

Recorded in Official Records, Orange County
Tom Daly, Clerk-Recorder



2012000672278 2:31 pm 11/01/12
276 416 D12 20
0.00 0.00 0.00 0.00 57.00 0.00 0.00 0.00

1 RECORDING REQUESTED BY:
California Department of Parks and Recreation
2 Office of Grants and Local Services

3 WHEN RECORDED MAIL TO:
Office of Grants and Local Services
4 PO Box 942896
5 Sacramento, CA 94296-0001
Attn: Melinda Steinert

8 **DEED RESTRICTION**

10 I. WHEREAS, City of Costa Mesa (hereinafter referred to as "Owner(s)" or "Applicants"
11 is/are recorded owner(s) of the real property described in Exhibit A, attached and incorporated herein by
12 reference (hereinafter referred to as the "Property"); and

17
20P

13 II. WHEREAS, the California Department of Parks and Recreation (hereinafter referred to
14 as "DPR") is a public agency created and existing under the authority of section 5001 of the California
15 Public Resources Code (hereinafter referred to as the "PRC"). And

16 III. WHEREAS, Owner(s) (or Applicants) applied to DPR for grant funds available pursuant
17 to the Recreational Trails Program , Recreational Trails Program for a development project to construct
18 an approximately .5 mile bicycle trail in Fairview Park in the City of Costa Mesa on the Property; and

19 IV. WHEREAS, DPR's Office of Grants and Local Services conditionally approved Grant
20 RT-30-014A , (hereinafter referred to as "Grant") for a development project to construct an
21 approximately .5 mile bicycle trail in Fairview Park in the City of Costa Mesa on the Property, subject to,
22 among other conditions, recordation of this Deed Restriction on the Property; and

23 V. WHEREAS, but for the imposition of the Deed Restriction condition of the Grant, the
24 Grant would not be consistent with the public purposes of the Recreational Trails Program, Recreational
25 Trails and the funds that are the subject of the Grant could therefore not have been granted; and
26

27

1 VI. WHEREAS, Owner(s) has/ve elected to comply with the Deed Restriction of the Grant,
2 so as to enable Owner(s), to receive the Grant funds and perform the work described in the Grant;

3 NOW, THEREFORE, in consideration of the issuance of the Grant funds by DPR, the
4 undersigned Owner(s) for himself/herself/themselves and for his/her/their heirs, assigns, and successors-
5 in-interest, hereby irrevocably covenant(s) with DPR that the condition of the grant (set forth at
6 paragraph(s) 1 through 5 and in Exhibit B hereto) shall at all times on and after the date on which this
7 Deed Restriction is recorded constitute for all purposes covenants, conditions and restrictions on the use
8 and enjoyment of the Property that are hereby attached to the deed to the Property as fully effective
9 components thereof.

10 1. DURATION. (a) This Deed Restriction shall remain in full force and effect and shall
11 bind Owner(s) and all his/her/their assigns or successors-in-interest for the period running from
12 November 27, 2007 through June 30, 2027.

13 2. TAXES AND ASSESSMENTS. It is intended that this Deed Restriction is irrevocable
14 and shall constitute an enforceable restriction within the meaning of a) Article XIII, section 8, of the
15 California Constitution; and b) section 402.1 of the California Revenue and Taxation Code or successor
16 statute. Furthermore, this Deed Restriction shall be deemed to constitute a servitude upon and burden to
17 the Property within the meaning of section 3712(d) of the California Revenue and Taxation Code, or
18 successor statute, which survives a sale of tax-deeded property.

19 3. RIGHT OF ENTRY. DPR or its agent or employees may enter onto the Property at times
20 reasonably acceptable to Owner(s) to ascertain whether the use restrictions set forth above are being
21 observed.
22

23 4. REMEDIES. Any act, conveyance, contract, or authorization by Owner(s) whether
24 written or oral which uses or would cause to be used or would permit use of the Property contrary to the
25 terms of this Deed Restriction will be deemed a violation and a breach hereof. DPR may pursue any and
26 all available legal and/or equitable remedies to enforce the terms and conditions of this Deed Restriction.
27

1 In the event of a breach, any forbearance on the part of DPR to enforce the terms and provisions hereof
2 shall not be deemed a waiver of enforcement rights regarding any subsequent breach.

3 5. SEVERABILITY. If any provision of these restrictions is held to be invalid, or for any
4 reason becomes unenforceable, no other provision shall be affected or impaired.

5
6 Dated: 10.30, 2012

7
8 Business Name (if property is owned by a business): _____

9
10 Signed: _____ 

Signed: _____ 

11 ERNESTO MUNOZ, PUB. SERV. DIRECTOR
12 PRINT/TYPE NAME & CAPACITY OF ABOVE
(GRANTEE'S AUTHORIZED REPRESENTATIVE)

PRINT/TYPE NAME & CAPACITY OF ABOVE
(ADDITIONAL SIGNATURE, AS REQUIRED)

13
14
15
16
17
18
19 ****NOTARY ACKNOWLEDGEMENT ON THE NEXT PAGE****
20
21
22
23
24
25
26
27

1 State of California

2 County of Orange

3 On October 30, 2012, before me, Cheryl Rae Helwig, a Notary Public,

4 personally appeared Ernesto Munoz, who proved to me on the basis of

5 satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and

6 acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies); and that

7 by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the

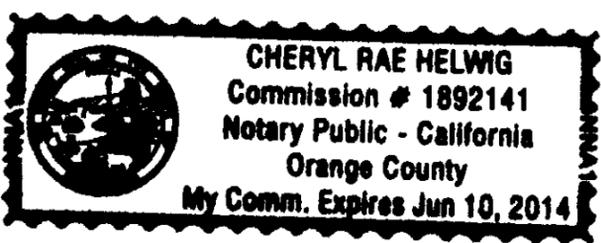
8 person(s) acted, executed the instrument.

9
10 I certify under PENALTY OF PERJURY under the laws of the State of California that the
11 foregoing paragraph is true and correct.

12 WITNESS my hand and official seal.

13 Signature Cheryl Rae Helwig

(Seal)



15
16
17
18
19
20
21
22
23
24
25
26
27

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PORTION OF LOT A OF THE BANNING TRACT, IN THE RANCHO SANTIAGO DE SANTA ANA, AS SHOWN ON A MAP OF SAID TRACT FILED IN ACTION NO. 6385, IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE COUNTY OF LOS ANGELES, BEING AN ACTION FOR PARTITION, ENTITLED HANCOCK BANNING AND OTHERS VS. MARY H. BANNING AND ALSO THAT PORTION OF LOTS 3, 4 AND 5 OF THE J.A. DAY TRACT, RECORDED IN BOOK 4 PAGE 50 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND MORE PARTICULARLY SHOWN ON A MAP FILED IN BOOK 53 PAGES 34 TO 36 OF RECORD OF SURVEY IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF FAIRVIEW FARMS, AS SHOWN ON A MAP RECORDED IN BOOK 8 PAGE 71 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY AND THE CENTER LINE OF PLACENTIA AVENUE, AS SAID CENTER LINE IS SHOWN ON THE MAP OF TRACT NO. 2215 RECORDED IN BOOK 106 PAGE 34, MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY; THENCE ALONG THE NORTHERLY LINE OF SAID FAIRVIEW FARMS, SOUTH 89° 27' 30" WEST 2640.02 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 0° 32' 30" WEST 660.00 FEET; THENCE NORTH 89° 27' 30" EAST 660.14 FEET; THENCE NORTH 0° 32' 30" WEST 209.11 FEET; THENCE NORTH 51° 50' 47" EAST 662.84 FEET; THENCE NORTH 37° 15' 16" EAST 30.00 FEET TO A POINT ON A CURVE, CONCAVE NORTHEASTERLY SAID POINT BEING ON THE CENTERLINE OF PLACENTIA AVENUE, HAVING A RADIUS OF 800.00 FEET; A RADIAL LINE FROM SAID POINT BEARS NORTH 37° 15' 16" EAST; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52° 31' 27", AN ARC DISTANCE OF 733.38 FEET; THENCE NORTH 0° 13' 17" WEST 426.91 FEET TO THE NORTHWEST CORNER OF PARCEL "F" AS SHOWN ON SAID RECORD OF SURVEY; THENCE SOUTH 68° 48' 33" EAST 997.43 FEET ALONG THE NORTHERLY BOUNDARY OF SAID PARCEL "F" TO THE SOUTHEASTERLY CORNER OF PARCEL "E" AS SHOWN ON SAID RECORD OF SURVEY; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL "E", NORTH 0° 12' 30" WEST 98.24 FEET TO THE BEGINNING OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 550.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 22° 30' 00", AN ARC DISTANCE OF 215.98 FEET; THENCE NORTH 22° 17' 30" EAST 317.12 FEET TO THE BEGINNING OF A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 350.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 78° 13' 11" AN ARC DISTANCE OF 477.82 FEET TO A POINT; A RADIAL LINE FROM SAID POINT BEARS SOUTH 34° 04' 19" WEST; THENCE NORTH 0° 12' 30" WEST 890.81 FEET TO A POINT ON THE NORTHERLY LINE OF SAID LOT A OF THE BANNING TRACT; THENCE ALONG THE NORTHERLY LINE OF SAID LOT A, SOUTH 89° 28' 13" WEST 3164.10 FEET TO A POINT ON A LINE PARALLEL WITH AND DISTANT EASTERLY 455.00 FEET MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF THE SANTA ANA RIVER CHANNEL, AS SAID CENTER LINE IS SHOWN ON A MAP FILED IN BOOK 12 PAGE 25 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY OF ORANGE, STATE OF CALIFORNIA; THENCE SOUTH 13° 24' 49" WEST ALONG SAID PARALLEL LINE, 4034.61 FEET TO THE NORTHERLY LINE OF SAID FAIRVIEW FARMS; THENCE NORTH 89° 27' 30" EAST 2260.02 FEET ALONG THE NORTHERLY LINE OF SAID FAIRVIEW FARMS TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM PARCEL H-1 AS SHOWN ON A MAP FILED IN BOOK 53 PAGES 34 TO 36 OF RECORD OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN INSTRUMENTS OF RECORD.

TOGETHER WITH ALL OF GRANTOR'S RIGHT, TITLE AND INTEREST IN AND TO SUCH EASEMENT OR EASEMENTS AS ARE SHOWN ON RECORD OF SURVEY MAP FILED IN BOOK 53 PAGES 35 AND 36 OF RECORD OF SURVEY AND ACQUIRED BY GRANTOR UNDER THAT CERTAIN AGREEMENT RECORDED IN BOOK 4152 PAGE 223, OFFICIAL RECORDS AND DEED RECORDED IN BOOK 6799 PAGE 513, OFFICIAL RECORDS AS IT AFFECTS SUBJECT PROPERTY.

THIS CONVEYANCE IS SUBJECT TO THE EXPRESS CONDITION SUBSEQUENT THAT THE REAL PROPERTY CONVEYED SHALL BE USED ONLY FOR PARK AND RECREATION PURPOSES FOR A PERIOD OF 25 YEARS. SHOULD SAID EXPRESS CONDITION BE VIOLATED, THE STATE OF CALIFORNIA SHALL HAVE THE RIGHT TO RE-

LEGAL DESCRIPTION

EXHIBIT "A" (CONTINUED)

ENTER AND TAKE POSSESSION OF THE REAL PROPERTY, AND UPON SUCH RE-ENTRY, TITLE THERETO SHALL THEREUPON REVERT TO THE STATE OF CALIFORNIA.

PARCEL 2:

THAT PORTION OF LOT "A" OF THE BANNING TRACT, AS SHOWN ON A MAP ATTACHED TO THE REPORT OF THE REFEREES FILED APRIL 14, 1890 IN CASE NO 6385 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE COUNTY OF LOS ANGELES, CALIFORNIA AND MORE PARTICULARLY DESIGNATED PARCEL "F" ON A MAP FILED IN BOOK 53 PAGES 34 TO 36 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID PARCEL "F", BEING THE SOUTHEASTERLY TERMINUS OF THAT CERTAIN CURVE IN THE BOUNDARY OF SAID PARCEL "F", CONCAVE SOUTHERLY AND HAVING A RADIUS OF 800.00 FEET, A RADIAL LINE OF SAID CURVE FROM SAID TERMINUS BEARS SOUTH 28° 22' 42" WEST; THENCE ALONG THE BOUNDARY OF SAID PARCEL "F" THE FOLLOWING COURSES:

NORTHWESTERLY AND WESTERLY ALONG SAID CURVE 229.45 FEET THROUGH A CENTRAL ANGLE OF 16° 25' 59"; THENCE TANGENT TO SAID CURVE, NORTH 78° 03' 17" WEST, 122.38 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 760.00 FEET; THENCE WESTERLY, NORTHWESTERLY AND NORTHERLY ALONG SAID CURVE 1086.76 FEET THROUGH A CENTRAL ANGLE OF 77° 50' 00"; THENCE TANGENT TO SAID CURVE, NORTH 0° 13' 17" WEST, 426.91 FEET; THENCE SOUTH 68° 48' 33" EAST, 997.43 FEET TO THE WESTERLY LINE OF THAT CERTAIN EASEMENT DEFINED AND DELINEATED IN BOOK 4761 PAGE 550 OF OFFICIAL RECORDS OF SAID ORANGE COUNTY; THENCE ALONG SAID WESTERLY LINE SOUTH 0° 12' 30" EAST, 64.91 FEET; THENCE NORTH 89° 47' 30" EAST, 37.00 FEET; THENCE SOUTH 0° 12' 30" EAST, 885.32 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF LOT A OF THE BANNING TRACT, IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP OF SAID TRACT FILED IN THE CASE OF HANCOCK BANNING AND OTHERS VS. MARY H. BANNING FOR PARTITION AND BEING CASE NO. 6385 UPON THE REGISTER OF ACTIONS OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE COUNTY OF LOS ANGELES MORE PARTICULARLY DESIGNATED AS PARCEL H-1 ON A MAP FILED IN BOOK 53 PAGES 34 TO 36 OF RECORD OF SURVEY IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY OF ORANGE COUNTY, CALIFORNIA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID PARCEL H-1 THE FOLLOWING COURSES:

NORTH 79° 29' 00" WEST, 540.24 FEET; THENCE NORTH 0° 24' 54" WEST, 740.07 FEET TO A POINT ON THE CENTERLINE OF THAT CERTAIN EASEMENT DESCRIBED AND DELINEATED IN BOOK 4761 PAGE 550 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID CENTERLINE AND CONTINUING NORTH 89° 35' 23" EAST, 97.28 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 500.00 FEET; THENCE SOUTHEASTERLY 447.40 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 51° 16' 07"; THENCE TANGENT TO SAID CURVE SOUTH 39° 08' 30" EAST, 134.28 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 500.00 FEET; THENCE SOUTHEASTERLY 171.06 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19° 36' 06" 800.00 FEET A RADIAL LINE OF SAID CURVE FROM SAID POINT BEARS NORTH 76° 37' 28" WEST; THENCE LEAVING THE CENTERLINE OF SAID EASEMENT DESCRIBED IN BOOK 4761 PAGE 550 OF OFFICIAL RECORDS AND CONTINUING ALONG THE BOUNDARY OF SAID PARCEL H-1, THE FOLLOWING COURSES:

SOUTHERLY 157.19 FEET ALONG SAID CURVE OF 800.00 FOOT RADIUS, THROUGH A CENTRAL ANGLE OF 11° 15' 29"; THENCE SOUTH 24° 38' 01" WEST, 145.87 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 800.00 FEET; THENCE SOUTHERLY 167.10 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11° 58' 04" TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, LYING BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN INSTRUMENTS OF RECORD.

LEGAL DESCRIPTION

EXHIBIT "A" (CONTINUED)

PARCEL 4:

A NON-EXCLUSIVE EASEMENT FOR STREET AND HIGHWAY PURPOSES OVER THE FOLLOWING DESCRIBED PROPERTY:

THAT PORTION OF LOT "A" OF THE BANNING TRACT, AS SHOWN ON A MAP OF SAID TRACT FILED IN THE CASE OF HANCOCK BANNING AND OTHERS VS. MARY H. BANNING FOR PARTITION AND BEING CASE NO. 6385 UPON THE REGISTER OF ACTIONS OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE COUNTY OF LOS ANGELES AND MORE PARTICULARLY DESIGNATED ON A MAP FILED IN BOOK 53 PAGES 34 TO 36 OF RECORD OF SURVEY OF SAID COUNTY OF ORANGE, SITUATED WITHIN A 60 FOOT STRIP OF LAND LYING 30 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF SAID LOT "A" AND THE EASTERLY LINE OF PARCEL H-2, ALL AS SHOWN ON SAID RECORD OF SURVEY; THENCE SOUTH 0° 31' 47" EAST, 301.45 FEET TO THE BEGINNING OF A CURVE, CONCAVE WESTERLY AND HAVING A RADIUS OF 800 FEET; THENCE SOUTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF 25° 09' 48", A DISTANCE OF 351.34 FEET; THENCE SOUTH 24° 38' 01" WEST, 145.87 FEET TO THE BEGINNING OF A CURVE CONCAVE EASTERLY HAVING A RADIUS OF 800 FEET; THENCE SOUTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF 24° 51' 18", A DISTANCE OF 347.04 FEET THENCE SOUTH 0° 13' 17" EAST, 436.80 FEET.

THE SIDE LINES OF SAID STRIP SHALL BE LENGTHENED OR SHORTENED TO TERMINATE IN SAID NORTH LINE OF LOT "A", AND IN THE SOUTHERLY LINE, AND ITS WESTERLY PROLONGATION OF PARCEL "E" AS SAID SOUTHERLY LINE IS SHOWN ON SAID RECORD OF SURVEY.

EXCEPTING THEREFROM THAT PORTION INCLUDED WITHIN PARCEL 3.

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

A. **Property Taxes**, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2007-2008.

B. **Property Taxes** for the fiscal year shown below are PAID. For proration purposes, the amounts are:

APN:	420 011 09
Fiscal Year:	2006-2007
Code Area:	15182
1st Installment:	\$36.56 PAID
2nd Installment:	\$36.56 PAID
Land:	\$670,956.00
Improvements:	\$0.00
Exemption:	\$0.00 HOMEOWNERS

C. **Property Taxes** for the fiscal year shown below are PAID. For proration purposes, the amounts are:

APN and CODE AREA:	420 012 02/15082
Fiscal Year:	2006-2007
1st Installment:	\$2004.89 PAID
2nd Installment:	\$2004.89 PAID
Exemption:	\$0.00
Land:	\$14,667,472.00
Improvements:	\$0.00
Personal Property:	\$0

D. THE FOLLOWING APN# HAVE NOT TAXES DUE FOR THE FISCAL YEAR OF 2006-2007;

420-011-10, 420-011-11, 420-011-14, 420-011-15, 420-012-01, 420-012-03

E. **The lien of supplemental taxes**, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation Code of the State of California.

1. AN EASEMENT FOR DRAINAGE DITCH OR PIPE LINE IN, ON AND UNDER A 30 FOOT STRIP OF LAND, AS DESCRIBED IN THE DEED TO TALBERT DRAINAGE DISTRICT RECORDED SEPTEMBER 27, 1938 IN BOOK 956 PAGE 591 OF OFFICIAL RECORDS AND AS PLOTTED ON A MAP FILED IN BOOK 53 PAGES 35 AND 36 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

2. AN EASEMENT OVER A STRIP OF LAND 12 FEET WIDE FOR ADAMS AVENUE STORM DRAIN FROM ADAMS AVENUE TO THE FAIRVIEW (D-4) CHANNEL, AS DESCRIBED IN THE DEED TO THE CITY OF COSTA MESA, RECORDED DECEMBER 6, 1962 IN BOOK 6350 PAGE 60, OFFICIAL RECORDS.

3. **An easement** for the purpose shown below and rights incidental thereto as set forth in a document

Purpose:	UNDERGROUND STORM DRAIN SYSTEM AND INCIDENTAL PURPOSES
Recorded:	APRIL 5, 1963 IN BOOK 6497 PAGE 931 OF OFFICIAL RECORDS
Affects:	A STRIP OF LAND 50 FEET WIDE

4. **An easement** for the purpose shown below and rights incidental thereto as set forth in a document

Purpose:	PIPELINE(S)
Recorded:	JANUARY 22, 1964 IN BOOK 7060 PAGE 198 OF OFFICIAL RECORDS
Affects:	A 10 FOOT STRIP OF LAND

And Recorded: MAY 26, 1964 IN BOOK 7060 PAGE 308 OF OFFICIAL RECORDS.

5. AN EASEMENT FOR STREET AND HIGHWAY PURPOSES AS CONDEMNED BY FINAL ORDER OF CONDEMNATION ENTERED SEPTEMBER 22, 1964 IN ACTION ENTITLED COSTA MESA UNION SCHOOL DISTRICT OF ORANGE COUNTY, CALIFORNIA VERSUS JOSEPH B. BANNING AND OTHERS, CASE NO. 107103 SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR ORANGE COUNTY, A CERTIFIED COPY OF WHICH ORDER WAS RECORDED SEPTEMBER 22, 1964 IN BOOK 7229 PAGE 427, OFFICIAL RECORDS AND AS DESCRIBED IN DEEDS TO THE CITY OF COSTA MESA, RECORDED DECEMBER 16, 1964 IN BOOK 7347 PAGES 880 AND 883 OF OFFICIAL RECORDS, MARCH 17, 1965 IN BOOK 7449 PAGE 229, OFFICIAL RECORDS, APRIL 7, 1965 IN BOOK 7474 PAGE 831, OFFICIAL RECORDS, APRIL 17, 1968 IN BOOK 8575 PAGE 832, OFFICIAL RECORDS, APRIL 23, 1968 IN BOOK 8580 PAGE 819, OFFICIAL RECORDS MAY 20, 1970 IN BOOK 9294, PAGE 113 OF OFFICIAL RECORDS.
6. AN EASEMENT TO CONSTRUCT, USE, MAINTAIN, ALTER, ADD TO, REPAIR AND REPLACE A CITY STREET, AS CONVEYED TO THE CITY OF COSTA MESA BY AN INSTRUMENT RECORDED OCTOBER 4, 1971 IN BOOK 9830 PAGE 314, OFFICIAL RECORDS, UPON THE TERMS, COVENANTS AND CONDITIONS CONTAINED THEREIN. REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.
7. AN UNRECORDED LEASE DATED DECEMBER 1, 1970 EXECUTED BY STATE OF CALIFORNIA, DEPARTMENT OF GENERAL SERVICES, AS LESSOR AND ARCHAEOLOGICAL RESEARCH INC., AS LESSEE, UPON THE TERMS, CONDITIONS AND COVENANTS THEREIN CONTAINED, AS DISCLOSED BY AN INSPECTION OF SAID LAND. REFERENCE IS MADE TO SAID LEASE FOR FULL PARTICULARS.
8. A RIGHT OF WAY, IF ANY, FOR DITCH OF TALBERT DRAINAGE DISTRICT, AS RECITED IN DEED FROM JAMES A. DAY TO J. KUJAWSKY, RECORDED DECEMBER 27, 1906 IN BOOK 139 PAGE 260, OF DEEDS AND AS PLOTTED ON MAP FILED IN BOOK 53 PAGE 36 OF RECORD OF SURVEY IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
9. A NON-EXCLUSIVE RIGHT OF WAY AND EASEMENT OVER A 10-FOOT STRIP, AS DESCRIBED IN THE DEED TO THE IRVINE COMPANY, A CORPORATION RECORDED APRIL 24, 1941 IN BOOK 1089 PAGE 405 OF OFFICIAL RECORDS AND AS PLOTTED ON THE MAP FILED IN BOOK 53 PAGE 36 OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
10. AN EASEMENT 30 FEET WIDE FOR INGRESS AND EGRESS, PIPES, POLES AND UTILITIES AS RESERVED IN THE FINAL ORDER AND DECREE OF CONDEMNATION ENTERED AUGUST 29, 1950 IN ACTION ENTITLED "STATE OF CALIFORNIA VS. GEORGE H. CAPRON AND OTHERS", CASE NO. 52195, SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR ORANGE COUNTY, A CERTIFIED COPY OF SUCH ORDER WAS RECORDED AUGUST 29, 1950 IN BOOK 2063 PAGE 534, OFFICIAL RECORDS AND AS SUCH EASEMENTS ARE SHOWN UPON THE MAP LAST HEREINABOVE MENTIONED AND UPON MAP FILED IN BOOK 60 PAGE 156 OF RECORD OF SURVEY IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
11. THE RIGHT OF UNITED CALIFORNIA BANK AND OTHERS TO CONSTRUCT DERRICKS, PUMPS, OIL STORAGE TANKS, PIPELINE(S), POWER LINES AND SUCH OTHER EQUIPMENT, STRUCTURES AND UTILITIES ON EACH OF SAID DRILLING SITES AS MAY BE NECESSARY OR CONVENIENT TO THE PURPOSES OF EXPLORING FOR, DRILLING FOR, AND CARRYING ON OPERATIONS FOR THE EXPLORATION, DISCOVERY AND PRODUCTION OF MINERALS, INCLUDING OIL AND GAS AND OTHER HYDROCARBONS, THE STATE OF CALIFORNIA TO HAVE THE RIGHT TO ENTER UPON SAID EASEMENTS AT SUCH TIME AS MAY BE CONVENIENT FOR ANY PURPOSE THAT WILL NOT INTERFERE WITH THE EXERCISE OF ANY OF THE RIGHTS OF SAID PARTIES (SUCCESSORS TO MARY BANNING NORRIS) AS RESERVED AND PROVIDED IN THE FINAL ORDER OF CONDEMNATION RECORDED AUGUST 29, 1950 IN BOOK 2063 PAGE 534, OFFICIAL RECORDS.

12. THE TERMS AND CONDITIONS OF AN AGREEMENT BY AND BETWEEN NEWPORT DRAINAGE DISTRICT, TALBERT DRAINAGE DISTRICT, AND ORANGE COUNTY FLOOD CONTROL DISTRICT, RELATING TO THE MAINTENANCE, OPERATION, ETC., OF DRAINAGE DITCHES AND UNDERGROUND PIPELINE(S) FOR DRAINAGE OVER A PORTION OF SAID LAND, RECORDED DECEMBER 31, 1957 IN BOOK 4152 PAGE 223, OFFICIAL RECORDS.

NOTE 1: RECORDED NOVEMBER 12, 1963 IN BOOK 6799 PAGE 513, OFFICIAL RECORDS IS A QUITCLAIM DEED FROM ORANGE COUNTY FLOOD CONTROL DISTRICT TO THE STATE OF CALIFORNIA FOR CERTAIN RIGHTS CREATED UNDER THE ABOVE AGREEMENT.

NOTE 2: RECORDED APRIL 3, 1973 IN BOOK 10625 PAGE 278, OFFICIAL RECORDS IS A DEED FROM THE STATE OF CALIFORNIA TO THE OFFICIAL RECORDS HARBORS, BEACHES AND PARKS DISTRICT FOR CERTAIN RIGHTS CREATED UNDER THE ABOVE AGREEMENT.

13. AN EASEMENT FOR STORM DRAIN AND INCIDENTAL PURPOSES AS DESCRIBED IN THE DEED TO THE CITY OF COSTA MESA, RECORDED JUNE 17, 1959 IN BOOK 4761 PAGE 550 OFFICIAL RECORDS AND AS PLOTTED ON A MAP FILED IN BOOK 53 PAGES 35 AND 36 OF RECORD OF SURVEY IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

BY AN AGREEMENT AND GRANT OF EASEMENT, DATED JANUARY 3, 1961, RIGHTS OF THE CITY OF COSTA MESA THEREUNDER REFERRED TO IN SAID AGREEMENT AS "PROJECT D-4" PASSED TO ORANGE COUNTY FLOOD CONTROL DISTRICT; SAID GRANT WAS RECORDED FEBRUARY 3, 1961 IN BOOK 5618 PAGE 338, OFFICIAL RECORDS.

14. AN EASEMENT 16 FEET WIDE, IN FAVOR OF SOUTHERN COUNTIES GAS COMPANY AND A 60 FOOT RESERVATION AS SHOWN ON A MAP FILED IN BOOK 53 PAGE 36 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

15. THE EXPRESS CONDITION THAT SAID LAND SHALL BE USED ONLY FOR PARK AND RECREATION PURPOSES FOR A PERIOD OF 25 YEARS, AS CONTAINED IN THE DEED FROM THE STATE OF CALIFORNIA TO ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT RECORDED APRIL 3, 1973 IN BOOK 10625 PAGE 278, OFFICIAL RECORDS.

SAID DEED FURTHER RECITES: "SHOULD SAID EXPRESS CONDITIONS BE VIOLATED, THE STATE OF CALIFORNIA SHALL HAVE THE RIGHT TO RE-ENTER AND TAKE POSSESSION OF THE REAL PROPERTY AND UPON SUCH RE-ENTRY TITLE THEREOF SHALL THEREUPON REVERT TO THE STATE OF CALIFORNIA".

16. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as granted in a document;

Granted to: COSTA MESA COUNTY WATER DISTRICT AND THE CITY OF HUNTINGTON BEACH, A MUNICIPAL CORPORATION
Purpose: PIPELINE(S)
Recorded: JANUARY 22, 1964 IN BOOK 6894 PAGE 198 OF OFFICIAL RECORDS
Affects: THAT PORTION OF SAID LAND AS DESCRIBED THEREIN

17. **Water rights, claims or title to water**, whether or not disclosed by the Public Records.

18. **A deed of trust** to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$3,467,500.00
Dated: 04/02/1973
Trustor: ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT
Trustee: FIRST AMERICAN TITLE INSURANCE COMPANY
Beneficiary: THE STATE OF CALIFORNIA, ACTING THROUGH ITS DIRECTOR, DEPARTMENT OF GENERAL SERVICES
Recorded: APRIL 3, 1973 IN BOOK 10625 PAGE 282 OF OFFICIAL RECORDS
Affects: The herein described land and other land.

19. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as granted in a document;
- Granted to: MESA CONSOLIDATED WATER DISTRICT
Purpose: PIPELINE(S)
Recorded: SEPTEMBER 1, 1989 AS INSTRUMENT NO. 89-471556 OF OFFICIAL RECORDS
Affects: THAT PORTION OF SAID LAND AS DESCRIBED THEREIN
20. **A document** entitled EASEMENT DEED AND AGREEMENT, dated 07/20/1993, executed by THE CITY OF COSTA MESA AND THE COUNTY OF ORANGE, subject to all the terms, provisions and conditions therein contained, recorded JULY 21, 1993 AS INSTRUMENT NO. 0484755 OF OFFICIAL RECORDS.
- Reference is hereby made to said document for full particulars.
21. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as granted in a document;
- Granted to: THE COSTA MESA SANITARY DISTRICT
Purpose: SEWER
Recorded: AUGUST 18, 1999 AS INSTRUMENT NO. 19990602863 OF OFFICIAL RECORDS
Affects: THAT PORTION OF SAID LAND AS DESCRIBED THEREIN

END OF ITEMS

State of California - Natural Resources Agency
 Department of Parks and Recreation
GRANT CONTRACT
 Recreational Trails Program

MS EXHIBIT B
 RECEIVED OCT 01 2012

GRANTEE City of Costa Mesa
 PROJECT TITLE FAIRVIEW PARK BICYCLE TRAIL PROJECT PROJECT NUMBER RT-30-014A
 PROJECT PERFORMANCE PERIOD is from November 27, 2007 thru June 30, 2017

The Grantee agrees to the terms and conditions of this Contract, and the State of California, acting through its Director of Parks and Recreation, pursuant to the State of California, agrees to fund the total Grant amount indicated below.

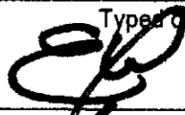
PROJECT DESCRIPTION

A development project to construct an approximately .5 mile bicycle trail in Fairview Park in the City of Costa Mesa.

Total State Grant not to exceed \$52,690.00 OR 88% of the eligible Project costs whichever is less.

City of Costa Mesa
 Grantee

The General and Special Provisions attached are made a part of and incorporated into the Contract.

By ERNESTO MUNOZ
 Type or printed name of Authorized Representative

 Signature of Authorized Representative
 Address 77 FAIR DR 92628
 Title Director of Public Services
 Date 9.26.12

STATE OF CALIFORNIA
 DEPARTMENT OF PARKS AND RECREATION
 By Harbana Baker
 Date 10/4/12

CERTIFICATION OF FUNDING

CONTRACT NO C8528004	AMENDMENT NO	CALSTARS VENDOR NO. 000000402200 ✓			PROJECT NO. RT-30-014A
AMOUNT ENCUMBERED BY THIS DOCUMENT \$52,690.00		FUND. Recreational Trails Fund			
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT		ITEM 3790-101-0858(2)	CHAPTER 712/10	STATUTE 10	FISCAL YEAR 2012/13
TOTAL AMOUNT ENCUMBERED TO DATE \$ 52,690.00		INDEX. 1091	OBJ. EXPEND 702	PCA. 68624	PROJECT / WORK PHASE 091022-00
T.B.A. NO.	I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance.				
B.R.. NO.	ACCOUNTING OFFICER'S SIGNATURE <u>Toy Alvarez</u>			DATE. <u>10/8/12</u>	

Grantee 10-5-2012

State of California - The Resources Agency
DEPARTMENT OF PARKS AND RECREATION

RECREATIONAL TRAILS PROGRAM

Special Provisions

Grant Recipient agrees that lands acquired with grant moneys shall not be acquired through the use of eminent domain

GENERAL PROVISIONS

A. Definitions

1. The term "State" as used herein means the California State Department of Parks and Recreation.
2. The term "Act" as used herein means the Transportation Equity Act For The 21st Century.
3. The term "Project" as used herein means the project which is described on page 1 of this contract.
4. The term "Grant Recipient" as used herein means the party described as grant recipient on page 1 of this contract.
5. The term "Application" as used herein means the individual application and its required attachments for grants pursuant to the Recreational Trails Program.

B. Project Execution

1. Subject to the availability of grant moneys in the Act, the State hereby grants to the Grant Recipient a sum of money (grant moneys) not to exceed the amount stated on page 1 (or 80% of the project costs, whichever is less) in consideration of and on condition that the sum be expended in carrying out the purposes as set forth in the Description of Project on page 1 and under the terms and conditions set forth in this contract.

Grant Recipient agrees to assume any obligation to furnish any additional funds that may be necessary to complete the project. Any modification or alteration in the project as set forth in the application on file with the State must be submitted to the State for approval.

2. Grant Recipient agrees to complete the Project in accordance with the time of project performance set forth on page 1, and under the terms and conditions of this contract.
3. Grant Recipient shall comply as lead agency with the California Environmental Quality Act (Public Resources Code, Section 21,000 et. seq. and the National Environmental Policy Act.
4. Grant Recipient agrees to permit periodic site visits by the State including a final inspection upon Project completion.

5. Grant Recipient agrees to submit all significant deviations from the Project to the State for prior approval.
6. If the Project includes acquisition of real property, Grant Recipient agrees to comply with Chapter 16 (commencing with Section 7260 et seq.) and any applicable federal, state, or local laws or ordinances. Documentation of such compliance will be made available for review upon request by the State.
7. Grant Recipient agrees to provide for reasonable public access to lands acquired in fee with grant moneys except where that access may interfere with habitat protection.

C. Project Costs

The grant moneys to be provided Grant Recipient under this contract may be disbursed as follows:

1. If the Project includes acquisition of real property, the State may disburse the amount of the State approved purchase price together with State approved costs of acquisition, but not to exceed in any event the grant amount set forth on page 1 of this contract.
2. If the Project includes development, completion of the Project or any phase or unit thereof, State may disburse to Grant recipient upon receipt and approval by State of a statement of incurred costs from Grant Recipient, the amount of such approved incurred costs shown on such statement, not to exceed the State grant amount set forth on page 1 of this contract, (or 80% of the project costs, whichever is less) or any remaining portion of such grant amount to the extent of such statement.

The statements to be submitted by Grant Recipient shall set forth in detail the incurred or estimated cost of work performed or to be performed on development of the Project and whether performance will be by construction contract or by force account. Statements shall not be submitted more frequently than ninety-day periods unless otherwise requested by State.

D. Project Costs

1. Grant Recipient agrees to promptly submit such reports as the State may request.
In any event Grant Recipient shall provide State a report showing total final Project expenditures.
2. Grant Recipient agrees that property and facilities acquired or developed pursuant to this contract shall be available for inspection upon request by the State.
3. Grant Recipient agrees that income earned by the Grant Recipient from a State approved non-recreational use on the Project shall be used for recreational purposes at the project, or, if approved by State, for recreational purposes within the Grant Recipient's jurisdiction.

E. Project Termination

1. Grant Recipient may unilaterally rescind this contract at any time prior to the commencement of the Project. After Project commencement this contract may be rescinded, modified or amended by mutual agreement in writing.
2. Failure by Grant Recipient to comply with the terms of this contract or any other contract under the Act may be cause for suspension of all obligations of the State hereunder.
3. Failure of the Grant Recipient to comply with the terms of this contract shall not be cause for the

suspension of all obligations of the State hereunder if in the judgement of the State such failure was due to no fault of the Grant Recipient. In such case, any amount required to settle at minimum cost any irrevocable obligations properly incurred shall be eligible for reimbursement under this contract.

4. Because the benefit to be derived by the State, from the full compliance by the Grant Recipient with the terms of this contract, is the preservation, protection and net increase in the quantity and quality of parks, public recreation facilities and/or historical resources available to the people of the State of California and because such benefit exceeds to an immeasurable and unascertainable extent the amount of money furnished by the State by way of grant moneys under the provisions of this contract, the Grant Recipient agrees that payment by the Grant Recipient to the State of an amount equal to the amount of the moneys disbursed under this contract by the State would be inadequate compensation to the State for any breach by the Grant Recipient of this contract. The applicant further agrees therefore, that the appropriate remedy in the event of a breach by the Grant Recipient of this contract shall be the specific performance of this contract, unless otherwise agreed to by the State.
5. Grant recipient agrees that if the Project includes development, final payment may not be made until the Project conforms substantially with this contract and is a usable recreation facility.

F. Hold Harmless

1. Grant Recipient agrees to waive all claims and recourse against the State including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this contract except claims arising from the concurrent or sole negligence of State, its officers, agents, and employees.
2. Grant Recipient agrees to indemnify, hold harmless and defend State, its officers, agents and employees against any and all claims demands, damages, costs, expenses or liability costs arising out of the acquisition, development, construction, operation or maintenance of the property described as the Project which claims, demands or causes of action arise under Government Code Section 895.2 or otherwise except for liability arising out of the concurrent or sole negligence of State, its officers, agents, or employees.
3. Grant Recipient agrees that in the event State is named as codefendant under the provisions of Government Code section 895 et seq., the Grant Recipient shall notify State of such fact and shall represent State in the legal action unless State undertakes to represent itself as codefendant in such legal action in which event State shall bear its own litigation costs, expenses, and attorney's fees.
4. Grant Recipient and State agrees that in the event of judgment entered against the State and Grant Recipient because of the concurrent negligence of the State and Grant Recipient, their officers, agents, or employees, an apportionment of liability to pay such judgement shall be made by a court of competent jurisdiction. Neither party shall request a jury appointment.
5. Grant Recipient agrees to indemnify, hold harmless and defend the State, its officers, agents and employees against all claims, demands, costs, expenses or liability costs arising out of legal actions pursuant to items to which the Grant Recipient has certified. Grant Recipient acknowledges that it is solely responsible for compliance with Items to which R has certified.

G. Financial Records

1. Grant Recipient agrees to maintain satisfactory financial accounts, documents and records for the Project and to make them available to the State for auditing at reasonable times. Grant Recipient also agrees to retain such financial accounts, documents and records for three years following project termination or completion.

Grant Recipient and State agree that during office hours each of the parties hereto and their duly authorized representatives shall have the right to inspect and make copies of any books, records or reports of the other party pertaining to this contract or matters related thereto. Grant Recipient agrees to maintain and make available for inspection by the State, accurate records of all of its costs, disbursements and receipts with respect to its activities under this contract.

2. Grant Recipient agrees to use a generally accepted accounting system.

H. Use of Facilities

1. Grant Recipient agrees that the property acquired or developed with grant moneys under this contract shall be used by the Grant Recipient only for the purpose for which the grant moneys were requested and no other use of the area shall be permitted except by specific act of the Legislature.
2. Grant Recipient agrees to maintain and operate the property acquired, developed, rehabilitated or restored with grant monies in perpetuity subject to the provisions of the National Recreational Trails Fund Act. With the approval of State, the grant recipient or its successors in interest in the property may transfer the responsibility to maintain and operate the property in accordance with Section 5919.

I. Nondiscrimination

1. The Grant Recipient shall not discriminate against any person on the basis of sex, race, color, national origin, age, religion, ancestry, or physical handicap in the use of any property of facility acquired or developed pursuant to this contract.
2. The Grant Recipient shall not discriminate against any person on the basis of residence except to the extent that reasonable differences in admission or other fees may be maintained on the basis of residence and pursuant to law.
3. All facilities shall be open to members of the public generally, except as noted under the special provisions of this contract.

J. Application Incorporation

The Application and any subsequent change or addition approved by the State is hereby incorporated in this contract as though set forth in full in this contract.

K. Severability

If any provision of this contract or the application is held invalid, that invalidity shall not affect other provisions or applications of the contract which can be given effect without the invalid provision or application, and to this end the provisions of this contract are severable.

State of California - The Resources Agency
DEPARTMENT OF PARKS AND RECREATION

RECREATIONAL TRAILS PROGRAM

Special Provisions

Grant Recipient agrees that lands acquired with grant moneys shall not be acquired through the use of eminent domain

GENERAL PROVISIONS

A. Definitions

1. The term "State" as used herein means the California State Department of Parks and Recreation.
2. The term "Act" as used herein means the Transportation Equity Act For The 21st Century.
3. The term "Project" as used herein means the project which is described on page 1 of this contract.
4. The term "Grant Recipient" as used herein means the party described as grant recipient on page 1 of this contract.
5. The term "Application" as used herein means the individual application and its required attachments for grants pursuant to the Recreational Trails Program.

B. Project Execution

1. Subject to the availability of grant moneys in the Act, the State hereby grants to the Grant Recipient a sum of money (grant moneys) not to exceed the amount stated on page 1 (or 80% of the project costs, whichever is less) in consideration of and on condition that the sum be expended in carrying out the purposes as set forth in the Description of Project on page 1 and under the terms and conditions set forth in this contract.

Grant Recipient agrees to assume any obligation to furnish any additional funds that may be necessary to complete the project. Any modification or alteration in the project as set forth in the application on file with the State must be submitted to the State for approval.

2. Grant Recipient agrees to complete the Project in accordance with the time of project performance set forth on page 1, and under the terms and conditions of this contract.
3. Grant Recipient shall comply as lead agency with the California Environmental Quality Act (Public Resources Code, Section 21,000 et. seq. and the National Environmental Policy Act.
4. Grant Recipient agrees to permit periodic site visits by the State including a final inspection upon Project completion.

5. Grant Recipient agrees to submit all significant deviations from the Project to the State for prior approval.
6. If the Project includes acquisition of real property, Grant Recipient agrees to comply with Chapter 16 (commencing with Section 7260 et seq.) and any applicable federal, state, or local laws or ordinances. Documentation of such compliance will be made available for review upon request by the State.
7. Grant Recipient agrees to provide for reasonable public access to lands acquired in fee with grant moneys except where that access may interfere with habitat protection.

C. Project Costs

The grant moneys to be provided Grant Recipient under this contract may be disbursed as follows:

1. If the Project includes acquisition of real property, the State may disburse the amount of the State approved purchase price together with State approved costs of acquisition, but not to exceed in any event the grant amount set forth on page 1 of this contract.
2. If the Project includes development, completion of the Project or any phase or unit thereof, State may disburse to Grant recipient upon receipt and approval by State of a statement of incurred costs from Grant Recipient, the amount of such approved incurred costs shown on such statement, not to exceed the State grant amount set forth on page 1 of this contract, (or 80% of the project costs, whichever is less) or any remaining portion of such grant amount to the extent of such statement.

The statements to be submitted by Grant Recipient shall set forth in detail the incurred or estimated cost of work performed or to be performed on development of the Project and whether performance will be by construction contract or by force account. Statements shall not be submitted more frequently than ninety-day periods unless otherwise requested by State.

D. Project Costs

1. Grant Recipient agrees to promptly submit such reports as the State may request.

In any event Grant Recipient shall provide State a report showing total final Project expenditures.
2. Grant Recipient agrees that property and facilities acquired or developed pursuant to this contract shall be available for inspection upon request by the State.
3. Grant Recipient agrees that income earned by the Grant Recipient from a State approved non-recreational use on the Project shall be used for recreational purposes at the project, or, if approved by State, for recreational purposes within the Grant Recipient's jurisdiction.

E. Project Termination

1. Grant Recipient may unilaterally rescind this contract at any time prior to the commencement of the Project. After Project commencement this contract may be rescinded, modified or amended by mutual agreement in writing.
2. Failure by Grant Recipient to comply with the terms of this contract or any other contract under the Act may be cause for suspension of all obligations of the State hereunder.
3. Failure of the Grant Recipient to comply with the terms of this contract shall not be cause for the

suspension of all obligations of the State hereunder if in the judgement of the State such failure was due to no fault of the Grant Recipient. In such case, any amount required to settle at minimum cost any irrevocable obligations properly incurred shall be eligible for reimbursement under this contract.

4. Because the benefit to be derived by the State, from the full compliance by the Grant Recipient with the terms of this contract, is the preservation, protection and net increase in the quantity and quality of parks, public recreation facilities and/or historical resources available to the people of the State of California and because such benefit exceeds to an immeasurable and unascertainable extent the amount of money furnished by the State by way of grant moneys under the provisions of this contract, the Grant Recipient agrees that payment by the Grant Recipient to the State of an amount equal to the amount of the moneys disbursed under this contract by the State would be inadequate compensation to the State for any breach by the Grant Recipient of this contract. The applicant further agrees therefore, that the appropriate remedy in the event of a breach by the Grant Recipient of this contract shall be the specific performance of this contract, unless otherwise agreed to by the State.
5. Grant recipient agrees that if the Project includes development, final payment may not be made until the Project conforms substantially with this contract and is a usable recreation facility.

F. Hold Harmless

1. Grant Recipient agrees to waive all claims and recourse against the State including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this contract except claims arising from the concurrent or sole negligence of State, its officers, agents, and employees.
2. Grant Recipient agrees to indemnify, hold harmless and defend State, its officers, agents and employees against any and all claims demands, damages, costs, expenses or liability costs arising out of the acquisition, development, construction, operation or maintenance of the property described as the Project which claims, demands or causes of action arise under Government Code Section 895.2 or otherwise except for liability arising out of the concurrent or sole negligence of State, its officers, agents, or employees.
3. Grant Recipient agrees that in the event State is named as codefendant under the provisions of Government Code section 895 et seq., the Grant Recipient shall notify State of such fact and shall represent State in the legal action unless State undertakes to represent itself as codefendant in such legal action in which event State shall bear its own litigation costs, expenses, and attorney's fees.
4. Grant Recipient and State agrees that in the event of judgment entered against the State and Grant Recipient because of the concurrent negligence of the State and Grant Recipient, their officers, agents, or employees, an apportionment of liability to pay such judgement shall be made by a court of competent jurisdiction. Neither party shall request a jury appointment.
5. Grant Recipient agrees to indemnify, hold harmless and defend the State, its officers, agents and employees against all claims, demands, costs, expenses or liability costs arising out of legal actions pursuant to items to which the Grant Recipient has certified. Grant Recipient acknowledges that it is solely responsible for compliance with Items to which R has certified.

G. Financial Records

1. Grant Recipient agrees to maintain satisfactory financial accounts, documents and records for the Project and to make them available to the State for auditing at reasonable times. Grant Recipient also agrees to retain such financial accounts, documents and records for three years following project termination or completion.

Grant Recipient and State agree that during office hours each of the parties hereto and their duly authorized representatives shall have the right to inspect and make copies of any books, records or reports of the other party pertaining to this contract or matters related thereto. Grant Recipient agrees to maintain and make available for inspection by the State, accurate records of all of its costs, disbursements and receipts with respect to its activities under this contract.

2. Grant Recipient agrees to use a generally accepted accounting system.

H. Use of Facilities

1. Grant Recipient agrees that the property acquired or developed with grant moneys under this contract shall be used by the Grant Recipient only for the purpose for which the grant moneys were requested and no other use of the area shall be permitted except by specific act of the Legislature.
2. Grant Recipient agrees to maintain and operate the property acquired, developed, rehabilitated or restored with grant monies in perpetuity subject to the provisions of the National Recreational Trails Fund Act. With the approval of State, the grant recipient or its successors in interest in the property may transfer the responsibility to maintain and operate the property in accordance with Section 5919.

I. Nondiscrimination

1. The Grant Recipient shall not discriminate against any person on the basis of sex, race, color, national origin, age, religion, ancestry, or physical handicap in the use of any property of facility acquired or developed pursuant to this contract.
2. The Grant Recipient shall not discriminate against any person on the basis of residence except to the extent that reasonable differences in admission or other fees may be maintained on the basis of residence and pursuant to law.
3. All facilities shall be open to members of the public generally, except as noted under the special provisions of this contract.

J. Application Incorporation

The Application and any subsequent change or addition approved by the State is hereby incorporated in this contract as though set forth in full in this contract.

K. Severability

If any provision of this contract or the application is held invalid, that invalidity shall not affect other provisions or applications of the contract which can be given effect without the invalid provision or application, and to this end the provisions of this contract are severable.
