

GRANT AGREEMENT NO. 498

BETWEEN

THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA

AND

SANTA BARBARA COUNTY ARTS COMMISSION

(Re: State of the Art Gallery – FY 2008)

THIS GRANT AGREEMENT (“Agreement”) is entered into this ____ day of _____ 2008 by and between:

THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA, a body politic organized and existing pursuant to the State Community Redevelopment Law (Health and Safety Code §33000 et seq.) (“AGENCY”)

and

SANTA BARBARA COUNTY ARTS COMMISSION, a California nonprofit 501(c)(3) corporation, (“ARTS COMMISSION”).

WITNESSETH:

THAT WHEREAS, the ARTS COMMISSION has requested that the AGENCY provide a grant not-to-exceed \$40,000 for the State of the Art Gallery 2008 as specified in an application and letter, dated March 16, 2007, attached hereto as Exhibit “A”;

WHEREAS, the ARTS COMMISSION is a commission providing services and advice regarding art to the County of Santa Barbara, a subdivision of the State of California;

WHEREAS, the AGENCY has undertaken redevelopment activities including the redevelopment of sidewalks including certain art pads along State Street south of Victoria Street within the City of Santa Barbara;

WHEREAS, the ARTS COMMISSION wishes to develop the 2008 State of the Art Gallery;

WHEREAS, the 2008 State of the Art Gallery is proposed to run for an approximately four month period from August 2008 through November 2008 and include up to 10 different artists;

WHEREAS, the State of the Art Gallery has been a successful event in the past and is an appropriate and beneficial effort to assure the continued vitality of the cultural arts in the Central City Redevelopment Project Area; and

WHEREAS, at their June 26, 2007 meeting, the Redevelopment Agency Board approved staff funding recommendations for the Capital Grants for Fiscal Year 2008.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. PROJECT DESCRIPTION

The ARTS COMMISSION shall obtain for display, install and maintain no less than ten (10) works of art on sites selected along State Street, and at such additional locations as the parties may choose within the City of Santa Barbara, which sites shall be selected in conformity with a process approved by the City Council of the City of Santa Barbara and specified in one or more license agreements that the ARTS COMMISSION shall obtain from the City. Possession of an approved license agreement from the City and other evidence of consent to use the site selected for display, shall be a prerequisite to the installation of any piece of art pursuant to this agreement. The ARTS COMMISSION shall be responsible for finding and selecting art that is suitable for display. The ARTS COMMISSION shall be responsible to remove such works of art and to restore the sidewalk to the condition required in the license agreement issued for the work. The ARTS COMMISSION shall be responsible to remove such works of art and to restore the premises of other property not covered by the license from the City, as may be required in the consent to use such property. It is understood that displays pursuant to this agreement are intended to be temporary in nature and that displays of particular works of art may be replaced with other works of art from time to time.

2. TERM

This Agreement commences on the date of execution and shall terminate on December 31, 2008 unless sooner terminated as herein provided.

3. RELATIONS WITH OWNERS OF ART

The ARTS COMMISSION, and not the AGENCY or the City, shall be responsible for entering into agreements and other arrangements with the artists, brokers, or owners of the works of art displayed under this agreement in order to secure the rights to display the same. The ARTS COMMISSION shall maintain with the AGENCY, a current copy of all agreements with the artist(s), the brokers for the art, the galleries, the liaison and other agreements regarding the art to be displayed pursuant to this agreement. As a condition to the display of any work, the ARTS COMMISSION shall obtain from the artist or owner thereof a waiver, in a form satisfactory to the City Attorney, of the provisions of 17 U.S.C. §106A, of California Civil Code §§987 and 989, and of all similar provisions of law.

4. USE OF FUNDS

Subject to terms and conditions contained herein, the AGENCY agrees to provide reimbursement grant funds to the ARTS COMMISSION in the amount not-to-exceed \$40,000 to be used for the 2008 State of the Art Gallery as identified in Exhibit "A" and in the Budget Summary attached hereto as Exhibit "B", both of which are incorporated herein by reference ("Allowable Expenses").

5. DISBURSEMENTS AND REPORTING

A. Disbursements. The total grant amount to be provided by the AGENCY shall not exceed \$40,000. The ARTS COMMISSION will be compensated for the reasonable and necessary costs incurred to obtain, display, clean, remove, restore, insure, transport, and remediate for such art work in the amount the not-to-exceed amount of \$40,000. Claims for reimbursement shall be submitted pursuant to a budget approved in advance by the AGENCY. Such claims shall be submitted in regular monthly intervals to the AGENCY and shall be accompanied by such information as the AGENCY reasonably may require verification that the expenses have been incurred in order to implement the terms of this agreement. AGENCY staff shall determine whether the invoices are for expenses included within the Allowable Expenses. If they are, Agency staff shall approve the invoice for payment and the AGENCY shall attempt to make payment within ten (10) days. If the invoice is denied, Agency staff shall return the invoice to the ARTS COMMISSION with a notation that the expense is denied.

No disbursement shall be made that is not for an Allowable Expense. Upon completion of said capital improvements, and not later than thirty (30) days after termination of this agreement, the ARTS COMMISSION agrees to provide a letter of completion to the Housing and Redevelopment Manager, including a final written report on the use of the granted funds.

6. THE ARTS COMMISSION TO MAINTAIN RECORDS

The ARTS COMMISSION shall keep all records and documents as may be necessary to enable the AGENCY to determine whether or not the funds to be disbursed pursuant to this Agreement have been or are being used in compliance with the AGENCY's requirements and policies relating to Grant Funds. At the AGENCY's request, the ARTS COMMISSION shall furnish the AGENCY with a copy of any record maintained by the ARTS COMMISSION pursuant to the terms of this Agreement. The ARTS COMMISSION shall maintain all such records for at least five (5) years after the termination of this Agreement.

7. AUDIT THE ARTS COMMISSION'S RECORDS

The AGENCY shall have the right to audit and review all records maintained by the ARTS COMMISSION pursuant to the terms of this Agreement. Any such audit and review may be conducted at any time during the ARTS COMMISSION's regular business hours.

8. REIMBURSEMENT OF IMPROPER EXPENDITURES

If at any time within five (5) years after termination of this Agreement or as provided in § 9, it is determined by the AGENCY that funds provided under the terms of this Agreement have been used by or on behalf of the ARTS COMMISSION for purposes which do not qualify as Allowable Expenses, the ARTS COMMISSION shall, at the AGENCY'S request, pay to the AGENCY an amount equal to one hundred percent (100%) of any amount expended for non-Allowable Expenses, including interest accrued on such amounts at the legal rate of interest.

9. SAFETY, PROPER INSTALLATION OF WORK

The installed works shall be exposed to the direct effects of the sun and weather, and shall be located in public areas subject to heavy pedestrian traffic. The works shall be fit for display in such a location and shall be installed in conformity with all applicable standards, permits and regulations and in a manner to protect the safety of the public.

10. COMPLIANCE WITH LAWS AND REGULATIONS

The ARTS COMMISSION agrees that it shall comply with all federal, state and city laws and regulations applicable to the program to be conducted hereunder, including but not limited to, compliance with the prevailing wage requirements of State Health and Safety Code Section 33424 and the wage record keeping requirements of Health and Safety Code Section 33426.

11. LICENSES AND PERMITS

The ARTS COMMISSION shall obtain and maintain, at the ARTS COMMISSION's own expense, any and all licenses and permits necessary to conduct the specified capital improvements.

12. AGENCY'S RIGHT TO TERMINATE AGREEMENT

The AGENCY shall have the right to terminate this contract immediately if the AGENCY determines that the ARTS COMMISSION as incurred obligations or made expenditures for purposes which do not constitute Allowable Expenses or for purposes which are not permitted or are prohibited under the terms of this Agreement. The AGENCY shall also have the right to terminate this Agreement immediately if the AGENCY determines that the ARTS COMMISSION is conducting the Capital improvements in violation of any of the terms of this Agreement, or has filed any other petition under the Bankruptcy Act (11 USCA 1, et seq.) or has taken or committed any act preparatory to the filing of any such petition or has become or is insolvent or has committed any other act of bankruptcy or solvency. In any event, the AGENCY shall have the right to terminate this contract at any time, with or without cause, by giving the ARTS COMMISSION thirty (30) days prior written notice of the AGENCY's intent to terminate this Agreement; provided, that upon such termination, the AGENCY shall pay all obligations

incurred by the ARTS COMMISSION prior to the date of such termination which are for allowable expenditures and which are authorized under the terms of this Agreement.

13. HOLD HARMLESS AND INDEMNIFICATION PROVISION

As an essential part of the consideration for this agreement, the ARTS COMMISSION shall, investigate, defend, indemnify and hold harmless the AGENCY, its officers, employees and agents from and against any and all loss, damage, liabilities, claims, demands, detriments, costs, charges, and expenses (including reasonable attorneys' fees), and causes of action of whatsoever character which the AGENCY may incur, sustain, or be subjected to, arising out of, or in any way connected with the work to be performed pursuant to this Agreement.

14. INSURANCE

As part of the consideration of this Agreement, the ARTS COMMISSION agrees to purchase and maintain at its sole cost and expense during the life of this agreement insurance coverage as specified in I.& II. below. All insurance coverage is to be placed with insurers that: 1) have a Best rating of no less than B+: XII, and 2) are admitted insurance companies in the State of California. All other insurers require prior approval of the City.

- I. General and Automobile Liability: Combined single limits of not less than One Million Dollars (\$1,000,000) of General Liability and One Million Dollars (\$1,000,000) of Automobile Liability insurance, including Bodily Injury and Property Damage.

Such insurance shall include:

- A. Extension of coverage to City, its officers, employees and agents, as additional insureds, with respect to Consultant's liabilities hereunder in insurance coverage identified in item "I." above, but only as respects to the operations of the named insured.
- B. A provision that coverage will not be cancelled or subject to reduction until at least thirty (30) days' prior written notice has been given to the City Clerk, addressed to P.O. Box 1990, Santa Barbara, California 93102-1990.
- C. A provision that Consultant's insurance shall apply as primary, and not excess of, or contributing with the City.
- D. Contractual liability coverage sufficiently broad so as to include the liability assumed by the Consultant in the indemnity or hold harmless provisions included in this Agreement.

- E. A Cross Liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each.
 - F. Broad form Property Damage Endorsement.
 - G. Policy shall apply on an "occurrence" basis.
- II. Workers' Compensation: In accordance with the provisions of the California Labor Code, the ARTS COMMISSION is required to be insured against liability for Workers' Compensation or to undertake self-insurance. Statutory Workers' Compensation and Employers' Liability of at least \$1,000,000 shall cover all the ARTS COMMISSION staff while performing any work incidental to the performance of this agreement. The policy shall provide that no cancellation, major change in coverage or expiration shall be effective or occur until at least thirty (30) days after receipt of such written notice by City.

Approval of the insurance by City or acceptance of the certificate of insurance by City shall not relieve or decrease the extent to which the ARTS COMMISSION may be held responsible for payment of damages resulting from the ARTS COMMISSION's services or operation pursuant to this Agreement, nor shall it be deemed a waiver of City's rights to insurance coverage hereunder.

A Certificate of Insurance supplied by the City evidencing the above shall be completed by the ARTS COMMISSION's insurer or its agent and submitted to the City prior to execution of this Agreement by the City. The ARTS COMMISSION shall exercise due diligence to require all subcontractors and all tiers of such subcontractors to provide General and Automobile Liability, Workers' Compensation, and Professional Liability insurance as set forth in I. and II. of this section.

If, for any reason, the ARTS COMMISSION fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. City, at its sole option, may terminate this Agreement and obtain damages from the ARTS COMMISSION resulting from said breach. Alternately, City may purchase such required insurance coverage, and without further notice to the ARTS COMMISSION, City may deduct from sums due to the ARTS COMMISSION any premium costs advanced by City for such insurance.

15. **INDEPENDENT CONTRACTOR**

It is understood and agreed by the parties hereto that the ARTS COMMISSION, while engaged in conducting the specified capital improvements and complying with any of the terms of this contract, is an independent contractor and is not an officer, agent or employee of the AGENCY; and officers, employees and agents of the ARTS COMMISSION are not entitled to any of the benefits of the AGENCY employees.

16. ASSIGNMENT

The ARTS COMMISSION shall not assign this Agreement or any part thereof or any monies payable hereunder without the prior written consent of the AGENCY.

17. NONDISCRIMINATION

The ARTS COMMISSION agrees to comply in all respects with:

- a) The Nondiscrimination certificate entitled "Employment Certificate" attached as Exhibit "C" and incorporated herein by reference; and
- b) The "Handicapped Nondiscrimination Statement," attached as Exhibit "D" and incorporated herein by reference.

18. POLITICAL USES PROHIBITED

The ARTS COMMISSION shall not use any of the funds distributed to it by the AGENCY pursuant to this Agreement, for the support of any political candidates, for the furtherance of any political issues or causes, or for any other political purposes whatsoever.

19. NOTICES

Notices shall be sent to the AGENCY addressed as follows:

Redevelopment Agency
City of Santa Barbara
P.O. Box 1990
Santa Barbara, CA 93102-1990

With a copy to:

Santa Barbara City Clerk at City Hall
PO Box 1990
Santa Barbara, CA 93102-1990

Notices shall be sent to the ARTS COMMISSION addressed as follows:

Ginny Brush, Executive Director
The County Arts Commission
PO Box 2369
Santa Barbara, CA 93120-2369

With a copy to:

Clerk of the Santa Barbara Board of Supervisors
105 East Anapamu Street
Santa Barbara, CA 93102

20. PARAGRAPH HEADING

The paragraph headings contained herein are for convenience and reference only and are not intended to define or limit the scope of this Agreement.

18. WAIVER

The ARTS COMMISSION, on behalf of itself and its successors, waives any rights it may have now or in the future to challenge the legal validity of or contest this Agreement.

IN FURTHERANCE OF THE INTENTIONS OF THE PARTIES TO THIS AGREEMENT, THE ARTS COMMISSION, WITH AND UNDER ADVICE OF COUNSEL, HEREBY EXPRESSLY WAIVES ANY AND ALL RIGHT AND BENEFIT CONFERRED UPON SAID PARTIES BY THE PROVISIONS OF CIVIL CODE SECTION 1542 WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH A CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF

EXECUTING THE RELEASE, WHICH, IF KNOWN TO HIM, MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.”

With respect to this Agreement, and any challenges or potential challenges thereto, the ARTS COMMISSION expressly waives any and all rights and benefits conferred upon the ARTS COMMISSION by any provision of any state, federal or local statute, code, ordinance, or law similar to section 1542 of the California Civil Code. With respect to this Agreement, the ARTS COMMISSION expressly consents that the waiver of rights contained in this paragraph shall be given full force and effect, according to the express terms of the instant waiver, to unknown and unsuspected claims, demands, and causes of action pertaining to this Agreement, if any, arising out of or relating to the waiver of rights contained herein.

19. SEVERABILITY

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

20. INTERPRETATION

This Agreement shall be interpreted in accordance with and governed by the laws of the State of California. The language in all parts of this Agreement shall be, in all cases, construed according to its fair meaning and not strictly for or against Agency or the ARTS COMMISSION.

21. SINGULAR AND PLURAL

As used herein, the singular of any word includes the plural.

22. WAIVER OF PERFORMANCE

Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure of a party to exercise any right upon the default of the other party, shall not constitute a waiver of such parties rights to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

23. NO THIRD PARTY BENEFICIARIES

This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

24. COUNTERPARTS

This Agreement may be executed by the parties in counterparts, which counterparts shall be constructed together and have the same affect as if all the parties had entered the same instrument.

25. CORPORATE AUTHORITY

The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provisions of any other agreement to which such party is bound.

26. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the AGENCY and the ARTS COMMISSION with respect to the subject matter hereof and supersedes all prior agreements and negotiations, oral and written. This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing, approved by Agency Board and signed by the AGENCY and the ARTS COMMISSION.

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

REDEVELOPMENT AGENCY OF THE
CITY OF SANTA BARBARA

THE ARTS COMMISSION
PO Box 2369
Santa Barbara, CA 93120-2369
(805) 568-3990

David Gustafson
Acting Agency Deputy Director

Signature
Ginny Brush, Executive Director

APPROVED AS TO FORM:
Agency Counsel

By _____
Chair, Board of Supervisors

Sarah J. Knecht
Assistant Agency Counsel

ATTEST:

APPROVED AS TO INSURANCE:

By _____
Michael Brown
Clerk of the Board of Supervisors

Brad Landreth
Risk Manager

APPROVED AS TO CONTENT:

By _____
Executive Director
Santa Barbara County Arts Commission

APPROVED:

By _____
Robert W. Geis, Deputy Auditor- Controller

APPROVED AS TO FORM:

By _____
Stephen Shane Stark, County Counsel

APPROVED AS TO FORM:

By _____
Ray Aromatorio, Risk Manager

EXHIBIT "A"

PROPOSAL LETTER

THE ARTS COMMISSION

STATE OF THE ART GALLERY 2008

Please see Attached

EXHIBIT "B"

BUDGET SUMMARY

THE ARTS COMMISSION

STATE OF THE ART GALLERY 2008

(Per Grant Request Letter dated March 16, 2007)

Activity	Cost
RFP/Publicity	\$1,400
Installation/Deinstallation, Supervision & Equipment Rental	\$18,000
Fabrication & Deinstallation/Signage	\$6,500
Insurance & Security	\$3,000
Brochures	\$8,000
Project Management & Administration	\$1,000
Public Relations, Docents, etc	\$2,100
TOTAL	\$40,000

EXHIBIT "C"

City of Santa Barbara Redevelopment Agency

Employment Certificate
S.B.M.C. 9.126.020

The ARTS COMMISSION'S Obligation for Nondiscriminatory Employment is as follows:

In performing the work of this contract, the ARTS COMMISSION agrees as follows:

1. The ARTS COMMISSION will not discriminate against any employee or applicant for employment because of race, color, religion, marital status, mental or physical disability, age, familial status, sexual orientation, ancestry, sex or national origin. The ARTS COMMISSION will take positive action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, marital status, mental or physical disability, age, familial status, sexual orientation, ancestry, sex or national origin. Such action shall include but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The ARTS COMMISSION agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.
2. The ARTS COMMISSION will, in all solicitations or advertisements for employees placed by or on behalf of the ARTS COMMISSION, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, marital status, mental or physical disability, age, familial status, sexual orientation, ancestry, sex or national origin.
3. The ARTS COMMISSION will send to each labor union or representative of workers with which he/she has a collective bargaining Agreement or other contract or understanding, a notice, to be provided by the City advising the said labor union or workers' representative of the ARTS COMMISSION's commitments under this provision, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The ARTS COMMISSION will permit access to his records of employment, employment advertisements, application forms, and other pertinent data and records by the City, the Fair Employment Practices commission, or any other appropriate agency of the State designated by the City for the purposes of investigation to ascertain compliance with the ARTS COMMISSION's Obligation for Nondiscriminatory Employment provisions of this contract, or Fair Employment Practices statute.

5. A finding of willful violation of the nondiscriminatory employment practices article of this contract or of the Fair Employment Practices Act shall be regarded by the City as a basis for determining that as to future contracts for which the ARTS COMMISSION may submit bids, the ARTS COMMISSION is a "disqualified bidder" for being "nonresponsible."

The City shall deem a finding of willful violation of the Fair Employment Practices Act to have occurred upon receipt of written notice from the Fair Employment Practices Commission that it has investigated and determined that the ARTS COMMISSION has violated the Fair Employment Practices Act and has issued an order under Labor Code Section 1426 or obtained an injunction under Labor Code Section 1429.

Upon receipt of any such written notice, the City shall notify the ARTS COMMISSION that unless he/she demonstrates to the satisfaction of the City within a stated period that the violation has been corrected, he/she shall be declared a "disqualified bidder" until such time as the ARTS COMMISSION can demonstrate that he/she has implemented remedial measures, satisfactory to the City, to eliminate the discriminatory employment practices which constituted the violation found by the Fair Employment Practices Commission.

6. Upon receipt from any person of a complaint of alleged discrimination under any City contract, the City Administrator shall ascertain whether probable cause for such complaint exists. If probable cause for the complaint is found, the City Administrator shall request the City Council to hold a public hearing to determine the existence of a discriminatory practice in violation of this contract.

In addition to any other remedy or action provided by law or by terms of this contract, the ARTS COMMISSION agrees, that should the City Council determine after a public hearing duly noticed to the ARTS COMMISSION that the ARTS COMMISSION has not complied with the nondiscriminatory employment practices provisions, the City may, without liability of any kind, terminate, cancel, or suspend this contract, in whole or in part. In addition, upon such determination the ARTS COMMISSION shall, as a penalty to the City forfeit a penalty of \$25.00 for each calendar day, or portion thereof, for each person who was denied employment as a result of such noncompliance. Such monies shall be recovered from the ARTS COMMISSION. The City may deduct any such penalties from any monies due the ARTS COMMISSION from the City.

7. The ARTS COMMISSION certifies to the City that he has met or will meet the following standards for positive compliance, which shall be evaluated in each case by the City:

- a) The ARTS COMMISSION shall notify all supervisors, foremen and other personnel officers in writing of the content of the nondiscrimination provision and their responsibilities under it.
 - b) The ARTS COMMISSION shall notify all sources of employee referrals (including unions, employment agencies, advertisements, Department of Employment) of the content of the nondiscrimination provision.
 - c) The ARTS COMMISSION shall file a basic compliance report as required by the City. Willfully false statements made in such reports shall be punishable as provided by law. The compliance report shall also specify the sources of the work force and who has the responsibility for determining whom to hire, or whether or not to hire.
 - d) The ARTS COMMISSION shall notify the City of opposition to the nondiscrimination provision by individuals, firms or organizations during the period of this contract.
8. Nothing contained in this "ARTS COMMISSION's Obligation for Nondiscriminatory Employment Certificate" shall be construed in any manner to prevent the City from pursuing any other remedies that may be available at law.
9. a) In the performance of the work under this contract, the ARTS COMMISSION will include the provisions of the foregoing paragraphs (1) through (8) in all subcontracts and in any supply contract to be performed within the State of California, so that such provisions will be equally binding upon each subcontractor and each supplier.
- b) The ARTS COMMISSION will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided however that in the even the ARTS COMMISSION becomes involved in, or is threatened with, litigation with a subcontractor or supplies as a result of such direction by the City, the ARTS COMMISSION may request the City to enter into such litigation to protect the interests of the City.

EXHIBIT "D"

City of Santa Barbara Redevelopment Agency

Handicapped Nondiscrimination Statement

1. During the term of this Agreement, the ARTS COMMISSION agrees that while performing the specified Capital improvements, it shall:
 - a) Not exclude a qualified handicapped individual from participation in programs or activities open to the general public, regardless of the availability of permissibly separate or different programs or activities designed especially for the handicapped;
 - b) Administer programs and activities in the most integrated setting appropriate to the needs of qualified handicapped individuals;
 - c) Take appropriate steps to ensure that communications with applicants, employees, beneficiaries, and the general public are available to persons with impaired vision or hearing, through means such as brailled or taped material, telecommunication devices, televised information or other media;
 - d) Provide a qualified handicapped individual with an aid, benefit, or service that is as effective in affording equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as that provided to others;
 - e) Not provide a different or separate aid, benefit, or service to qualified handicapped individuals or to any class of qualified handicapped individuals unless such action is necessary to provide qualified handicapped individuals with aid, benefits, or services that are as effective as those provided to others;
2. If funds are granted to the ARTS COMMISSION for the program for which a funding application is submitted, then the ARTS COMMISSION agrees to formally adopt a policy of Handicapped Nondiscrimination satisfactory to the Redevelopment Agency Board.
3. In the event of noncompliance with the nondiscrimination terms set forth above, or with any of said rules, regulations, this Agreement may be canceled, terminated in whole or in part.