

LETTER AGREEMENT

ABROGATION OF PUBLIC PARK USE RESTRICTIONS

**25.853 +/- Acres of Solar Facility located at
Grasslands Regional Park at
the South East Corner of CR104 and CR35
City of Davis, Yolo County, California**

GSA Control No. 9-D-CA-1911-AA

This **LETTER AGREEMENT**, is made and entered into this _____ day of ~~July~~ August 2025, between the UNITED STATES OF AMERICA, acting by and through the General Services Administration (hereinafter referred to as "GSA" or collectively "the United States"), under and pursuant to the powers and authority contained in the provisions of Title 40, U.S. Code, Chapter 5, et. seq, as amended, and regulations and orders promulgated thereunder and the COUNTY OF YOLO, a municipality created, operating and existing under and by virtue of the laws of the State of California (hereinafter referred to as "the County").

WHEREAS, approximately 323 acres of land, commonly known as the Grasslands Regional Park, located at the South East Corner of CR104 and CR35, Yolo County, California, was conveyed for public park and recreation purposes in perpetuity to Yolo County by quitclaim deed dated July 13, 1973 and recorded on July 24, 1973 in the Official Records of Yolo County at BOOK 1070, PAGE 554-559;

WHEREAS, the County built a solar facility on a portion of the Grasslands Regional Park, consisting of approximately 25.853 acres (herein referred to as "Property"), as more particularly described in Exhibit A. The construction and operation of the facility is not compliant with the restrictions contained in the 1973 quitclaim deed.

WHEREAS, in 2023, the County ~~expressed interest in acquiring~~ has desired to acquire the Property without land use restrictions to address the aforementioned deed violation; ~~and;~~

WHEREAS, the United States is required to obtain fair market value for the Release of Restrictions of the Property and the parties collaborated to obtain an appraisal, the results of which provide the basis for the purchase price set forth herein; and

WHEREAS, the United States shall require that the ~~an~~ Excess Profits Covenant (~~Attached hereto as Exhibit B~~), shall run with the land for a period of 3 years from the date of the Release of Restrictions;

NOW THEREFORE, the United States and the County, agree to the following:

A. PURCHASE PRICE

The purchase price of the Property shall be on an ALL CASH basis and in the sum of \$776,000.00 based on an appraisal ~~performed~~ at the direction of the County in coordination with GSA. The County submitted an earnest money deposit in the amount of \$25,000.00 on June 28, 2024. The deposit will be credited towards the abrogation amount at closing. The County is expected to open an escrow account to handle the closing and to pay the balance in the amount of **\$751,000.00** (hereinafter referred to as the “Remaining Balance”).

The County shall deposit:

- **The 1st payment in the amount of \$375,500.00 into the escrow by August ~~30~~29, 2025.**
- **The 2nd payment in the amount of \$375,500.00 into the escrow by ~~August 30~~July 15, 2026.**

The Release of Restrictions will be recorded once the Remaining Balance is deposited. The County may pay the full amount at any time, ~~including on or after August 30, 2025~~ before July 15, 2026.

B. ACCEPTANCE AND CLOSING, AND GENERAL TERMS OF SALE

1. *Acceptance.* This Letter Agreement (the “Agreement”) shall be firm and continuing for a period of thirty (30) calendar days from the date of its receipt by GSA.

The County shall execute the CERTIFICATE OF AUTHORIZATION OF PURCHASER of this document and return one original of the executed Agreement to GSA. The County shall also concurrently deliver a duty certified resolution authorizing purchase of the Property and approval of necessary funding.

To accept this Agreement, GSA shall execute the ACCEPTANCE OF THE UNITED STATES GOVERNMENT of this document and return one original of the executed Agreement to the County. Receipt by the County of the executed Agreement shall constitute "Notice of Acceptance". Such agreement shall constitute the whole contract to be succeeded only by the formal instruments of transfer, unless modified in writing and signed by both parties. No oral statements or representations made by, or for, or on behalf of either party shall be a part of such contract. Nor shall the contract, or any interest therein, be transferred or assigned by THE COUNTY OF YOLO without consent of GSA, and any assignment transaction without such consent shall be void.

2. *Closing.* Close of sale shall take place within a reasonable period, and not later than ~~August 30~~ July 15, 2026.

The County shall open an escrow account with an independent, unaffiliated escrow company (“Escrow Holder”) to handle the closing. All closing costs, including escrow fees and document handling expenses, shall be borne solely by the County. As part of the closing, GSA will provide escrow instructions to the Escrow Holder regarding the recording, disposition of proceeds and related matters.

Within five (5) calendar days of opening the escrow account, the County must notify Ms. Anita Lee, GSA Realty Specialist via email at Anita.Lee@gsa.gov of the name of the Escrow Company, address, telephone number, escrow agent, and escrow number.

C. DUTIES OF THE PARTIES

THEREFORE, the Parties hereby agree to the following regarding the disposition of the Property:

1. DUTIES OF THE UNITED STATES:

The United States shall draft and execute a Release of Restrictions removing certain restrictive covenants on the use of the Property. The Release of Restrictions will include the imposition of an Excess Profits Covenant and ~~shall otherwise will~~ be substantially in the form attached hereto as Exhibit ~~CB~~. The Release of Restrictions shall be placed in escrow 30 days ~~after~~before the County submits the ~~first~~2nd payment, ~~or upon such later date as the parties may mutually agree if negotiations regarding its terms and provisions are continuing or for other good cause.~~

2. DUTIES OF THE COUNTY OF YOLO:

- a) The County is required to open an escrow account with an independent, unaffiliated escrow company (“Escrow Holder”) to handle the closing. All closing costs, including escrow fees and document handling expenses, shall be borne solely by the County.
- b) The County shall pay the balance of the purchase price in the amount of \$751,000.00 to GSA at Closing in the form of an electronic funds transfer (wire transfer).
- c) The County shall accept the Release of Restrictions and place it in escrow.
- d) After the Remaining Balance is deposited in escrow by the County, ~~Eserow Holder shall record the Release of Restrictions provided, however, that the GSA must first advise the Eserow Holder that the County has (i) accepted title to the Davis Communications Site, located immediately east of Grasslands Regional Park and consisting of approximately 314 acres; and (ii) recorded a Declaration of Covenants and Restrictions to permanently protect certain conservation values of the Davis Communications Site in a manner acceptable to the United States Fish and Wildlife Service in connection with the 2004~~

~~biological opinion for the disposal of McLellan Air Force Base. Any failure of the these conditions despite the good faith efforts of the County shall void this Agreement and, in such circumstance, the Escrow Holder shall return all deposited funds to the County. and all other escrow requirements are met, Escrow Holder shall record the Release of Restrictions.~~

CERTIFICATE OF AUTHORIZATION OF PURCHASER

I, _____, certify that I am the _____ of the County of Yolo, who executed this Letter Agreement on behalf of said the County of Yolo, by authority of its governing body and the purchase is within the scope of its corporate powers, this _____ day of ~~June~~August, 2025.

COUNTY OF YOLO

BY: _____
PRINT NAME: _____
TITLE: _____

ACCEPTANCE OF THE UNITED STATES GOVERNMENT

The Offer to Purchase, as set forth herein is hereby ACCEPTED by and on behalf of the United States of America this _____ day of ~~June~~August, 2025.

UNITED STATES OF AMERICA
Acting by and through the
ADMINISTRATOR OF GENERAL SERVICES

BY: _____
DAVID HAASE, Director
Real Property Disposition
U.S. General Services Administration

EXHIBIT "A"
LEGAL DESCRIPTION

All the area situate in the County of Yolo, State of California, located in Section 31, T. 8 N., R 3 E., MDM, being more particularly described as follows:

Beginning at the Northwest Corner of said Section 31, thence South 89°10'48" East along the North line of said Section a distance of 1449.03 feet; thence leaving said North line South 00°00'05" East a distance of 823.87 feet; thence South 89°59'12" West a distance of 444.12 feet; thence North 00°00'48" West a distance of 85.24 feet; thence South 89°59'12" West a distance of 1012.23 to a point on the West line of said Section 31; thence along said West line North 00°33'51" East a distance of 759.75 feet to the Point of Beginning.

Containing 25.853 acres more or less.

EXHIBIT "B"
(Attachment C Includes Release of Restrictions)
EXCESS PROFITS COVENANT

(A) This covenant shall run with the land for a period of 3 years from the date of conveyance. With respect to the property described in this deed, if at any time within a 3-year period from the date of transfer of title by the Grantor, the Grantee, or its successors or assigns, shall sell or enter into agreements to sell the property, either in a single transaction or in a series of transactions, it is covenanted and agreed that all proceeds received or to be received in excess of the Grantee's or a subsequent seller's actual allowable costs will be remitted to the Grantor. In the event of a sale of less than the entire property, actual allowable costs will be apportioned to the property based on a fair and reasonable determination by the Grantor.

(B) For purposes of this covenant, the Grantee's or a subsequent seller's allowable costs shall include the following:

- (1) The purchase price of the real property;
- (2) The direct costs actually incurred and paid for improvements which serve only the property, including road construction, storm and sanitary sewer construction, other public facilities or utility construction, building rehabilitation and demolition, landscaping, grading, and other site or public improvements.
- (3) The direct costs actually incurred and paid for design and engineering services with respect to the improvements described in (b)(2) of this section; and
- (4) The finance charges actually incurred and paid in conjunction with loans obtained to meet any of the allowable costs enumerated above.

(C) None of the allowable costs described in paragraph (b) of this section will be deductible if defrayed by Federal grants or if used as matching funds to secure Federal grants.

(D) In order to verify compliance with the terms and conditions of this covenant, the Grantee, or its successors or assigns, shall submit an annual report for each of the subsequent 3 years to the Grantor on the anniversary date of this deed. Each report will identify the property involved in this transaction and will contain the following items of information as are applicable at the time of submission:

- (1) A description of each portion of the property that has been resold;
- (2) The sale price of each such resold portion;
- (3) The identity of each purchaser;
- (4) The proposed land use: and
- (5) An enumeration of any allowable costs incurred and paid that would offset any realized profit. If no resale has been made, the report shall so state.

(E) The Grantor may monitor the property and inspect records related thereto to ensure compliance with the terms and conditions of the covenant and may take any actions which it deems reasonable and prudent to recover any excess profits realized through the resale of the property.