

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Housing Authority of the  
County of San Bernardino  
715 East Brier Drive  
San Bernardino, California 92408-2841  
Attn: Executive Director

No fee for recording pursuant to  
Government Code Section 27383 and 27388.1

**AGREEMENT**

**PARTIAL ASSIGNMENT AND ASSUMPTION OF  
DEVELOPMENT AGREEMENT**  
(Arrowhead Grove Phase II)

THIS PARTIAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT (the "Agreement") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ 2019, by and among, the HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO, a public body, corporate and politic, (the "Authority"), WATERMAN GARDENS PARTNERS 2, L.P., a California limited partnership (the "Partnership"), and the CITY OF SAN BERNARDINO, a California municipal corporation (the "City").

**RECITALS**

A. The Authority and the City entered into a Development Agreement dated February 18, 2014 and recorded on June 12, 2014 in the Official Records of San Bernardino County as Instrument Number 2014-0212838, as interpreted and clarified by a Letter Agreement dated \_\_\_\_\_, 2019 (the "Letter Agreement") from the Authority to the City and agreed to by the City with respect to the Arrowhead Grove Development (defined below)(collectively, the "Development Agreement"). A copy of the Letter Agreement is attached to this Agreement as Exhibit B.

B. The Development Agreement pertains to the multi-phase development and use of certain real property owned by the Authority and located within the City of San Bernardino, County of San Bernardino as further described in the Development Agreement (the "Property").

C. The Authority will ground lease a portion of the Property to the Partnership as further described in Exhibit A (the "Arrowhead Grove Site") pursuant to a ground lease agreement between the Authority and the Partnership dated \_\_\_\_\_, 2019 (the "Ground Lease"), a memorandum of which is recorded concurrently herewith. The Partnership intends to demolish the existing improvements located on the Arrowhead Grove Site and construct a one hundred eighty-four (184) unit development, parking, detention basin, public open space, and other attendant site improvements on the Property to be known as Arrowhead Grove Phase II (the "Arrowhead Grove Development").

D. The Authority desires to assign the Development Agreement, and all of the Authority's right, title and obligations under the Development Agreement to the Partnership, and the Partnership desires to assume all of the Authority's right, title and obligations under the Development Agreement from the Authority, only to the extent the Development Agreement pertains to the Arrowhead Grove Site and the development of the Arrowhead Grove Development.

E. In support of the development of the Arrowhead Grove Development the City has agreed to the partial assignment of the Development Agreement from the Authority to the Partnership and the release of the Authority from such assigned rights as contemplated in Section 8.2 of the Development Agreement.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, it is hereby declared, understood and agreed as follows:

## AGREEMENT

1. Assignment by the Authority. The Authority hereby assigns to the Partnership all of the Authority's right, title, and interest in and obligations under the Development Agreement only to the extent such pertain to the Arrowhead Grove Site and the development of the Arrowhead Grove Development (the "Partial Assigned Rights and Obligations").

2. Acceptance of Assignment and Assumption by the Partnership. The Partnership accepts the above assignment of the Partial Assigned Rights and Obligations, and assumes such Partial Assigned Rights and Obligations, and agrees to perform all of the obligations, covenants, and agreements of the Development Agreement as it applies to the Arrowhead Grove Site and the development of the Arrowhead Grove Development.

3. Effect of Assignment. From and after the Effective Date (as defined below) any reference in the Development Agreement to "Land Owner" shall be deemed to refer to the Partnership to the extent said reference relates to the Partial Assigned Rights and Obligations.

4. City Consent and Release of Obligations. Pursuant to Section 8.2 of the Development Agreement: (i) the City consents to the Partnership as an assignee, (ii) consents to the assignment by the Authority to the Partnership, of its rights and obligations under the Agreement as such pertain to Arrowhead Grove Site and the development of the Arrowhead Grove Development and the assumption by the Partnership, and (iii) releases the Authority from such assigned rights and obligations.

5. Development of the Arrowhead Grove Development. The City agrees that: (i) the Partnership as assignee is entitled to all rights under the Development Agreement as such pertain to the Arrowhead Grove Development, and (ii) upon completion of the Arrowhead Grove Development, the Arrowhead Grove Site will be deemed released from the restrictions and obligations of the Development Agreement pursuant to Section 8.3 of the Development Agreement and upon written request of the Partnership, the City agrees to provide written evidence confirming the same.

6. Representations. The Authority represents and warrants that it has not previously assigned, pledged, hypothecated or otherwise transferred any of its rights under the Development Agreement as they apply to the Arrowhead Grove Site and the development of the Arrowhead Grove Development.

7. Headings. The headings used in this Agreement are for convenience only and will be disregarded in interpreting the substantive provisions of this Agreement.

8. Successors and Assigns. This Agreement binds and inures to the benefit of the legal representatives, heirs, successors and assigns of the parties.

9. California Law. This Agreement is governed by and interpreted in accordance with the laws of the State of California.

10. Invalidity. If any provision of the Agreement is determined by a court to be invalid or unenforceable it will be deemed severed from this Agreement, and the remaining provisions will remain in full force and effect as if the invalid or unenforceable provision had not been a part of this Agreement.

11. Effective Date. The Agreement is effective as of the effective date of the Ground Lease (the "Effective Date").

12. Counterparts. This Agreement may be signed by the different parties hereto in counterparts, each of which will be deemed an original but all of which together will constitute one and the same agreement.

**(signatures on following pages)**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day first above written.

**AUTHORITY:**

**HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO**, a public body, corporate and politic

By: \_\_\_\_\_  
Maria Razo, Executive Director

**CITY:**

**CITY OF SAN BERNARDINO**, a  
California municipal corporation

By: \_\_\_\_\_  
Teri Ledoux  
City Manager

Attest:

By: \_\_\_\_\_  
Georgeann Hanna, City Clerk

Approved as to form:

\_\_\_\_\_  
Gary Saenz, City Attorney

*[signatures continue on following page]*

**PARTNERSHIP:**

**WATERMAN GARDENS PARTNERS 2, L.P.**, a  
California limited partnership

By: WG PARTNERS 2 MGP, LLC, a California  
limited liability company, its general partner

By: National Community Renaissance of  
California, a California nonprofit public  
benefit corporation, its sole member and  
manager

By: \_\_\_\_\_  
Michael Finn  
Chief Financial Officer

EXHIBIT A  
Legal Description  
of Arrowhead Grove Site

EXHIBIT B  
Letter Agreement