

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF SAN LUIS OBISPO AND FRIENDS OF LA LOMA
ADOBE REGARDING THE LA LOMA ADOBE AND PROPERTY AT 1590
LIZZIE STREET**

This Memorandum of Understanding (“Agreement”) is entered into this 16th day of May 2017 (the “Effective Date”), by and between the City of San Luis Obispo, a municipal corporation and charter city (herein referred to as “City”) and Friends of La Loma Adobe, a California Non-profit Public Benefit Corporation (herein referred to as “FLLA”). City and FLLA are sometimes referred to herein as “the Parties.”

WITNESSETH

WHEREAS, the City is the legal owner of certain real property located at 1590 Lizzie Street in the City of San Luis Obispo, APN: 002-352-022 and 002-352-021 (the “Property”); and

WHEREAS, a portion of the Property is improved with a historical building known as the La Loma de Nopalera Adobe (the “Adobe”). The Adobe and surrounding side yard is partially located on the adjacent property located at 1580 Lizzie Street, San Luis Obispo, California, APN: 002-352-014 (the “Adjacent Property”). The Parties acknowledge that the City has the right to use a portion of the Adjacent Property pursuant to the terms, conditions and intent of an Easement Grant Deed dated April 24, 1987 and recorded on May 1, 1987 in the Official Records of San Luis Obispo County as Document No. 30052 (the “Easement Deed”);

WHEREAS, the Property lies within the boundaries of the Reservoir Canyon Natural Reserve. The Reservoir Canyon Natural Reserve Conservation Plan states that the City shall protect, restore, and further research the important historic and cultural resources within the Reserve, most particularly the Adobe. Further, the Conservation and Open Space Element of the General Plan states that City will preserve and, as resources permit, rehabilitate City-owned historic adobes and other historic structures by aggressively seeking grants, donations, private-sector participation or other techniques that help fund rehabilitation and adaptive reuse. FLLA supports and wishes to cooperate with these City preservation, rehabilitation responsibilities and goals; and

WHEREAS, the City is considering preparing an application for the Adobe to be nominated for listing in the National Registry of Historic Places and the Adobe has a special historical heritage in that it is a unique, limited and diminishing resource, and a prime means of encouraging knowledge and enjoyment of California and local history; and

WHEREAS, FLLA has proposed to: (1) plan the landscaping of the grounds of the Property and (2) develop plans to complete stabilization of the Adobe and (3) eventually

restore the historic Adobe recognizing its individual qualities and the way in which it contributes to the City's heritage; and

WHEREAS, City recognizes that the individual members of the FLLA have a unique understanding of the various issues surrounding the protection, restoration and future operation of the historic Adobe and through this MOA, the Parties wish to work together toward the attainment of mutual goals.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, promises, and agreements herein set forth, City and FLAA hereby agree as follows:

TERMS

1. **Recognition of Mutual Benefit.** It is in the interest of the City to explore opportunities for partnership in the preservation and rehabilitation of the Adobe. The City and FLLA have aligned goals in this regard and this agreement may serve as a first step for future agreements and a broader scope relative to the FLLA and the Adobe. This agreement, however, is non-exclusive.

2. **Access to the Property.** Pursuant to the terms and conditions hereof, the City hereby consents to FLLA, and its members, guests and invitees, accessing the Property for the purposes outlined herein. Such access shall be compliant with any reasonable instructions given by the City. Prior to any individuals accessing the Property, such individuals shall execute a waiver and release of all claims in a form provided by City. Any activities on the property shall be in conformance with the City's Easement Deed for the Adjacent Property.

3. **Restoration and Maintenance of the Adobe.** FLLA and City recognize that both Parties desire the Adobe to be restored in a staged approach to its original condition for the selected period of prime historical significance. To this end, subject to the terms and conditions herein, FLLA agrees, to contribute to the resources needed (as described in section 4) for the first stage of the project pursuant to the Secretary of Interior's Standards and Guidelines, City rules and regulations and any State and Federal laws regarding the construction, maintenance, and repair of historically significant structures.

4. **Use of the Property.** FLLA agrees to participate in the first stage of restoring the Adobe by providing resources, expertise and volunteer support pursuant to the terms of this Agreement. City recognizes that FLLA also desires to restore the exterior and interior of the Adobe such that FLLA could, with all appropriate permits and approvals, operate the Adobe as an accessory Early California History Interpretative Center (herein referred to as "Interpretative Center") as identified in the approved Reservoir Canyon Natural Reserve Conservation Plan. City and FLLA recognize that the ability to use the Adobe as an Interpretative Center may conflict with the Easement Deed. City supports a subsequent agreement with FLLA to accommodate restoration of the exterior and interior including use as an Interpretive Center at a later date provided: that the lot configuration of the Property be modified to expressly allow for the use of the Adobe encroaching onto the

Adjacent Property as an Interpretive Center; and any impacts to the residential neighborhood associated with use of the Adobe and Property as an Interpretive Center have been evaluated and/or mitigated.

The schedule for restoration, maintenance, and repair shall be divided into stages. The first stage shall consist of grounds restoration and a preliminary evaluation of rehabilitation of the Adobe. Additional stages may include exterior and interior restoration, but would be subject to subsequent agreements.

Stage I Grounds Restoration and Preliminary Evaluation

- a. Within one year after this Agreement is signed: FLLA will submit a progress report to the City Council.
- b. By December 31 of each year: FLLA shall submit an annual report to the City Manager or their designee that describes the actions that FLLA undertook during the previous calendar year and actions that FLLA plans to take in the upcoming calendar year related to the Adobe.
- c. By December 31, 2017: FLLA shall develop a project website and brochure, identify preliminary project cost estimates for stabilization and protection of the Adobe, produce a Concept plan and meet with neighbors to seek comments and support for plan. The Concept plan shall be developed in concert with planned improvements (e.g. parking, signage) for the adjoining open space trailhead identified in the Reservoir Canyon Natural Reserve Conservation Plan.
- d. By December 31, 2018: FLLA shall initiate a membership campaign to produce volunteers and docents to support City efforts to maintain and enhance the landscaping and Adobe.
 - i. FLLA may donate to the City funds raised for the Adobe and grounds in conjunction with Chapter 14.01.130 of the San Luis Obispo Municipal Code regarding the Historic and Cultural Resource Preservation Fund. All funds would be accepted and appropriated by the Council.
- e. City shall repair and replace as needed any equipment installed or improvements constructed by the City as resources allow and subject to the discretion of the City. City shall apply Open Space Maintenance Plan and Reservoir Canyon Natural Reserve Conservation Plan policies and maintenance procedures to Property, including landscape maintenance, non-native tree removal, drainage improvements for the entire property and especially the Adobe, trailhead trash cans, signage, parking surfaces and their drainage, and any and all other improvements called for in the Conservation plan, subject to consultation with FLLA and in conformity to the approved Concept Plan (4c) as resources allow and subject to the discretion of the City.

- f. City shall undertake an evaluation to further assess the historical significance of the property in order to determine its potential for future applications for listing on the California Register and/or National Register of Historic Places.
5. **Termination of Agreement by City.** Either party may terminate this MOU for any reason whatsoever upon written 90-day notification off such termination.
 6. **Relationship of Parties.** FLLA shall be considered an independent organization and not an agent, officer or employee of the City. FLLA officers, members, affiliates, volunteers, employees and independent contractors shall not be considered agents, officers or employees of the City.
 7. **Proof of Insurance.** FLLA agrees to provide proof of insurance in accordance with the requirements established in Exhibit "A".
 8. **Damage or Destruction.** City is responsible under Reservoir Canyon Natural Reserve Conservation Plan for providing storm runoff protection, as resources permit, to Property with special attention to Adobe throughout the period of this MOU. If any improvements on the Property constructed by FLLA suffer any damage or destruction, FLLA shall promptly repair and restore the Adobe to the condition that existed immediately prior to such damage or destruction.
 9. **Compliance with Laws.** FLLA shall comply with all applicable statutes, ordinances, or regulations now or hereafter adopted by any federal, state or county governmental entity, and with all ordinances, regulations, policies and guidelines now or hereafter adopted by the City.
 10. **Indemnification.** The FLLA shall indemnify, defend and hold harmless the City, its officers, agents, and employees against:
 - a. Any and all claims and demands which may be made against the City, its officers, agents or employees by reason of any injury or death of any person or corporation caused by any act or omission of FLLA under this MOU or of FLLA's employees or agents.
 - b. Any and all damage to or destruction of the property of the City, its officers, agents, or employees, occupied or used by or in the care, custody, or control of FLLA, or in proximity to the site of the FLLA work, caused by any act or omission of FLLA under this MOU.
 - c. Any and all claims and demands which may be made against the City, its officers, agents, or employees by reason of any injury to or death of or damage suffered or sustained by an employee or agent of FLLA under this MOU, however caused, excepting, any such claims or demands which are the result of the sole active negligence or willful misconduct of the City, its officers, agents, or employees.

- d. Any and all penalties imposed or damages sought on account of the violation of any law or regulation or of any term or condition of any permit, when said violation of any law or regulation or of any term or condition of any permit is due to an act or omission on the part of FLLA.
- e. FLLA, at its own costs, expense, and risk shall defend any and all suits, actions, or other legal proceedings that may be brought against or for employees on any such claim or demand of such third persons, or to enforce any such penalty, and pay and satisfy any judgment or decree that may be rendered against the City, including attorney's fees and costs, its officers, agents or employees in any such suit, action, or other legal proceeding, when same were due to an act or omission of FLLA.


11. **Counterparts.** This MOU may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument, binding on each signatory thereto.

ATTEST

CITY OF SAN LUIS OBISPO

	5/24/17		5/24/17
Carrie Gallagher	Date	Heidi Harmon	Date
City Clerk		Mayor	

APPROVED AS TO FORM:


 J. Christine Dietrick
 City Attorney

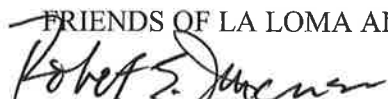
FRIENDS OF LA LOMA ADOBE
 5/22/17
 [Name of President]
 President ROBERT JORGENSEN

EXHIBIT "A"

FLLA shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted. The City of San Luis Obispo, its officers, officials, agents, employees, and volunteers shall be added as additional insureds on the policy.