Buyer to purchase the Property on the terms and conditions stated herein. Therefore, the individual(s) executing this Agreement and the instruments referenced herein on behalf of Buyer have power, right and actual authority to execute the Agreement and purchase the Property as provided herein.

(iii) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, nor the compliance with the terms and conditions hereof will violate or conflict, in any material respect, with any provision of Buyer's organizational documents or, to Buyer's actual knowledge, any statute, regulation or rule, or any injunction, judgment, order, decree, ruling, charge or other restrictions of any government, governmental agency or court to which Buyer is subject, and which violation or conflict would have a material adverse effect on the ownership and operation of the Property. Buyer is not a party to any contract or subject to any other legal restriction that would prevent fulfillment by Buyer of all of the terms and conditions of this Agreement or compliance with any of the obligations under it.

(iv) All material consents required (if any) from the Nevada County Board of Supervisors in connection with the execution and delivery of this Agreement by Buyer or the consummation by Buyer of the transactions contemplated hereby have been made or obtained or shall have been made or obtained by the Closing Date. Complete and correct copies of all such consents shall be delivered to Seller prior to the Closing.

(b) No Pending Legal Proceedings. There is no litigation pending or, to Buyer's knowledge, threatened, against Buyer or any basis therefor that might materially and detrimentally affect the ability of Buyer to perform its obligations under this Agreement. Buyer shall notify Seller promptly of any such litigation of which Buyer becomes aware. Buyer is not now the subject of any proceeding under the federal Bankruptcy Code or under any applicable state bankruptcy, debtor protection or insolvency statute that would in any way limit or impair Buyer's ability to perform under this Agreement.

11. **Survival of Representations.** The representations, warranties and indemnities made by each party herein are material and are relied upon by the other party in entering into this Agreement, shall be deemed to have been made as of the Effective Date and as of the Closing, shall survive the Closing and the execution and delivery of Seller's Grant Deed and will be merged in Seller's Grant Deed. Each party hereto shall indemnify, defend and hold the other party harmless from and against any and all obligations, liabilities, claims, damages, costs, expenses and fees (including reasonable attorneys' and experts' fees and costs), arising out of the breach of any of the representations and warranties made by such party hereunder, and such indemnity obligations shall survive following the Closing. The parties further acknowledge and agree that nothing in this Agreement constitutes or shall be deemed a release of Seller by Buyer of liability under common law or applicable Environmental Laws, if any, for the cleanup, investigation or remediation of Hazardous Substances present on or under the Property. The provisions of this Section shall survive the Closing.

12. **Risk of Loss.** Risk of loss with respect to the Property shall remain with Seller until the Closing.

13. **Damage or Condemnation Prior To Closing.** Seller shall promptly notify Buyer of any casualty to the Property or any condemnation proceeding commenced prior to the Closing. If any such damage or proceeding relates to or may result in the loss of any material portion of the Property, within two (2) business days after receipt of such notification Buyer shall deliver written notice thereof to Seller of Buyer's election to either (a) terminate this Agreement, in which event, Seller shall bear all escrow costs incurred to date and neither party shall have any further rights or obligations hereunder, except for those obligations expressly stated as surviving termination of this Agreement, and Seller shall be entitled to all insurance proceeds, compensation, awards, and other payments or relief resulting from such casualty or condemnation proceedings; or (b) continue to proceed under this Agreement to close without adjustment to the Purchase Price or any of the other provisions of this Agreement, in which event upon the Closing, Seller shall assign to Buyer any insurance proceeds, compensation, awards, or other payments or relief resulting from such casualty or condemnation proceedings to the extent applicable or allocable to the Property. In the event of a condemnation resulting in the loss of a non-material portion of the Property, the provisions of clause (b) immediately preceding shall apply. As used herein, the term "loss to a material portion of the Property" shall mean a loss involving a portion of the Property equal to or greater than fifteen percent (15%) based on value as mutually agreed upon by Seller and Buyer.

14. **Remedies Upon Default.**

(a) **Default by Seller.** In the event the Closing and the consummation of the transaction contemplated by this Agreement do not occur as a result of a default by Seller, then Buyer may terminate this Agreement by delivery of notice of termination to Seller. Seller shall pay any title and/or escrow fees charged by Escrow Holder in connection with canceling Escrow, and, except for any indemnity or other provisions in this Agreement that specifically survive, neither party shall have any further rights or obligations hereunder.

(b) **Default by Buyer.** In the event the Closing and the consummation of the transaction contemplated by this Agreement do not occur as a result of a default by Buyer, then Seller may terminate this Agreement by delivery of notice of termination to Buyer. Buyer shall pay any title and/or escrow fees charged by Escrow Holder in connection with canceling Escrow, and, except for any indemnity or other provisions in this Agreement that specifically survive, neither party shall have any further rights or obligations hereunder.

15. **Miscellaneous.**

(a) **Notices.** Any notice, demand, approval, consent, or other communication required or desired to be given under this Agreement shall be given in writing in the manner set forth below, addressed to the party to be served at the addresses set forth below, or at such other address for which that party may have given notice under the provisions of this Section. Any notice, demand, approval, consent, or other communication given by (a) mail shall be deemed to have been given on the second (2nd) business day immediately following the date it was deposited in the United States mail, first class and postage prepaid; (b) overnight common carrier courier service shall be deemed to be given on the business day immediately following the date it was deposited with such common carrier (or on the second (2nd) business day following the date of deposit if the day of deposit was not a business day); (c) delivery in person or by messenger shall be deemed to have been given upon delivery in person or by messenger; or (d) electronic facsimile shall be

deemed to have been given on the date of transmission of the entire communication, provided that (i) such transmission occurs during 8:00 a.m. and 5 p.m., Pacific Time, on normal business days, (ii) the sending facsimile machine confirms successful transmission of the communication, and (iii) the receiving party receives delivery of a hard copy of the original transmitted document(s) not later than the third (3rd) business day following such transmission, by one of the methods described in subsections (a), (b) or (c) above.

If to Buyer:

County of Nevada
Information and General Services Department
950 Maidu Avenue
Nevada City, CA 95959
Attn: Stephen T. Monaghan, CIO
Tel: (530) 265-1238
Fax: (530) 265-7112

If to Seller:

Leo R. Granucci, Revocable Trust 1997
12550 Apple Orchard Lane
Nevada City, CA 95959
Attn: Leo Granucci
Tel: (530) 477-1614

with a copy to:

County Counsel
County of Nevada
950 Maidu Ave., Suite 240
Nevada City, CA 95959
Tel: (530) 265-1319
Fax: (530) 265-9840

(b) Brokers and Finders. Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction through any real estate broker or other person who can claim a right to a commission or finder's fee in connection with the transfer contemplated herein. In the event that any broker or finder tenders a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes its claim shall be responsible for said commission or fee and shall indemnify and hold harmless the other party from and against all liabilities, losses, costs and expenses (including reasonable attorneys fees) arising in connection with such claim for a commission or finder's fee. The provisions of this Section shall survive the Closing.

(c) Successors and Assigns.

(i) Assignment of Interest. Neither Buyer nor Seller shall have the right to assign its rights under this Agreement without the written consent of Seller which consent shall not be unreasonably withheld. Any assignment hereunder shall not relieve or release Buyer from any liability under this Agreement.

(ii) Binding on Successors. This Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors, heirs, administrators and permitted assigns.

(d) Amendments. Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

(e) Governing Law; Venue. This Agreement has been negotiated and executed in Nevada County, California, and the substantive laws of the State of California, without reference to its conflict of laws provisions, will govern the validity, construction, and enforcement of this Agreement and venue for any action relating to the Property or this Agreement shall be in Nevada County, California.

(f) Merger of Prior Agreements. This Agreement and the Exhibit(s) hereto constitute the entire agreement between the parties and supersede any and all prior agreements and understandings between the parties relating to the subject matter hereof.

(g) No Third Party Beneficiaries. This Agreement creates rights and duties only between Buyer and Seller, and no other party, or third party, is intended to have or be deemed to have any rights under the Agreement as an intended third party beneficiary, except as expressly set forth herein.

(h) Modification. No modification, amendment, change, waiver, or discharge of this Agreement or any portion hereof will be valid unless it is in writing and signed by the party against which the enforcement of the modification, waiver, amendment, change or discharge is or may be sought.

(i) Further Assurances. The parties agree to cooperate with each other and execute any documents reasonably necessary to perform the intent and purpose of the Agreement.

(j) Time of the Essence; Dates. Time is of the essence of this Agreement. In the event that any date specified in this Agreement falls on Saturday, Sunday or holiday (as defined in Section 6700 of the California Government Code) (each a "Non-Business Day"), such date shall be deemed to be the succeeding business day. For purposes of this Agreement, a "business day" shall mean a day other than a Non-Business Day.

(k) Construction. Headings at the beginning of each section and subsections are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. Each of the parties hereto agree that this Agreement is the product of joint draftsmanship and negotiation and that should any of the terms be determined by a court, or in any type of quasi-judicial or other proceeding, to be vague, ambiguous and/or unintelligible, that the same sentences, phrases, clauses or other wordage or language of any kind shall not be construed against the drafting party in accordance with California Civil Code Section 1654, and that each such party to this Agreement waives the effect of such statute.

(l) Severability. If any provision of this Agreement, or the application thereof to any person, place, or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

(m) Addenda, Exhibits and Schedules. All addenda, exhibits and schedules referred to herein are, unless otherwise indicated, incorporated herein by this reference as though set forth herein in full.

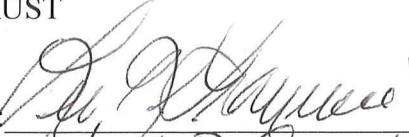
(n) CEQA. If the County acquires the Subject Property, the County shall not engage in any construction or development activities on the Subject Property, including the obtaining of developmental entitlements, until and unless the CEQA environmental review process, and other applicable public review and hearing processes, are complete. Future development of the Subject Property, if any, by the County will be based upon information produced from such environmental and other review processes. With respect to any future development of the subject property by the County, the County retains the absolute and sole discretion to design, construct and modify any future development on the Subject Property as it may, in its sole discretion, deem necessary to comply with CEQA, or to determine not to proceed with any development of the Subject Property.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

SELLER:

LEO R. GRANUCCI, REVOCABLE 1997 TRUST


By: 

Name: LEO R. GRANUCCI

Title: TRUSTEE

BUYER:

COUNTY OF NEVADA, a political subdivision of the State of California

By: 

Richard Anderson, Chair
Nevada County Board of Supervisors

ATTEST:

By: 

Julie Patterson-Hunter
Clerk of the Board

APPROVED AS TO FORM:

By: 

Alison A. Barratt-Green
County Counsel



Information and General Services Department

950 Maidu Avenue
Nevada City, CA 95959
Phone: 530-265-1238
Fax: 530-265-7112

Information Systems
Geographic Information Systems
Facilities Management

Emergency Services
Central Services
Cable Television

Purchasing
Airport
Library

January 18, 2019

First American Title Company
Attn: Robin Zoch, Sr. Escrow Officer
10124 Commercial Avenue
Penn Valley CA 95946
Phone: (530) 432-1531

RE: Old Tunnel Road Property Purchase (APN 35-400-54-000)

To whom it may concern:

Pursuant to Resolution 19-024, dated January 8, 2019 (attached), I, Steve Monahan, am authorized to execute on behalf of the County of Nevada any or all documents required to consummate this real property transaction and to waive exceptions to the title report if necessary.

In accordance with this authority, I hereby waive the requirements set forth in Section 4.c of the Purchase and Sale Agreement dated January 8, 2019, approved by Resolution 19-024 that Exception No. 11, *to wit*, "The fact that the land lies within the boundaries of the Grass Valley Redevelopment Project Area, as disclosed by the document recorded June 02, 2011 as INSTRUMENT No. 2011-013095 of Official Records" be removed prior to Closing." Additionally, in accordance with this authority, I hereby waive the requirements set forth in Section 4.c of the Purchase and Sale Agreement dated January 8, 2019 approved by Resolution 19-24 stating "Buyer shall have the right to terminate this Agreement if Seller does not provide written notice to the Buyer within seven (7) days of the Approval Date that the Exception No. 11 shown in the Preliminary Title Report will be removed prior to Closing."

Read, approved, and accepted by:

SELLER:

LEO R. GRANUCCI, REVOCABLE 1997 TRUST

By:  1-18-19

Name: Leo R. Granucci

Title: Leo R. Granucci, Trustee

BUYER:

COUNTY OF NEVADA, a political subdivision of the State of California

By:  1-18-19

Name: Steve Monaghan

Title: Chief Information Officer
Nevada County Information and General Services

CERTIFICATE OF ACCEPTANCE
(Government Code, Section 27281)

THIS IS TO CERTIFY that the County of Nevada, Grantee in the attached grant deed APN 35-400-54-000, from **Leo R. Granucci, Trustee, Leo R. Granucci Family Revocable 1997 Trust to County of Nevada, a political subdivision of the State of California**, acting through its designated official, by authority granted by **Resolution No. 19-024** and by action taken by the Board of Supervisors, hereby accepts for public purposes the real property, or interest therein, conveyed by the subject deed and the grantee consents to the recordation thereof by its duly authorized officer.

IN WITNESS WHEREOF, I have hereunto set my hand and had affixed the County's official seal, this 22 day of January 2019.

ATTEST:


Clerk of the Board

County of Nevada

By: 
Richard Anderson
Chair, Board of Supervisors