

RECORDING REQUESTED BY
CITY OF NAPA
Exempt from Recording Fees
Government Code 27383

WHEN RECORDED MAIL TO:

CITY CLERK
CITY OF NAPA
P.O. Box 660
Napa, CA 94558

SPACE ABOVE THIS LINE FOR RECORDER'S USE_____

APN: 005-021-008

"MILLS ACT" HISTORICAL PROPERTY PRESERVATION AGREEMENT
(Government Code Sections 50280 et seq.)

1737 Laurel Street

THIS AGREEMENT by and between Donald Hirsohn and Sabine M. Hirsohn, Co-Trustees of The Donald Hirsohn and Sabine M. Hirsohn Family Trust ("Owner"), and the City of Napa, a California charter city ("City") is effective as of the date last signed by the City, which is identified on the signature page as the "Effective Date."

RECITALS

WHEREAS, Owners own certain real property, together with associated historic structures and improvements thereon, located at 1737 Laurel Street, in the City of Napa, Napa County ("the Property"), more particularly described in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, the Property is a "qualified historical property" as defined in California Government Code Section 50280.1; and

WHEREAS, both Owners and City desire to protect and preserve the Property so as to retain its characteristics of historical significance;

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, declarations, covenants and agreements of the parties set forth herein, and the substantial public benefit derived therefrom, the parties agree as follows:

1. Authority. This Agreement is made under authority of Government Code Sections 50280 et seq. ("Historical Property Contracts").

2. Term of Agreement. This Agreement shall be effective commencing on the Effective Date, and shall remain in effect for a minimum period of ten years therefrom. Each year on the anniversary of the Effective Date, the term will automatically be extended by a year as provided in Paragraph 5 of this Agreement.

3. Limitations on Land Use. During the term of this Agreement, the Property shall be subject to the following provisions, requirements, and restrictions:

(a) Owners shall preserve and maintain the Property, as a qualified historic property, in no less than equal to the condition of the Property as of the date hereof.

(i.) A Site Plan of the location of all buildings on the Property is detailed in Exhibit "B" attached hereto and incorporated herein by reference. Any proposed work to be performed on the Property, including any restoration, rehabilitation or preservation, must be reviewed and processed by the City in compliance with Napa Municipal Code Chapter 15.52, "Historic Preservation."

(ii.) Owners shall, when necessary, restore and rehabilitate the Property to conform to the rules and regulations of the Office of Historic Preservation of the Department of Parks and Recreation, the United States Secretary of the Interior's Standards for Rehabilitation and the State Historical Building Code as articulated in the Attached *Ten Year Rehabilitation Plan* (Exhibit "C") or as confirmed through a Certificate of Appropriateness approved by the City in accordance with Napa Municipal Code Chapter 15.52. Additionally, Owners shall provide whatever information shall be required by City to determine the Property's continuing eligibility as a qualified historic property.

(b) All buildings, structures, yards and other improvements shall be maintained in a manner which does not detract from the appearance of the immediate neighborhood. The following conditions are prohibited:

(i.) Dilapidated, deteriorating, or unrepaired structures and components, such as fences, roof, doors, walls and windows;

(ii.) Scrap lumber, junk, trash or debris;

(iii.) Abandoned, discarded or unused objects or equipment, such as automobiles, automobile parts, furniture, stoves, refrigerators, can containers, or similar items;

(iv.) Stagnant water or excavations, including in pools or spas; and

(v.) Any device, decoration, design, structure or vegetation which is unsightly by reason of its height, condition, or its inappropriate location.

(c) Owners shall provide for the periodic examinations of the interior and exterior of the premises by the Office of the Napa County Assessor, the Department of Parks and Recreation, the State Board of Equalization, and the City, as may be necessary to determine the Owners' compliance with this Agreement.

4. Successors in interest. The Owners hereby voluntarily subjects the Property to the covenants, conditions and restrictions set forth in this Agreement. City and Owners hereby declare their specific intent that the covenants, conditions and restrictions as set forth herein shall be deemed covenants running with the land and shall be binding upon and inure to the benefit of, all successors and assigns in title or interest of the Owners. A successor in interest shall have the same rights and obligations under this Agreement as the original Owners who entered into this Agreement.

Each and every contract, deed or other instrument hereinafter executed, covering or conveying the Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, conditions and restrictions expressed in this Agreement whether or not such covenant, conditions and restrictions are set forth in such contract, deed or other instrument.

5. Renewal.

(a) Each year on the anniversary of the Effective Date of this Agreement one year shall automatically be added to the term of this Agreement, unless notice of non-renewal is given as provided in this paragraph. On the fifth anniversary of the Effective Date, and every five years thereafter, the Owners shall arrange with the City to inspect the interior and exterior of the Property to determine the Owners' continued compliance with this Agreement. If Owners or City desire in any year not to renew this Agreement, that party shall serve written notice of non-renewal of this Agreement on the other party in advance of the annual renewal date of this Agreement. Unless the notice is served by the Owners at least 90 days prior to the renewal date, or by the City at least 60 days prior to the renewal date, one year shall automatically be added to the term of this Agreement.

(b) Upon receipt by the Owners of a notice from City of non-renewal, the Owners may make a written protest of the notice of non-renewal. City may, at any time prior to the renewal date, withdraw the notice of non-renewal.

(c) If City or Owners serve a notice of intent in any year not to renew this Agreement, this Agreement shall remain in effect for the balance of the period remaining since the original execution or the last renewal of this Agreement, as the case may be.

6. Cancellation for Breach. Following a noticed public hearing as required by Government Code Section 50285, City may cancel this Agreement if it determines that Owners have breached any of the conditions of this Agreement, or have allowed the Property to deteriorate to the point that it no longer meets the standard for a qualified historic property. City may also cancel this Agreement if it determines that Owners have failed to restore or rehabilitate the Property in the manner specified in this Agreement. If the City determines that performance of this Agreement has become infeasible due to damage to the Property caused by force majeure (such as flood, tornado, lightening, or earthquake), this Agreement may be cancelled upon the Owners' application without payment of the cancellation fee, to the extent that non-payment is permitted by law.

7. Cancellation Fee. If this Agreement is cancelled pursuant to paragraph 6 above, Owners shall pay a cancellation fee equal to 12 ½ % of the current fair market value of the Property, as determined by the Office of the Napa County Assessor as though the Property were free of the restrictions set forth in this Agreement. The cancellation fee shall be paid to the Office of the Napa County Auditor ("County Auditor"), at the time and in the manner that the County Auditor shall prescribe, and shall be allocated by the County Auditor to each jurisdiction in the tax rate area in which the Property is located in the same manner as the auditor allocates the annual tax increment in that tax rate area in that fiscal year.

8. Notice and Recordation.

(a) All notices required or contemplated by this Agreement shall be in writing and shall be delivered to the respective party as set forth in this section. Communications shall be deemed to be effective upon the first to occur of: (a) actual receipt by a party's Authorized Representative, or (b) actual receipt at the address designated below, or (c) three working days following deposit in the United States Mail of registered or certified mail sent to the address designated below. The Authorized Representative of either party may modify their respective contact information identified in this section by providing notice to the other party.

To: City of Napa
Attn: Community Development Director
City of Napa
P.O. Box 660
Napa, CA 94559

To: Owner,
Donald Hirsohn and Sabine M. Hirsohn,
Co-Trustees of The Donald Hirsohn and
Sabine M. Hirsohn Family Trust
1737 Laurel Street
Napa, CA 94559

(b) No later than 20 days after City enters into this Agreement with Owners, the City Clerk shall record a copy of this Agreement with the Office of the Napa County Recorder, which shall describe the Property. From and after the time of the recordation, this Agreement shall impart a notice thereof to all persons as is afforded by the recording laws of the State of California.

(c) Owners shall provide written notice of this Agreement to the Office of Historic Preservation within six months of entering into this Agreement and attention to:

Julianne Polanco, State Historic Preservation Officer
State of California Office of Historic Preservation
1725-23rd Street, Suite 100
Sacramento, CA 95816

9. Prevailing Party. The prevailing party in any action to interpret or enforce this Agreement shall be entitled to recover its reasonable attorney's fees.

10. Amendments. This Agreement may be amended, in whole or in part, only by a written recorded instrument executed by the parties hereto.

11. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and execute this Agreement on behalf of the respective legal entities of the Owners and the City. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

12. Indemnification. To the full extent permitted by law, Owners will indemnify, hold harmless, release, and defend the City (including its officers, elected or appointed officials, employees, volunteers, and agents) from and against any and all liability or claims (including actions, demands, damages, injuries, settlements, losses, or costs [including legal costs and attorney's fees]) (collectively, "Liability") of any nature, arising out of, pertaining to, or relating to Owners' acts or omissions under this Agreement. Consistent with Civil Code Section 2782, Owners will not be obligated to indemnify City for the proportionate share of the Liability caused by the City's active negligence, sole negligence, or willful misconduct. Owners' indemnification obligations under this Agreement are not limited by any limitations of any insurance held by Owners, including, but not limited to, workers' compensation insurance.

13. Severability. If any term of this Agreement (including any phrase, provision, covenant, or condition) is held by a court of competent jurisdiction to be invalid or unenforceable, the Agreement will be construed as not containing that term, and the remainder of this Agreement will remain in full force and effect; provided, however, this section will not be applied to the extent that it would result in a frustration of the parties' intent under this Agreement.

14. Governing Law, Jurisdiction, and Venue. The interpretation, validity, and enforcement of this Agreement will be governed and interpreted in accordance with the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement will be filed and heard in a court of competent jurisdiction in the County of Napa.

15. Counterparts. This Agreement may be executed in counterparts, each one of which is deemed an original, but all of which together constitute a single instrument.

16. Entire Agreement. This Agreement, including all documents incorporated herein by reference, comprises the entire integrated understanding between the parties concerning the subject matter hereof. This Agreement supersedes all prior negotiations, agreements, and understandings regarding this matter, whether written or oral. The documents incorporated by reference into this Agreement are complementary; what is called for in one is binding as if called for in all. If any provision in any document attached or incorporated into this Agreement conflicts or is inconsistent with a provision in the body of this Agreement, the provisions in the body of this Agreement will control over any such conflicting or inconsistent provisions.

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

CITY OF NAPA:

Community Development Director

Date: _____
"Effective Date"

COUNTERSIGNED:

Risk Manager

APPROVED AS TO FORM:

City Attorney

BUDGET CODE: _____

*Corporation, partnership, limited liability corporation, sole proprietorship, etc. Unless corporate resolution delegates an individual to sign contracts, an agreement with a corporation shall be signed by the President or Vice President and the Secretary or Treasurer of the corporation. A general partner shall sign on behalf of a general partnership. The managing member, if authorized, may sign on behalf of a limited liability corporation.

OWNERS:

Donald Hirsohn and Sabine M. Hirsohn, Co-Trustees of The Donald Hirsohn and Sabine M. Hirsohn Family Trust

By: _____
Donald Hirsohn

Sabine M. Hirsohn

Address: 1737 Laurel Street
Napa, CA 94559

SIGNATURES MUST BE NOTARIZED

EXHIBIT "A"
PROPERTY

Portions of Lots 15 and 16, as shown on the map entitled, "Cornwell and Hartson's Addition to Napa City", filed July 23, 1859 in Book E of Deeds at page 428, in the office of the County Recorder of said Napa County, described as follows:

Commencing at a point on the Southern line of Laurel (formerly Linn) Street, distant thereon 180 feet Westerly from the point of intersection thereof with the Western line of Seminary Street, said point being the Northwestern corner of land described in the Deed to John Healey, et ux, of record in Book 90 at page 91 of Official Records of Napa County; thence Westerly along the Southern line of Laurel Street, 66 feet, more or less, to the Northeastern corner of the premises described in the Deed to John Wilson of Record in Book 91 of Deeds at page 17, said Napa County Records; thence at a right angle Southerly and along the Eastern line of said Wilson lot and the Southerly prolongation thereof, 174 feet, more or less, to the Northern line of the premises described in the Deed to H.A. Crawford, of Record in Book 81 of Deeds at page 148, said Napa County Records; thence Northerly, along a Western line of said Crawford lot, and along the Western line of the lands described in the Deed to John Healey, et ux, above referred to, 171.5 feet, more or less, to the point of commencement

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EXHIBIT "B"
SITE PLAN

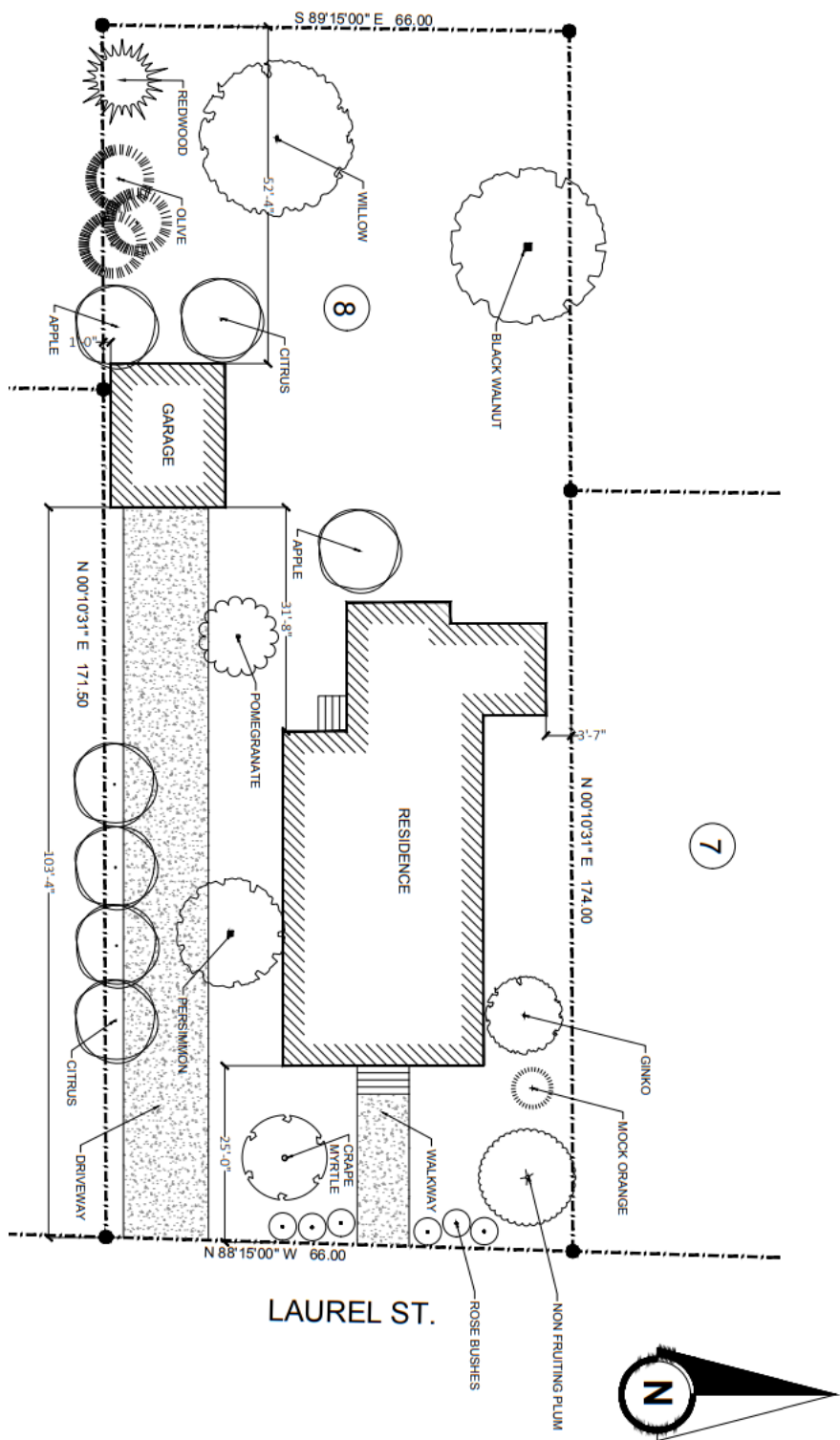


EXHIBIT "C"
REHABILITATION PLAN

Mills Act Contract 10 Year Rehabilitation Plan		
Year	Proposed Project	Estimated Cost
2026	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic structure from water damage	\$500.00
	Tree removal of over 100 year old black walnut (<i>Juglans nigra</i>) to avoid damage to house. Consulting arborist, Bill Pramuk, determined tree is 90% dead & unlikely to recover.	\$2,000.00
	Repaint house with historically appropriate colors, including scraping, priming, caulking, and applying finish coats.	\$15,000.00
	2026 Total	\$17,500.00
2027	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	Research & replace front arbor w/period appropriate structure	\$3,000.00
	Restore master bathroom & hallway and kitchen floors with Douglas Fir to match original floors in the rest of house.	\$15,000.00
	2027 Total	\$18,500.00
2028	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	Replace outdoor lighting w/ period appropriate covers (similar to existing light on southeast side of house)	\$1,500.00
	Replace front sidewalk with lamp black tinted pavers. (Work done in conjunction with city of Napa)	\$5,000.00
	Foundation & base of siding inspection (cracks & siding separation observed) to preserve stability of house. (Cannot estimate cost of work until inspected.)	\$1,000.00
	2028 Total	\$8,000.00
2029	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	Restore living room fireplace w/ vintage tiling	\$3,000.00
	2029 Total	\$3,500.00
2030	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	Lincrusta textured wallpaper restoration to match original walls undamaged by 2014 earthquake	\$2,000.00
	2030 Total	\$2,500.00

Year	Proposed Project	Estimated Cost
2031	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	Restore existing O'Keefe & Merritt stove	\$5,000.00
	2031 Total	\$5,500.00
2032	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	Comprehensive restoration of 10 original wood, double-hung windows in the front bedroom, facade, & living room including wood & rope repair, reglazing w/ Victorian glass.	\$15,000.00
	2032 Total	\$15,500.00
2033	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	Replace existing composite rear steps with period appropriate wooden steps similar to front steps	\$2,000.00
	2033 Total	\$2,500.00
2034	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	2034 Total	\$500.00
2035	Annual inspection and maintenance of the 4 basement sump pumps to protect the historic foundation from water damage	\$500.00
	Replace 30-year-old composition roof with a new composition shingle roof that matches the historic appearance.	\$20,000.00
	2035 Total	\$20,500.00
	Grand Total	\$94,500.00