



# SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

SPECIAL MEETING AGENDA  
MAY 5, 2015 9:00 A.M.

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Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

## **Addressing the Agency:**

- ▶ **Agenda Items:** Members of the public may address the Successor Agency on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Successor Agency is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the Secretary prior to the Agenda item being called and prior to the individual being heard by the Successor Agency.
- ▶ **Public Comments (Non-Agenda Items):** Anyone wishing to address the Successor Agency on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Successor Agency from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the Successor Agency is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the Secretary prior to the Agenda item being called by the Secretary and prior to the individual being heard by the Successor Agency.

## **Americans with Disabilities Act:**

- ▶ In compliance with the ADA, if you need special assistance to participate in any meeting (including assisted listening devices), please contact the Office of the Secretary to the Successor Agency (626) 333-2211. Notification of at least 72 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

## **Agendas and other writings:**

- ▶ In compliance with Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the Secretary of the Successor Agency during regular business hours, Monday through Friday, 9:00 a.m. to 5:00 p.m.
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1. Call to Order
  2. Flag Salute
  3. Roll Call
  4. Public Comments
-

5. **BOARD MATTERS**

- 5.1 Consideration of the minutes of the February 24, 2015 special meeting of the Successor Agency to the Industry Urban-Development Agency.

*RECOMMENDED ACTION: Approve the minutes.*

- 5.2 Consideration of a Purchase Agreement between the Successor Agency and Northrop Grumman Systems Corporation for the sale and disposition of Agency-owned property located at 111 Hudson Street.

*RECOMMENDED ACTION: Approve the Agreement, subject to approval from the Oversight Board of the Successor Agency to the Industry Urban-Development Agency and the California Department of Finance.*

- 5.3 Consideration to select The Hoffman Company to serve as the Successor Agency's broker to market and sale the Tres Hermanos property, Property No. 68 in the Long Range Property Management Plan.

*RECOMMENDED ACTION: Approve the selection of The Hoffman Company, and authorize the Executive Director to proceed with finalizing an Agreement with The Hoffman Company.*

- 5.4 Consideration of Resolution No. SA 2015-06 - A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING THE SALE OF TWO TRUCKS OWNED BY THE SUCCESSOR AGENCY TO THE CITY OF INDUSTRY AND TAKING CERTAIN RELATED ACTIONS.

*RECOMMENDED ACTION: Adopt Resolution No. SA 2015-06.*

- 5.5 Consideration of a Memorandum of Understanding between the City of Industry and Successor Agency to the Industry Urban-Development Agency for funding the improvements at the intersection of Grand Avenue at Golden Springs Drive as Phase IIA of the 57/60 Confluence Project.

*RECOMMENDED ACTION: Approve the Memorandum of Understanding.*

- 5.6 Approval of Change Order No. 3 to KASA Construction, in the amount of \$17,684.00 for close out change order in conjunction with the Landscaping of the Baker Parkway Slopes, Contract No. GCD-0377R, as identified in Line Item No. 102 of the Recognized Obligation Payment Schedule.

*RECOMMENDED ACTION: Approve Change Order No. 3.*

- 5.7 Approval of Change Order No. 2 to C.A. Rasmussen, Inc., in the amount of \$174,489.22 for additional costs for extra work due to plan revisions issued in conjunction with the Industry Business Center Phase 1 Mass Grading Far

West Side, Contract No. IBC-0379, as identified in Line Item No. 270 of the Recognized Obligation Payment Schedule

*RECOMMENDED ACTION: Approve Change Order No. 2.*

- 5.8 Consideration of a Facilities Relocation Agreement with Southern California Edison for the 12KV distribution and telecommunications facilities (Phase 1) to be relocated to a new underground location at the Industry Business Center, as identified in Line Item No. 202 of the Recognized Obligation Payment Schedule.

*RECOMMENDED ACTION: Approve the Agreement.*

- 5.9 Consideration of a Grant of Easement to Southern California Edison for the 12KV underground distribution and telecommunication facilities (Phase 1) at the Industry Business Center.

*RECOMMENDED ACTION: Approve the Grant of Easement.*

- 5.10 Consideration of a Bill of Sale to Southern California Edison for the 12KV distribution and telecommunication underground ducts and substructures (Phase 1) as part of the Industry Business Center.

*RECOMMENDED ACTION: Approve the Bill of Sale.*

- 5.11 Consideration of authorization to advertise for solicitation of public bids for Contract No. IBC-0383, Industry Business Center 66KV Transmission Line Relocation Project, for an estimated cost of \$600,000.00 as identified in Line Item No. 217 of the Recognized Obligation Payment Schedule.

*RECOMMENDED ACTION: Approve the plans and specifications, and authorize the advertising for receipt of sealed bids.*

6. Adjournment. Next regular Successor Agency meeting will be on Wednesday, May 27, 2015 at 9:00 a.m.

*SUCCESSOR AGENCY*

ITEM NO. 5.1

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SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
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**CALL TO ORDER**

The Special Meeting of the Successor Agency to the Industry Urban-Development Agency was called to order by Chairman Tim Spohn at 9:00 a.m., in the City of Industry Council Chamber, 15651 East Stafford Street, California.

**FLAG SALUTE**

The flag salute was led by Chairman Spohn.

**ROLL CALL**

PRESENT: Tim Spohn, Chairman  
Jeff Parriott, Vice Chairman  
John P. Ferrero, Board Member  
Roy Haber, Board Member  
Pat Marcellin, Board Member

STAFF PRESENT: Kevin Radecki, Executive Director; Jim G. Grayson, Legal Counsel; John Ballas, Agency Engineer; and Diane M. Schlichting, Assistant Secretary.

**PUBLIC COMMENTS**

There were no public comments.

**CONSIDERATION OF THE MINUTES OF THE DECEMBER 11, 2014 SPECIAL MEETING OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY VICE CHAIRMAN PARRIOTT TO APPROVE THE MINUTES. MOTION CARRIED 5-0.

**CONSIDERATION OF THE MINUTES OF THE JANUARY 22, 2015 SPECIAL MEETING OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**

MOTION BY BOARD MEMBER HABER, AND SECOND BY BOARD MEMBER MARCELLIN TO APPROVE THE MINUTES. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSTAINING.

**CONSIDERATION OF PURCHASE AGREEMENTS FOR THE SALE AND DISPOSITION OF CERTAIN REAL PROPERTY LOCATED AT 15130 NELSON AVENUE, 17201-17301**

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**GALE AVENUE, AND 17475 GALE AVENUE**

Executive Director Radecki presented a report.

MOTION BY BOARD MEMBER MARCELLIN, AND SECOND BY BOARD MEMBER HABER TO APPROVE THE AGREEMENTS, SUBJECT TO APPROVAL FROM THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY AND THE CALIFORNIA DEPARTMENT OF FINANCE. MOTION CARRIED 5-0.

**DISCUSSION REGARDING A LETTER OF INTENT SUBMITTED BY HITCHCOCK COMMERCIAL PROPERTIES TO PURCHASE AGENCY-OWNED PROPERTY LOCATED AT 17647 GALE AVENUE**

Executive Director Radecki presented a report and responded to questions from Members of the Successor Agency.

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY VICE CHAIRMAN PARRIOTT TO SUBMIT THE LETTER OF INTENT TO THE OVERSIGHT BOARD FOR THEIR REVIEW AND DIRECTION. MOTION CARRIED 5-0.

**CONSIDERATION OF RESOLUTION NO. SA 2015-02 - A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING A PROPOSED ADMINISTRATIVE BUDGET FOR THE SIX MONTH PERIOD COMMENCING JULY 1, 2015, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j) AND TAKING CERTAIN RELATED ACTIONS**

Mr. Dean Yamagata, Partner with Frazer, LLP, contracted to run the Finance Department for the City and Agency, presented a report.

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER HABER TO ADOPT RESOLUTION NO. SA 2015-02. MOTION CARRIED 5-0.

**CONSIDERATION OF RESOLUTION NO. SA 2015-03 - A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2015 AND TAKING CERTAIN RELATED ACTIONS**

Agency Engineer Ballas presented a staff report and responded to questions from

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Members of the Successor Agency.

MOTION BY VICE CHAIRMAN PARRIOTT, AND SECOND BY BOARD MEMBER HABER TO ADOPT RESOLUTION NO. SA 2015-03. MOTION CARRIED 5-0.

**CONSIDERATION OF A BUDGET INCREASE FOR CONSULTANT CONTRACT NO. 14-SCS 13-01 MP 99-31 #16 FOR SCS ENGINEERS TO PERFORM ADDITIONAL LANDFILL ENGINEERING SERVICES AT THE INDUSTRY BUSINESS CENTER DURING CONSTRUCTION IN THE AMOUNT OF \$305,830.00, AS IDENTIFIED IN LINE ITEM NO. 221 OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Agency Engineer Ballas presented a staff report.

Mr. Josh Nelson, Project Manager for CNC Engineering, provided additional information.

MOTION BY BOARD MEMBER HABER, AND SECOND BY VICE CHAIRMAN PARRIOTT TO APPROVE THE BUDGET INCREASE. MOTION CARRIED 5-0.

**CONSIDERATION OF A BUDGET INCREASE FOR CONSULTANT CONTRACT NO. 5-JACOBS 05-01 MP 03-10 FOR JACOBS CIVIL, INC., TO PERFORM ADDITIONAL ENGINEERING DESIGN SERVICES, CONSTRUCTION SUPPORT AND EXTENSION OF CONTRACT IN THE AMOUNT OF \$544,638.76 AS IDENTIFIED IN LINE ITEM NO. 117 OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Agency Engineer Ballas presented a staff report

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER HABER TO APPROVE THE BUDGET INCREASE. MOTION CARRIED 5-0.

**CONSIDERATION OF CHANGE ORDER NO. 1 TO C.A. RASMUSSEN, INC., IN THE AMOUNT OF \$500.983.79 FOR ADDITIONAL COSTS FOR EXTRA WORK DUE TO UNFORESEEN ITEMS AND PLAN REVISIONS ISSUED IN CONJUNCTION WITH THE INDUSTRY BUSINESS CENTER PHASE 1 MASS GRADING FAR WEST SIDE, CONTRACT NO. IBC-0379, AS IDENTIFIED IN LINE ITEM NO. 270 OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Agency Engineer Ballas presented a staff report.

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER HABER TO APPROVE CHANGE ORDER NO. 1. MOTION CARRIED 5-0.

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**CONSIDERATION OF A RIGHT-OF-WAY CONTRACT BETWEEN THE SUCCESSOR AGENCY AND THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION ("CALTRANS") FOR THE DONATION OF RIGHT-OF-WAY TO CONSTRUCT THE WESTBOUND ON-RAMP FROM GRAND AVENUE TO THE SR-60 FREEWAY, AS IDENTIFIED IN LINE ITEM NO. 226 OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Agency Engineer Ballas presented a staff report.

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER HABER TO APPROVE THE CONTRACT. MOTION CARRIED 5-0.

**CONSIDERATION TO CANCEL THE NEXT REGULAR MEETING SCHEDULED FOR WEDNESDAY, FEBRUARY 25, 2015, AT 9:00 A.M.**

MOTION BY BOARD MEMBER HABER, AND SECOND BY BOARD MEMBER MARCELLIN TO CANCEL THE NEXT REGULAR MEETING. MOTION CARRIED 5-0.

**ADJOURNMENT**

There being no further business, the Successor Agency to the Industry Urban-Development Agency adjourned.

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Tim Spohn, Chairman

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Diane M. Schlichting, Assistant Secretary



*SUCCESSOR AGENCY*

ITEM NO. 5.2



*SUCCESSOR AGENCY TO THE*  
***INDUSTRY URBAN - DEVELOPMENT AGENCY***

**TO:** Board Members of the Successor Agency to the Industry Urban-  
Development Agency

**FROM:** Kevin Radecki, Executive Director

**DATE:** May 1, 2015

**SUBJECT:** Recommendation on Sale of Property No. 18, 111 Hudson Street

Staff is recommending that the Board approve the Purchase Agreement between the Successor Agency and Northrop Grumman for the sale of Agency-owned property located at 111 Hudson Street (Property No. 18). The Board approved the Letter of Intent for the sale at its February 24, 2015 meeting.

The purchase price is \$2,800,000 which was the highest bid for the property and exceeded the appraisal which was \$2,190,000-\$2,310,000. Northrup Grumman will construct a water treatment plant on the site, which is required by EPA. The proposed use is allowable in the industrial zone, but will require a development plan to be approved by the City. The Purchase Agreement includes a provision that if the project is not completed within the specified time (540 days after the close of escrow) Northrup Grumman will make payments to the Successor Agency amounting to the property taxes.

Recommendation:

It is recommended that the Successor Agency Board approve the Purchase Agreement for Property No. 18, direct staff to forward the Agreement to the Oversight Board and Department of Finance, and authorize the Chairman to sign once approved by the Department of Finance.

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that pursuant to Health and Safety Code Section 34181(f), the Oversight Board of the Successor Agency to the Industry Urban-Development Agency will hold a special meeting to consider a Purchase Agreement for the sale and disposition of certain real property located at 111 Hudson Street.

The time, date, and place of such special meeting shall be as follows:

Time: 10:00 a.m.  
Date: May 5, 2015  
Place: City Council Chamber  
15651 East Stafford Street  
City of Industry, CA 91744

A copy of all relevant materials, including the Purchase Agreements, are on file with the Secretary to the Oversight Board of the Successor Agency to the Industry Urban-Development Agency at the City Administrative Offices, 15625 East Stafford Street, Suite 100, City of Industry, California 91744.

Any person interested in this matter may appear at the above time and place and be heard with respect thereto.

Dated: May 1, 2015

**PURCHASE AGREEMENT**

[111 HUDSON STREET]

SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY,  
“**Agency**”

NORTHROP GRUMMAN SYSTEMS CORPORATION,  
a Delaware corporation  
“**Developer**”

\_\_\_\_\_, 2015

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**PURCHASE AGREEMENT**  
**[111 Hudson Street]**

**THIS PURCHASE AGREEMENT** [111 Hudson Street] (this “**Agreement**”), dated for reference purposes only as of \_\_\_\_\_, 2015 (the “**Effective Date**”) is entered into by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the “**Agency**”), and **NORTHROP GRUMMAN SYSTEMS CORPORATION**, a Delaware corporation (the “**Developer**”). The Agency and the Developer are hereinafter sometimes individually referred to as a “**party**” and collectively referred to as the “**parties.**”

**RECITALS**

This Agreement is entered into with reference to the following facts:

A. Pursuant to AB X1 26 (enacted in June 2011), as modified by the California Supreme Court’s decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal.4th 231 (2011), the Industry Urban-Development Agency (the “**Former Agency**”) was dissolved as of February 1, 2012, and the Agency was constituted. AB 1484, which was enacted in June 2012, amended and supplemented the provisions of AB X1 26 (the “**Dissolution Law**”).

B. Pursuant to Section 34191.5(b) of the California Health and Safety Code, the Agency submitted a long-range property management plan (the “**LRPMP**”) to the California Department of Finance (the “**DOF**”). The LRPMP addresses the use and disposition of all properties of the Agency, and the DOF approved the LRPMP on February 21, 2015. The Agency is undertaking the disposition of all properties of the Agency, including the Property (as hereinafter defined), as provided in the LRPMP.

C. The Agency, as successor in interest by operation of law to the Former Agency, owns the fee interest in that certain real property located in the City of Industry, County of Los Angeles, State of California, as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (such real property is referred to herein as the “**Property**”). The Developer wishes to acquire fee title to the Property from the Agency to enable the Developer to construct the Improvements (as such term is defined in Section 1.1.22) on the Property (the “**Project**”).

D. Development of the Project may assist in the elimination of blight, provide jobs, substantially improve the economic and physical conditions in the City, clean up contaminated groundwater from the Puente Valley Operable Unit and create a valuable new potable water supply that will decrease the region’s reliance on imported water.

E. A material inducement to the Agency to enter into this Agreement is the agreement by the Developer, subject to force majeure delays, as provided in Section 7.9, to develop the Project within a limited period of time, or to pay Estimated Improvement Property Taxes as provided in Section 5.7, and the Agency would be unwilling to enter into this Agreement in the absence of an enforceable commitment by the Developer to develop the Project within such period of time or to make such payments.



NOW, THEREFORE, in reliance upon the foregoing Recitals, in consideration of the mutual covenants in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE 1**  
**DEFINITIONS**

1.1 Definitions. The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

1.1.1 Agency means the Successor Agency to the Industry Urban-Development Agency. The principal office of the Agency is located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744.

1.1.2 Agreement means this Purchase Agreement.

1.1.3 Certificate of Completion means a certificate described in Section 3.7, to be provided by the Agency to the Developer upon satisfactory completion of construction of the Improvements.

1.1.4 Certificate of Occupancy means a final certificate of occupancy issued by the City for all of the Improvements.

1.1.5 Cessation Date is defined in Section 5.7.

1.1.6 City means the City of Industry, a municipal corporation, exercising governmental functions and powers, and organized and existing under the laws of the State of California. The principal office of the City is located at 15625 East Stafford Street, City of Industry, California 91744.

1.1.7 Close of Escrow and Closing are defined in Section 2.3.2.

1.1.8 Completion Date is defined in Section 3.1.1.

1.1.9 Deemed Disapproved Exceptions is defined in Section 2.5.2.

1.1.10 Default is defined in Section 6.2.

1.1.11 Deposit is defined in Section 2.2.1.

1.1.12 Developer means Northrop Grumman Systems Corporation, a Delaware corporation. The principal office of the Developer for purposes of this Agreement is One Hornet Way, El Segundo, California 90245.

1.1.13 Disapproved Exceptions is defined in Section 2.5.2.

1.1.14 Disapproval Notice is defined in Section 2.5.2.

1.1.15 Due Diligence Period is defined in Section 2.7.

1.1.16 Escrow is defined in Section 2.3.1.

1.1.17 Escrow Holder means First American Title Insurance Company. The principal office of the Escrow Holder for purposes of this Agreement is 18500 Von Karman Avenue, Suite 600, Irvine, California 92612, Attention: Patty Beverly, Escrow Officer, Telephone: (949) 885-2465, Fax: (877) 372-0260, Email: pbeverly@firstam.com.

1.1.18 Estimated Improvement Property Taxes is defined in Section 5.7.

1.1.19 Grant Deed is defined in Section 2.5.3.

1.1.20 Hazardous Materials means any chemical, material or substance now or hereafter defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely hazardous waste,” “restricted hazardous waste,” “toxic substances,” “pollutant or contaminant,” “imminently hazardous chemical substance or mixture,” “hazardous air pollutant,” “toxic pollutant,” or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Property, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq. (“**CERCLA**”); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq. The term “**Hazardous Materials**” shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. § 2012, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Property, to adjacent properties, or to persons on or about the Property, (ii) which causes the Property to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Property requires investigation, reporting or remediation under any such laws or regulations.

1.1.21 Holder is defined in Section 4.2.2.

1.1.22 Improvements means the improvements described in Section 3.1.1.

1.1.23 Outside Date is defined in Section 2.3.2.

1.1.24 Plans and Specifications means the plans and specifications approved by the City for construction of the Improvements.

- 1.1.25 Project is defined in Recital C.
- 1.1.26 Property is defined in Recital C.
- 1.1.27 Purchase Price is defined in Section 2.1.
- 1.1.28 Released Parties is defined in Section 2.8.
- 1.1.29 Review Period is defined in Section 2.5.2.
- 1.1.30 Right of Entry Agreement is defined in Section 2.7.
- 1.1.31 Schedule of Performance means the schedule attached hereto as Exhibit "B" and incorporated herein by this reference.
- 1.1.32 Survey is defined in Section 2.5.1.
- 1.1.33 Title Company is defined in Section 2.5.4.
- 1.1.34 Title Policy is defined in Section 2.5.4.
- 1.1.35 Title Report is defined in Section 2.5.1.
- 1.1.36 Transaction Costs means all costs incurred by either party in entering into this transaction and closing Escrow, including but not limited to escrow fees and costs, attorneys' fees, staff time, appraisal costs, and costs of financial advisors and other consultants.

## **ARTICLE 2 PURCHASE AND SALE OF THE PROPERTY**

2.1 Purchase and Sale. The Agency agrees to sell the Property to the Developer, and the Developer agrees to purchase the Property from the Agency, for the sum of Two Million Eight Hundred Thousand and No/100 Dollars (\$2,800,000.00) (the "**Purchase Price**"). In addition, Developer shall reimburse the Agency for the Agency's costs of obtaining an appraisal of the Property and the Agency's legal costs in connection with this Agreement and the disposition of the Property under this Agreement; such costs shall not exceed in total more than Fifteen Thousand Dollars (\$15,000.00) (the "**Disposition Costs**") and will be paid by Developer to Agency at the Closing through the Escrow (as hereinafter defined).

2.2 Payment of Purchase Price. The Purchase Price shall be payable by Developer as follows:

2.2.1 Deposit. Within five (5) business days following the opening of Escrow, Developer shall deposit with Escrow Holder the sum of Twenty Eight Thousand and No/100 Dollars (\$28,000.00), and unless Developer terminates this Agreement during the Due Diligence Period under Section 2.7 below, Developer shall deposit with Escrow Holder an additional One Hundred Twelve Thousand and No/100 Dollars (\$112,000.00) within five (5) business days following the Due Diligence Period, all in the form of certified or bank cashier's checks made

payable to Escrow Holder or by confirmed wire transfers of funds (collectively, the “**Deposit**”). The Deposit shall be invested by Escrow Holder in an interest bearing account acceptable to Developer and Agency with all interest accruing thereon for the benefit of Developer and to be credited to the Purchase Price upon the Close of Escrow. Except as otherwise provided herein, the Deposit shall be applicable in full towards the Purchase Price upon Closing.

2.2.2 Closing Funds. Prior to the Close of Escrow, Developer shall deposit or cause to be deposited with Escrow Holder, by a certified or bank cashier’s check made payable to Escrow Holder or by a confirmed federal wire transfer of funds, the balance of the Purchase Price, plus the Disposition Costs, plus an amount equal to all other costs, expenses and prorations payable by Developer hereunder.

### 2.3 Escrow.

2.3.1 Opening of Escrow. Within five (5) business days after the parties’ full execution of this Agreement, the Developer and the Agency shall open an escrow (the “**Escrow**”) with the Escrow Holder for the transfer of the Property to the Developer. The parties shall deposit with the Escrow Holder a fully executed duplicate original of this Agreement, which shall serve as the escrow instructions (which may be supplemented in writing by mutual agreement of the parties) for the Escrow. The Escrow Holder is authorized to act under this Agreement, and to carry out its duties as the Escrow Holder hereunder.

2.3.2 Close of Escrow. “**Close of Escrow**” or “**Closing**” means the date Escrow Holder causes the Grant Deed (as hereinafter defined) to be recorded in the Official Records of the County of Los Angeles and delivers the Purchase Price and Disposition Costs (less any costs, expenses and prorations payable by the Agency) to the Agency. Possession of the Property shall be delivered to the Developer on the Close of Escrow. Subject to the provisions of Section 2.5.2, Close of Escrow shall occur within thirty (30) days following the expiration of the Due Diligence Period (the “**Outside Date**”) or this Agreement shall automatically terminate; provided, however, the Outside Date may be extended upon written consent from the Developer and the Executive Director of the Agency, which consent may be given or withheld in their sole discretion. If the Closing does not occur on or before the Outside Date due to a default by either party, then the defaulting party shall pay all Escrow cancellation fees (and if the defaulting party is the Developer, then the Agency shall be entitled to the Deposit under Section 6.3.1). If the Closing does not occur due to a termination by Developer under Section 2.5.2, then the Deposit shall be returned to Developer, and Developer shall pay all Escrow cancellation fees (which may be deducted from the Deposit). If the Closing does not occur for any other reason, then this Agreement shall automatically terminate, the Deposit shall be promptly returned to the Developer, and each party shall pay one half (1/2) of any Escrow cancellation charges.

### 2.3.3 Delivery of Closing Documents.

(a) The Agency and Developer agree to deliver to Escrow Holder, at least two (2) days prior to the Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition precedent to the Close of Escrow:

(i) The Grant Deed, duly executed and acknowledged by the Agency, conveying a fee simple interest in the Property to Developer, subject only to such exceptions to title as Developer may have approved or have been deemed to approve pursuant to Section 2.5.2;

(ii) The Agency's affidavit as contemplated by California Revenue and Taxation Code Section 18662;

(iii) A Certification of Non-Foreign Status signed by Agency in accordance with Internal Revenue Code Section 1445; and

(iv) Such proof of the Agency's and Developer's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy.

The Agency and the Developer further agree to execute such reasonable and customary additional documents, and such additional escrow instructions, as may be reasonably required to close the transaction which is the subject of this Agreement pursuant to the terms hereof.

2.4 Conditions to Close of Escrow. The obligations of the Agency and Developer to close the transaction which is the subject of this Agreement shall be subject to the satisfaction, or waiver in writing by the party benefited thereby, of each of the following conditions:

2.4.1 For the benefit of the Agency, the Developer shall have deposited the balance of the Purchase Price, together with such funds as are necessary to pay for costs, expenses and prorations payable by Developer hereunder (including the Disposition Costs).

2.4.2 For the benefit of the Agency, all actions and deliveries to be undertaken or made by Developer on or prior to the Close of Escrow as set forth in the Schedule of Performance shall have occurred, as reasonably determined by the Agency.

2.4.3 For the benefit of the Developer, all actions and deliveries to be undertaken or made by the Agency on or prior to the Close of Escrow shall have occurred, as reasonably determined by the Developer.

2.4.4 For the benefit of the Agency, all Agency approvals required by the Schedule of Performance to be obtained prior to the Close of Escrow shall have been so obtained.

2.4.5 For the benefit of the Agency, the Developer shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Developer shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.6 For the benefit of the Developer, the Agency shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Agency shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.7 For the benefit of the Agency, the representations and warranties of the Developer contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.8 For the benefit of the Developer, the representations and warranties of the Agency contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.9 For the benefit of the Developer, Title Company shall be irrevocably committed to issuing in favor of the Developer the Title Policy, in form and substance, and with endorsements reasonably acceptable to the Developer, as provided in Section 2.5.2.

If all the foregoing conditions have not been met to the benefitted party's sole satisfaction or expressly waived in writing by the benefitted party on or before the respective dates set forth therein, or if no date is set forth therein on the Outside Date, then this Agreement shall, at the option of the benefitted party, be terminated and become null and void, in which event, except as expressly set forth in this Agreement, neither party shall have any further rights, duties or obligations hereunder, and Developer shall be entitled to the immediate full refund of the Deposit.

## 2.5 Condition of Title; Survey; Title Insurance.

2.5.1 Within ten (10) days after the Effective Date, the Agency shall deliver to the Developer for the Developer's review and approval, (i) a current preliminary title report covering the Property (the "**Title Report**") and legible copies of any instruments noted as exceptions thereon and (ii) any survey of the Property in the Agency's possession. The Developer at its sole expense may obtain a current or updated ALTA survey of the Property in connection with the issuance of the Title Policy and the Agency shall cooperate with the same. Any survey provided by the Agency or obtained by the Developer are each a "**Survey**" hereunder.

2.5.2 The Developer shall have until the expiration of the Due Diligence Period (the "**Review Period**") to disapprove any exceptions to title shown on the Title Report or reflected on the Survey (collectively, "**Disapproved Exceptions**") and to provide Agency with notice thereof describing the defect with reasonable particularity (the "**Disapproval Notice**"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after the Agency's receipt of the Disapproval Notice, the Agency shall notify the Developer whether or not the Agency intends to remove the Disapproved Exceptions. The Agency shall be under no obligation to remove any Disapproved Exception(s), but the Agency agrees to cooperate in good faith with the Developer in the Developer's efforts to eliminate any Disapproved Exception(s), provided the Agency is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception(s). If the Agency notifies the Developer that the Agency intends to eliminate any Disapproved Exception(s), the Agency shall do so concurrently with or prior to the Close of Escrow. If the Agency notifies the Developer that the Agency does not intend to eliminate any Disapproved Exception(s), the Developer, by notifying the Agency within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a full refund of the Deposit or

take the Property subject to the Disapproved Exception(s). Upon termination, Developer shall deliver to Agency copies of all due diligence reports and studies prepared by or for Developer, except for any due diligence reports and studies that are proprietary or protected by the attorney-client privilege. Notwithstanding the foregoing, the Agency covenants to pay in full all loans secured by deeds of trust, any mechanics' and materialmen's liens, and any other monetary liens (other than liens for charges, assessments, taxes, and impositions subject to proration as provided in Section 2.6.2) (collectively, the "**Deemed Disapproved Exceptions**") prior to, or concurrently with, the Close of Escrow, and Escrow Holder is hereby directed to cause the same to be paid from the Purchase Price. The Title Policy shall include such endorsements as the Developer shall reasonably request. Any endorsements to the Title Policy are to be paid for by the Developer. Notwithstanding the foregoing, the Developer may notify the Agency of its disapproval of an exception to title (including exceptions reflected on the Survey) first raised by Title Company or the surveyor after the Review Period, or otherwise first disclosed to the Developer after the Review Period, within ten (10) days after the same was first raised or disclosed to the Developer in writing. If an exception is first raised by the Title Company on a date such that the addition of ten (10) days for the Developer to provide approval or disapproval of such exception would result in a date that falls after the Outside Date (the "**New Exception Date**"), then the Outside Date shall automatically be extended for five (5) days after the New Exception Date. With respect to any exceptions disapproved by the Developer in such notice, the Agency shall have the same option to eliminate such exceptions that applies to Disapproved Exceptions, and the Developer shall have the same option to accept title subject to such exceptions or to terminate this Agreement and receive a full refund of the Deposit.

2.5.3 At the Close of Escrow, the Developer shall receive title to the Property by grant deed substantially in the form attached hereto as Exhibit "C" and incorporated herein by this reference (the "**Grant Deed**").

2.5.4 At Closing, the Developer shall receive a CLTA Owner's Coverage Policy of Title Insurance (the "**Title Policy**"), together with all endorsements requested by the Developer, issued by First American Title Insurance Company ("**Title Company**") in the amount of the Purchase Price, insuring that title to the Property is free and clear of all Disapproved Exceptions, all Deemed Disapproved Exceptions and all liens, easements, covenants, conditions, restrictions, and other encumbrances of record except (a) current taxes and assessments of record, but not any overdue or delinquent taxes or assessments, (b) the matters set forth or referenced in the Grant Deed, and (c) such other encumbrances as the Developer approves in writing including those reflected in the Title Report for the Property approved by Developer, or as are deemed approved by Developer as provided in Section 2.5.2. The Developer may obtain an extended coverage policy of title insurance at its own cost.

## 2.6 Escrow and Title Charges; Prorations.

2.6.1 The Agency shall pay all documentary transfer taxes and the coverage premiums on the standard CLTA Title Policy. Developer shall pay the costs of (i) any Survey obtained by the Developer, (ii) any endorsements to the Title Policy and (iii) any title insurance premiums for any coverage over and above the standard policy coverage on the CLTA Title Policy to be paid by the Agency. In addition, the Developer and the Agency shall each pay one-half of any and all other usual and customary costs, expenses and charges relating to the escrow

and conveyance of title to the Property, including without limitation, recording fees, document preparation charges and escrow fees. Each party shall be responsible for its own transaction costs and attorneys' fees.

2.6.2 All non-delinquent and current installments of real estate and personal property taxes and any other governmental charges, regular assessments, or impositions against the Property on the basis of the current fiscal year or calendar year shall be pro-rated as of the Close of Escrow based on the actual current tax bill. If the Close of Escrow shall occur before the tax rate is fixed, the apportionment of taxes on the Close of Escrow shall be based on the tax rate for the next preceding year applied to the latest assessed valuation after the tax rate is fixed, which assessed valuation shall be based on the Property's assessed value prior to the Close of Escrow and the Agency and Developer shall, when the tax rate is fixed, make any necessary adjustment. All prorations shall be determined on the basis of a 365-day year. The provisions of this Section 2.6.2 shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

2.6.3 Any Escrow cancellation charges shall be allocated and paid as described in Section 2.3.2 above.

2.7 Due Diligence Period; Access. During the period (the "**Due Diligence Period**") commencing on the date Escrow is opened and both the Agency and Developer are notified and ending at 5:00 p.m. on the date which is sixty (60) days after the date Escrow is opened and both the Agency and Developer are notified, the Developer may inspect the Property as necessary to (i) approve all zoning and land use matters relating to the Property, (ii) approve the physical condition of the Property, and (iii) otherwise assess and approve all aspects of the suitability of the Property for Developer's intended use. Subject to the terms of the Right of Entry and Access Agreement in the form of which is attached hereto as Exhibit "D" (the "**Right of Entry Agreement**"), the Developer and its agents shall have the right to enter upon the Property during the Due Diligence Period to make inspections and other examinations of the Property and the improvements thereon, including without limitation, the right to perform surveys, soil and geological tests of the Property and the right to perform environmental site assessments and studies of the Property. Prior to the Developer's entry upon the Property, the parties shall execute the Right of Entry Agreement. The Agency shall reasonably cooperate with the Developer in its conduct of the due diligence review during the Due Diligence Period. In the event the Developer does not approve of the condition of the Property by written notice to the Agency prior to the expiration of the Due Diligence Period, this Agreement shall terminate, the Deposit shall be returned to Developer (including any interest earned thereon) and, except as otherwise expressly stated in this Agreement, neither party shall have any further rights or obligations to the other party.

2.8 Condition of the Property. The Property shall be conveyed from the Agency to the Developer on an "AS IS" condition and basis with all faults and the Developer agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Developer and anyone claiming by, through or under the Developer hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the Agency's Oversight Board, and their respective officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and



assigns, and all persons, firms, corporations and organizations acting on the Agency's, City's or Oversight Board's behalf (collectively, the "**Released Parties**") from any and all claims, responsibility and/or liability that the Developer may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the matters pertaining to the Property described in this Section 2.8. This release includes claims of which the Developer is presently unaware or which the Developer does not presently suspect to exist which, if known by the Developer, would materially affect the Developer's release of the Released Parties. If the Property is not in a condition suitable for the intended use or uses, then it is the sole responsibility and obligation of the Developer to take such action as may be necessary to place the Property in a condition suitable for development of the Project thereon. Except as otherwise expressly and specifically provided in this Agreement and without limiting the generality of the foregoing, THE AGENCY MAKES NO REPRESENTATION OR WARRANTY AS TO (i) THE VALUE OF THE PROPERTY; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE HABITABILITY, MARKETABILITY, PROFITABILITY, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OF THE PROPERTY; (iv) THE MANNER, QUALITY, STATE OF REPAIR OR CONDITION OF THE PROPERTY; (v) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (vi) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS; (vii) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER OR ADJACENT TO THE PROPERTY; (viii) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; AND (ix) WITH RESPECT TO ANY OTHER MATTER, THE DEVELOPER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE DEVELOPER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE AGENCY.

THE DEVELOPER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH IS SET FORTH BELOW:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, DEVELOPER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Developer's Initials

  
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The waivers and releases by the Developer herein contained shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

2.9 Escrow Holder.

2.9.1 Escrow Holder is authorized and instructed to:

(a) Pay and charge the Developer for any fees, charges and costs payable by the Developer under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Developer of the fees, charges, and costs necessary to close the Escrow;

(b) Pay and charge the Agency for any fees, charges and costs payable by the Agency under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Developer of the fees, charges, and costs necessary to close the Escrow;

(c) Disburse funds and deliver the Grant Deed and other documents to the parties entitled thereto when the conditions of the Escrow and this Agreement have been fulfilled by the Agency and the Developer; and

(d) Record the Grant Deed and any other instruments delivered through the Escrow, if necessary or proper, to vest title in the Developer in accordance with the terms and provisions of this Agreement.

2.9.2 Any amendment of these escrow instructions shall be in writing and signed by both the Agency and the Developer.

2.9.3 All communications from the Escrow Holder to the Agency or the Developer shall be directed to the addresses and in the manner established in Section 7.3 of this Agreement for notices, demands and communications between the Agency and the Developer.

2.9.4 The responsibility of the Escrow Holder under this Agreement is limited to performance of the obligations imposed upon it under this Article, any amendments hereto, and any supplemental escrow instructions delivered to the Escrow Holder that do not materially amend or modify the express provisions of these escrow instructions.

**ARTICLE 3  
DEVELOPMENT OF THE PROPERTY**

3.1 Scope of Development.

3.1.1 The “**Improvements**” to be completed by Developer shall be those described on Exhibit “E” attached hereto and incorporated herein by this reference. Subject to force majeure delays as provided in Section 7.9, the construction of the Improvements shall be completed no later than five hundred forty (540) days after the Close of Escrow (“**Completion Date**”). To the extent of any inconsistency between the Schedule of Performance and this Section 3.1.1, this Section 3.1.1 shall control.

3.1.2 The Developer shall submit all appropriate Plans and Specifications pertaining to the Improvements to the City, and shall construct the Improvements, and all associated public infrastructure improvements required by the City, pursuant to the City’s conditions of approval, if any, and all parking areas and landscaping, in accordance with and within the limitations established therefor in this Agreement and as required by the City. The Developer shall also comply with any and all applicable federal, state and local laws, rules and regulations, and any applicable mitigation measures adopted pursuant to the California Environmental Quality Act. The Agency shall cooperate in all reasonable respects, at no out-of-pocket cost to the Agency, with the Developer’s pursuit and acquisition of permits and approvals for the Project from all applicable governmental and quasi-governmental agencies and public utilities.

3.2 Cost of Construction. The cost of constructing all Improvements and all public infrastructure improvements relating to the Project or required by the City or Agency in connection with the Project, if any, shall be borne by the Developer.

3.3 Construction Funds. Prior to the Close of Escrow, Developer shall provide to Agency evidence reasonably acceptable to the Agency as to form and substance that the Developer has sufficient funds committed for the construction of the Improvements.

3.4 Rights of Access. In addition to those rights of access to and across the Property to which the Agency and the City may be entitled by law, members of the staffs of the Agency and the City shall have a reasonable right of access to the Property, without charge or fee, at any reasonable time, to inspect construction of Improvements being performed at the Property.

3.5 Local, State and Federal Laws. The Developer shall carry out the construction of the Improvements in conformity with all applicable laws, including all applicable federal, state and local prevailing wage laws, occupation, safety and health laws, rules, regulations and standards.

3.6 Nondiscrimination During Construction. The Developer, for itself and its successors and assigns, agrees that it shall not discriminate against any employee or applicant for employment because of age, sex, marital status, race, handicap, color, religion, creed, ancestry, or national origin in the construction of the Improvements.

### 3.7 Certificate of Completion.

3.7.1 After (i) completion of construction by the Developer of all of the Improvements, (ii) the Developer has obtained a Certificate of Occupancy, and (iii) the Developer has caused a notice of completion (as described in California Civil Code Section 3093) with respect to the Improvements to be recorded in the Official Records of Los Angeles County, California, the Agency shall, following written request by the Developer, furnish the Developer with a Certificate of Completion for the Improvements within ten (10) business days of such request. The Certificate of Completion shall be in the form attached hereto as Exhibit "F" and incorporated herein by this reference. The Agency shall not unreasonably withhold, condition or delay the issuance of the Certificate of Completion. The Certificate of Completion shall be, and shall so state that it is, a conclusive determination of satisfactory completion by the Developer of all of its construction obligations under this Agreement as to the Improvements.

3.7.2 If the Agency refuses or fails within ten (10) business days after receipt of a written request from the Developer to issue a Certificate of Completion, the Agency shall provide the Developer with a written statement of the reasons the Agency refused or failed to furnish a Certificate of Completion. The statement shall also specify the actions the Developer must take to obtain a Certificate of Completion for the Improvements. If the reason for such refusal is confined to the immediate availability of specific items or material for landscaping or any other non-structural matters, and the cost of completion does not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00), the Agency shall issue its Certificate of Completion upon the Developer's depositing with an escrow account mutually established by Developer and Agency cash or an irrevocable standby letter of credit issued by a bank or other financial institution acceptable to the Agency in an amount equal to the fair value of the work not yet completed as determined by the Agency. The determination of fair value shall be made by the Agency in the exercise of its reasonable judgment.

3.7.3 The Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, trust deed or other security instrument. Such Certificate of Completion shall not be construed as a notice of completion as described in California Civil Code Section 3093.

## **ARTICLE 4 LIMITATIONS ON TRANSFERS AND SECURITY INTERESTS**

4.1 Limitation As To Transfer of the Property and Assignment of Agreement. Prior to the Agency's issuance of the Certificate of Completion, the Developer may transfer its rights and obligations under this Agreement to an entity controlled by, or under common control with, Developer, without the Agency's prior consent, but only upon twenty (20) business days prior written notice to the Agency and pursuant to an assignment agreement by which the assignee shall expressly assume all of the Developer's rights and obligations under this Agreement (provided that such assignment shall not release the Developer of its obligations hereunder, including, without limitation, its payment obligations under Section 5.7) and otherwise in form and substance reasonably acceptable to Agency. Except as provided in the preceding sentence and prior to the Agency's issuance of the Certificate of Completion, the Developer shall not

transfer its rights and obligations, in whole or in part, under this Agreement, or sell, assign, transfer, encumber, pledge or lease the Property without the Agency's prior written consent, which consent may be granted or withheld in the sole and absolute discretion of the Agency. The Developer acknowledges that the identity of the Developer is of particular concern to the Agency, and it is because of the Developer's identity that the Agency has entered into this Agreement with the Developer. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement in violation of the terms hereof. Notwithstanding any provision contained herein to the contrary, this prohibition shall not apply to and shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Project, or any mortgage or deed of trust permitted by this Agreement, or any merger, stock sale or other transactions with a third party that results in such third party acquiring a controlling interest in Developer. Upon the Agency's issuance of the Certificate of Completion and following Developer's payment in full of all amounts payable to the Agency as provided in Section 5.7, the Developer may transfer the Property to a transferee without restriction so long as the transferee agrees to all of the applicable covenants and conditions set forth in Article 5 of this Agreement. Upon the Agency's consent to a sale, assignment, transfer or lease of the Property as provided for above, Developer shall be released from all of its obligations under this Agreement.

Upon providing ten (10) days prior written notice to Developer, the Agency may assign its rights and obligations, in whole or in part, under this Agreement to the City without the prior consent of the Developer.

#### 4.2 Security Financing; Right of Holders.

4.2.1 No Encumbrances Except Mortgages, Deeds of Trust, Conveyances or Other Conveyance for Financing For Development.

(a) Prior to the issuance of a Certificate of Completion for the Property, only mortgages, deeds of trust, sales and leasebacks, or any other form of encumbrance, conveyance, security interest or assignment required for any reasonable method of construction and permanent financing are permitted, but only for the purpose of securing loans of funds to be used for financing the direct and indirect costs of the development of the Project (including reasonable and customary developer fees, loan fees and costs, and other normal and customary project costs). Notwithstanding any provision contained herein to the contrary, this prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Project

(b) The words "mortgage" and "deed of trust" as used herein include all other appropriate modes of financing commonly used in real estate acquisition, construction and land development. Any reference herein to the "holder" of a mortgage or deed of trust shall be deemed also to refer to a lessor under a sale and leaseback.

4.2.2 Notice of Default to Mortgage, Deed of Trust or Other Security Interest Holders; Right to Cure. Whenever the Agency shall deliver a notice or demand to the Developer with respect to any Default by the Developer in completion of development of the Project or otherwise, the Agency shall at the same time deliver a copy of such notice or demand to each

holder of record of any first mortgage, deed of trust or other security interest authorized by this Agreement who has previously made a written request to the Agency for special notice hereunder (a “**Holder**”). No notice of Default to the Developer shall be effective against any such Holder unless given to such Holder as aforesaid. Such Holder shall (insofar as the rights of the Agency are concerned) have the right, at such Holder’s option, within sixty (60) days after receipt of the notice, to cure or remedy any such Default and to add the cost thereof to the security interest debt and the lien of its security interest; provided, however, that if longer than sixty (60) days is required to cure such Default, such longer period shall be granted to Holder, provided that Holder diligently pursues such cure during such longer period. If such Default shall be a default which can only be remedied or cured by such Holder upon obtaining possession of the Property, such Holder shall seek to obtain possession of the Property with diligence and continuity through a receiver or otherwise, and shall remedy or cure such Default within a reasonable period of time as necessary to remedy or cure such Default of the Developer. If such Default shall be a default as to or by Developer which cannot be cured, Agency shall not seek to enforce the same against Holder and Holder shall not be subject thereto.

4.2.3 Noninterference with Holders. The provisions of this Agreement do not limit the right of Holders to foreclose or otherwise enforce any mortgage, deed of trust, or other security instrument encumbering the Property and the improvements thereon, or the right of Holders to pursue any remedies for the enforcement of any pledge or lien encumbering the Property; provided, however, that in the event of a foreclosure sale under any such mortgage, deed of trust or other lien or encumbrance, or sale pursuant to any power of sale contained in any such mortgage or deed of trust, the purchaser or purchasers and their successors and assigns, and the Property, shall be, and shall continue to be, subject to all of the conditions, restrictions and covenants of this Agreement and all documents and instruments recorded pursuant hereto.

## **ARTICLE 5 USE OF THE PROPERTY**

5.1 Use. Developer covenants and agrees that the Developer shall use the Property, and every part thereof, only for the construction of the Improvements thereon, and thereafter for any use permitted by applicable laws. The foregoing sentence shall not prohibit Developer from employing a third party operator to run the Project after construction of the Improvements is completed. If and when the Developer conveys the Property to a third party after completion of the Improvements thereon in accordance with this Agreement, the Developer shall be relieved of any further responsibility under this Section 5.1 as to the Property so conveyed.

5.2 Maintenance of the Property. After completion of the Project and for so long as the Improvements remain on the Property, Developer shall maintain the Property and the Project (including landscaping) in a commercially reasonable condition and repair to the extent practicable and in accordance with industry health and safety standards. Notwithstanding the foregoing, if and when the Developer conveys the Property to a third party after completion of the Improvements thereon in accordance with the Agreement, the Developer shall be relieved of any further responsibility under this Section 5.2 as to the Property so conveyed. The maintenance requirements set forth in this Section 5.2 shall remain in effect for the period described herein.

5.3 Obligation to Refrain from Discrimination. The Developer covenants and agrees that there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, age, handicap, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, and the Developer (itself or any person claiming under or through the Developer) shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property or any portion thereof. Notwithstanding the foregoing, if and when the Developer conveys the Property to a third party after completion of the Improvements thereon in accordance with the Agreement, the Developer shall be relieved of any further responsibility under this Section 5.3 as to the Property so conveyed.

5.4 Form of Nondiscrimination and Nonsegregation Clauses. All deeds, leases or contracts for sale shall contain the following nondiscrimination or nonsegregation clauses:

5.4.1 In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

5.4.2 In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of

discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

5.4.3 In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

5.5 Restrictive Covenant. In order to insure the Developer’s compliance with the covenants set forth in Sections 5.1, 5.2, 5.3, and 5.4 hereof, such covenants shall be set forth in the Grant Deed. Such covenants shall run with the Property solely for the benefit of the Agency and the Agency shall have the right to assign all of its rights and benefits therein to the City.

5.6 Effect and Duration of Covenants. The following covenants shall be binding upon the Property and Developer and its successors and assigns and shall remain in effect for the following periods, and each of which shall be set forth with particularity in any document of transfer or conveyance by the Developer:

- (1) The use and non-discrimination and non-segregation requirements set forth in Sections 5.1, 5.3 and 5.4 shall remain in effect in perpetuity;
- (2) The maintenance requirements set forth in Section 5.2 shall remain in effect for the period described therein, and;
- (3) Easements to the Agency, City or other public agencies for utilities existing as of the execution of this Agreement, which shall remain in effect according to their terms.



5.7 Payment for Failure to Complete Construction. If the Developer shall fail to complete construction of the Improvements on or prior to the Completion Date, subject to force majeure delays as provided in Section 7.9, then such failure shall not constitute a Default. However, in such case, Developer shall pay to Agency an amount equal to the amount of property taxes (“**Estimated Improvement Property Taxes**”) that would have been due if the Developer had timely completed the construction of the Improvements on the Completion Date until the earlier to occur of (a) the day Developer has completed construction of the Improvements and satisfied the conditions to the issuance of a Certificate of Occupancy and (b) five (5) years after the Completion Date (the “**Cessation Date**”).

The Estimated Improvement Property Taxes shall be calculated as follows: Estimated Value of the Improvements minus Assessed Value of the Improvements multiplied by the Tax Rate. “**Estimated Value of the Improvements**” shall be Twenty Million Six Hundred Thousand Dollars (\$20,600,000.00) (which number may be adjusted based on what Improvements are personal property). “**Assessed Value of the Improvements**” is the assessment value statement for improvements constructed or partially constructed by Developer provided by the County of Los Angeles after reassessments are made as of the January 1<sup>st</sup> lien date (the “**Assessed Value Statement**”); and the “**Tax Rate**” is 1.7%. The Developer and the Agency agree that no Estimated Improvement Property Taxes shall be due to Agency until the County of Los Angeles provides an Assessed Value Statement.

Developer shall pay the Estimated Improvement Property Taxes to Agency or before December 10 (covering January 1 through June 30 of the current year) and April 10 (covering July 1 through December 31 of the prior year) until the Cessation Date. However the first payment and the final payment of Estimated Improvement Property Taxes to Agency shall be prorated to reflect the period in which the payment is due.

## **ARTICLE 6 EVENTS OF DEFAULT, REMEDIES AND TERMINATION**

6.1 Developer Events of Default. Occurrence of any or all of the following, if uncured after the expiration of any applicable cure period, shall constitute a default (“**Developer Event of Default**”) under this Agreement:

6.1.1 The Developer’s failure to make any payments to Agency as required by Section 5.7 in a full or timely manner within thirty (30) days after receipt of written notice from Agency; or

6.1.2 The Developer’s sale, lease, or other transfer, or the occurrence of any involuntary transfer, of the Property or any part thereof or interest therein in violation of this Agreement; or

6.1.3 The Developer’s neglect, failure or refusal to keep in force and effect any permit or approval with respect to the initial development of the Project (and the Agency shall reasonably cooperate with the Developer as to the same), unless such failure is due to causes beyond the Developer’s reasonable control as provided in Section 7.9, or any policy of insurance required hereunder, and, so long as such failure is not caused by any wrongful act of the Agency

or the City, the Developer's failure to cure such breach within thirty (30) days after receipt of written notice from the Agency of the Developer's breach; or

6.1.4 Filing of a petition in bankruptcy by or against the Developer or appointment of a receiver or trustee of any property of the Developer, or an assignment by the Developer for the benefit of creditors, or adjudication that the Developer is insolvent by a court, and the failure of the Developer to cause such petition, appointment, or assignment to be removed or discharged within ninety (90) days; or

6.1.5 The Developer's failure to perform any requirement or obligation of Developer set forth herein or in the Schedule of Performance, other than as described in Section 5.7 above, on or prior to the date for such performance set forth in the Schedule of Performance (subject to delays pursuant to Section 7.9), and, so long as such failure is not caused by any negligence, willful misconduct or wrongful act of the Agency or the City, the Developer's failure to cure such breach within thirty (30) days after receipt of written notice from the Agency of the Developer's breach; or

6.1.6 The Developer's failure to deposit with Escrow Holder the Deposit or the balance of the Purchase Price as required by Section 2.2.

6.2 Agency Events of Default. Occurrence of any or all of the following, if uncured after the expiration of the applicable cure period, shall constitute a default ("**Agency Event of Default**," and together with the Developer Event of Default, a "**Default**") under this Agreement:

6.2.1 The Agency, in violation of the applicable provisions of this Agreement, fails to convey the Property to Developer at the Close of Escrow; or

6.2.2 The Agency breaches any other provision of this Agreement.

Upon the occurrence of any of the above-described events, the Developer shall first notify the Agency in writing of its purported breach or failure, giving the Agency thirty (30) days from receipt of such notice to cure such breach or failure (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period) or if a cure is not possible within the thirty (30) day period, to begin such cure and diligently prosecute the same to completion, which shall, in any event, not exceed one hundred eighty (180) days from the date of receipt of the notice to cure.

6.3 Remedies in the Event of Default.


6.3.1 Remedies General. In the event of a breach or a default under this Agreement by either Developer or Agency, prior to the Close of Escrow, the non-defaulting party shall have the right to terminate this Agreement by providing thirty (30) days written notice thereof to the defaulting party. If such breach or default is not cured within such thirty (30) day period (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period), this Agreement and the Escrow for the purchase and sale of the Property shall terminate, and if Developer is the non-defaulting party, Developer shall thereupon promptly receive a full refund of the Deposit and all interest accrued thereon. Except as herein otherwise expressly provided, such termination of the Escrow by a non-defaulting party

shall be without prejudice to the non-defaulting party's rights and remedies against the defaulting party at law or equity.

In the event of a Default under this Agreement after the Close of Escrow, the non-defaulting party may seek against the defaulting party any available remedies at law or equity, including but not limited to the right to receive reimbursement for its documented out-of-pocket costs relating to this purchase transaction or to pursue an action for specific performance, but in no event shall such non-defaulting party be entitled to receive any consequential or special damages.

IF THE DEVELOPER FAILS TO COMPLETE THE ACQUISITION OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF THE DEVELOPER, IT IS AGREED THAT THE DEPOSIT SHALL BE NON-REFUNDABLE AND THE AGENCY SHALL BE ENTITLED TO SUCH DEPOSIT, WHICH AMOUNT SHALL BE ACCEPTED BY THE AGENCY AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS THE AGENCY'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO THE AGENCY PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ. THE AGENCY AND DEVELOPER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES THE AGENCY WOULD SUFFER UPON THE DEVELOPER'S FAILURE TO COMPLETE ITS ACQUISITION OF THE PROPERTY. THE DEVELOPER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND THE DEVELOPER AND AGENCY DESIRE TO AVOID THE COSTS AND DELAYS THEY WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE THE AGENCY'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH, THE DEVELOPER AND AGENCY AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:

\_\_\_\_\_  
Agency

  
\_\_\_\_\_  
Developer

6.3.2 Liberal Construction. The rights established in this Agreement are to be interpreted in light of the fact that the Agency will convey the Property to the Developer for development and operation of the Project thereon and not for speculation in undeveloped land or for construction of different improvements. Subject to force majeure delays as provided in Section 7.9, the Developer acknowledges that it is of the essence of this Agreement that the Developer is obligated to complete all Improvements comprising the Project or pay Estimated Improvement Property Taxes.

6.4 No Personal Liability. Except as specifically provided herein to the contrary, no representative, employee, attorney, agent or consultant of the Agency, City or Oversight Board shall personally be liable to the Developer, or any successor in interest of the Developer, in the event of any Default or breach by the Agency, or for any amount which may become due to the Developer, or any successor in interest, on any obligation under the terms of this Agreement.

Except as specifically provided herein to the contrary, no representative, employee, attorney, agent or consultant of the Developer shall personally be liable to the Agency or City, or any successor in interest of the Agency or the City, in the event of any Default or breach by the Developer, or for any amount which may become due to the City or Agency, or any successor in interest, on any obligation under the terms of this Agreement.

6.5 Legal Actions.

6.5.1 Institution of Legal Actions. Any legal actions brought pursuant to this Agreement must be instituted in either the Superior Court of the County of Los Angeles, State of California, or in an appropriate municipal court in that County.

6.5.2 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

6.5.3 Acceptance of Service of Process. If any legal action is commenced by the Developer against the Agency, service of process on the Agency shall be made by personal service upon the Executive Director or Secretary of the Agency, or in such other manner as may be provided by law. If any legal action is commenced by the Agency against the Developer, service of process on the Developer shall be made by personal service upon the Developer, or in such other manner as may be provided by law, whether made within or without the State of California.

6.6 Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same Default or any other Default by the other party.

6.7 Inaction Not a Waiver of Default. Except as expressly provided in this Agreement to the contrary, any failure or delay by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

## **ARTICLE 7 GENERAL PROVISIONS**

7.1 Insurance.

7.1.1 Prior to commencement of any demolition or construction work on the Property by the Developer, the Developer shall obtain (or cause the general contractor to obtain), at the Developer's sole cost and expense, and shall maintain in force until completion of construction of the Improvements, with a reputable and financially responsible insurance company reasonably acceptable to the Agency, broad form commercial general public liability insurance, insuring the Developer and the Agency against claims and liability for bodily injury, death, or property damage arising from the use, occupancy, condition, or operation of the

Property and the Improvements thereon, which insurance shall provide combined single limit protection of at least Two Million Dollars (\$2,000,000.00), and include contractual liability endorsement. Such insurance shall name the City, the Agency and the Oversight Board as additional insureds.

7.1.2 Prior to commencement of any demolition or construction work on the Property by the Developer, the Developer shall also obtain, or cause to be obtained, at the Developer's sole cost and expense, and shall maintain in force until completion of the construction of the Improvements, with a reputable and financially responsible insurance company reasonably acceptable to the Agency (i) "all risk" builder's risk insurance, including coverage for vandalism and malicious mischief, in a form and amount and with a reputable and financially responsible insurance company reasonably acceptable to the Agency, and (ii) workers' compensation insurance covering all persons employed in connection with work. The builder's risk insurance shall cover improvements in place and all material and equipment at the job site furnished under contract, but shall exclude contractors', subcontractors', and construction managers' tools and equipment and property owned by contractors' and subcontractors' employees.

7.1.3 Prior to the commencement of any demolition or construction work on the Property by the Developer, the Developer shall also furnish or cause to be furnished to the Agency evidence satisfactory to the Agency that any contractor with whom it has contracted for the performance of work on the Property carries workers' compensation insurance as required by law.

7.1.4 With respect to each policy of insurance required above, the Developer shall furnish a certificate of insurance countersigned by an authorized agent of the insurance carrier on the insurance carrier's form setting forth the general provisions of the insurance coverage. The required certificate shall be furnished by the Developer prior to commencement of any demolition or construction work on the Property.

7.1.5 All such policies required by this Section shall be nonassessable and shall contain language to the effect that (i) the policies cannot be canceled or materially changed except after thirty (30) days' written notice by the insurer to the Agency, and (ii) the Agency shall not be liable for any premiums or assessments. All such insurance shall have deductibility limits reasonably satisfactory to the Agency. The provisions of this Section shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation until the Improvements are completed by the Developer.

## 7.2 Indemnity.

7.2.1 Except for the negligence or willful misconduct of the Agency, the Developer shall indemnify, defend, protect, and hold harmless the Agency, the City and the Oversight Board and any and all agents, employees, attorneys and representatives of the Agency, the City and the Oversight Board, from and against all losses, liabilities, claims, damages (specifically excluding consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees) and

demands of any nature whatsoever, related directly or indirectly to, or arising out of or in connection with:

- (a) the Developer's use, ownership, management, occupancy, or possession of the Property but only to the extent on the Property;
- (b) any breach or Default of the Developer hereunder;
- (c) any of the Developer's activities on the Property (or the activities of the Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors (collectively, the "**Developer Parties**") on the Property), including without limitation, the construction of and use or operation of the Improvements on the Property, but specifically excluding any activities that are not on the Property or are not directly caused by the Developer or Developer Parties; or
- (d) the presence or clean-up of Hazardous Substances on, in or under the Property to the extent the same was caused by Developer or Developer Parties.

The Developer's indemnity obligations set forth in this Section 7.2 shall not extend to any damages, losses, or liabilities incurred by the Agency, the City or the Oversight Board to the extent such losses or liabilities are caused by or contributed to by the negligence or willful misconduct of the Agency, as finally determined by a court of competent jurisdiction.

7.2.2 The indemnity obligations described in this Section 7.2 shall survive for a period of four (4) years from the earlier of (i) the termination of this Agreement, or (ii) the completion of the Improvements, and shall not be deemed merged into the Grant Deed upon the recordation.

7.3 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, by nationally recognized overnight courier or by personal delivery. Notices shall be considered effective only upon receipt with proof of delivery. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice:

Agency: Successor Agency to the  
Industry Urban-Development Agency  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Kevin Radecki

with a copy to: Richards, Watson & Gershon  
355 South Grand Avenue, 40th Floor  
Los Angeles, California 90071  
Attention: Jim G. Grayson

Developer: Northrop Grumman Systems Corporation  
One Space Park Drive, D/2  
Redondo Beach, California 90278  
Attention: Corporate Real Estate- Legal Notices

with a copy to: McKenna Long & Aldridge LLP  
300 South Grand Avenue, 14<sup>th</sup> Floor  
Los Angeles, California 90071  
Attention: Andrea Chang

and Northrop Grumman Systems Corporation  
2980 Fairview Park Drive  
Falls Church, Virginia 22042-4511  
Attention: Law Dept. – Real Estate Legal Notices

7.4 Construction. The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits thereto.

7.5 Developer's Warranties. The Developer warrants and represents to the City and the Agency as follows, which representations and warranties shall survive the Closing:

7.5.1 The Developer has full power and authority to execute and enter into this Agreement and to consummate the transaction contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Developer, enforceable in accordance with its terms subject to bankruptcy, insolvency of other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Developer is a party.

7.5.2 As of the Close of Escrow, the Developer will have inspected the Property and will be familiar with all aspects of the Property and its condition, and will accept such condition.

7.5.3 The Developer has not paid or given, and will not pay or give, to any third person, any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as brokers, architects, engineers and attorneys.

7.6 Interpretation. In this Agreement the neuter gender includes the feminine and masculine, and singular number includes the plural, and wherever the words "person" and "party" include corporation, partnership, firm, trust, or association where ever the context so requires.

7.7 Time of the Essence. Time is of the essence of this Agreement.

7.8 Attorneys' Fees. If any party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing party in any such action shall be entitled to its reasonable attorneys' fees to be paid by the losing party as fixed by the court.

7.9 Enforced Delay: Extension of Times of Performance. Nonperformance of any obligation set forth herein or any other obligations to be performed hereunder shall be excused when performance is prevented or delayed by reason of any of the following forces reasonably beyond the control of the party responsible for such performance: (i) war, insurrection, riot, flood, severe weather, earthquake, fire, casualty, acts of public enemy, governmental restriction, litigation, and, only as to Developer's performance, acts or failures to act of, and any delays caused by any governmental or quasi-governmental agency or entity, including the Agency and the City (which shall include, but not be limited to, the failure or delay by any such agency, municipality or entity in approving the Developer's reasonable requests for entitlements or permits to commence the construction of the Improvements or issuing a Certificate of Occupancy or Certificate of Completion upon completion of construction), or public utility, or any declarant under any applicable conditions, covenants, and restrictions affecting the Property, or (ii) inability to secure necessary labor, materials or tools, strikes, lockouts, delays of any contractor, subcontractor or supplier or (iii) other matters generally constituting a force majeure event in circumstances similar to those contemplated by this Agreement (but which shall not in any event include the availability of financing to construct the Improvements). In the event of an occurrence described in clauses (i), (ii) or (iii) above, such nonperformance shall be excused and the time of performance shall be extended by the number of days the matters described in clauses (i), (ii) or (iii) above materially prevent or delay performance.

7.10 Approvals by the Agency and the Developer. Unless otherwise specifically provided herein, wherever this Agreement requires the Agency or the Developer to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not unreasonably be withheld, conditioned or delayed.

7.11 Developer's Private Undertaking. The development covered by this Agreement is a private undertaking, and the Developer shall have full power over and exclusive control of the Property while the Developer holds title to the Property; subject only to the limitations and obligations of the Developer under this Agreement.

7.12 Entire Agreement, Waivers and Amendments. This Agreement, together with all attachments and exhibits hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to the subject matter hereof. No subsequent agreement, representation or promise made by either party hereto, or by or to any employee, officer, agent or representative of either party, shall be of any effect unless it is in writing and executed by the party to be bound thereby. No person is authorized to make, and by execution hereof the Developer and the Agency acknowledge that no person has made, any representation, warranty, guaranty or promise except as set forth herein; and no agreement, statement, representation or promise made by any such person which is not contained herein shall be valid or binding on the Developer or the Agency.



7.13 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

7.14 Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any terms or provisions of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

7.15 Representations of Agency. Notwithstanding Section 2.8, the Agency warrants and represents to the Developer as follows, which representations and warranties shall survive the Closing:

(a) The Agency has full power and authority to execute and enter into this Agreement and to consummate the transactions contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Agency, enforceable in accordance with its terms subject to bankruptcy, insolvency and other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Agency is a party.

(b) As of the Effective Date, the Agency has made available to Developer, by online link entitled <http://www.cityofindustry.org/?p=city-hall&s=for-sale>, complete copies of all studies, reports, agreements, documents, instruments, environmental assessments, surveys, soils reports, documents, plans, maps, permits and entitlements in Agency's possession (excluding only appraisals) concerning the Property. As of the Effective Date, the property is properly zoned for the "**Improvements**" to be completed by Developer described on Exhibit "E" attached hereto and incorporated herein by this reference.

(c) As of the Effective Date and the Close of Escrow, the Property is not presently the subject of any condemnation or similar proceeding, and to the Agency's actual knowledge, no such condemnation or similar proceeding is currently threatened or pending.

(d) As of the Close of Escrow, there are no management, service, supply or maintenance contracts affecting the Property which shall affect the Property on or following the Close of Escrow.

(e) The Agency has not authorized any broker or finder to act on its behalf in connection with the sale and purchase hereunder and the Agency has not dealt with any broker or finder purporting to act on behalf of the Agency or otherwise.

(f) As of the Close of Escrow, there are no leases or other occupancy agreements affecting the Property which shall affect the Property on or following the Close of Escrow.

(g) As of the Close of Escrow and to the actual knowledge of the Agency, the Agency has not received any written notice from any governmental entity regarding the violation of any law or governmental regulation with respect to the Property.

As used in this Section 7.15, the phrase “to the actual knowledge of the Agency” shall mean the actual knowledge of Kevin Radecki and Reg Bottger. Kevin Radecki and Reg Bottger are primarily responsible for the management of the Property on behalf of the Agency. Neither Kevin Radecki nor Reg Bottger shall have any personal responsibility or liability with respect to the representations contained in this Section 7.15.

7.16 Developer’s Broker(s). Developer shall pay all commissions and fees that may be payable to any broker, finder or salesperson engaged by Developer, and shall defend, indemnify and hold Agency and City harmless from and against any and all claims, liabilities, losses, damages, costs and expenses relating thereto.


7.17 No Third Party Beneficiaries other than City. City is a third party beneficiary of this Agreement, with the right to enforce the provisions hereof. This Agreement is made and entered into for the sole protection and benefit of the Parties and City and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

*[Remainder of Page Intentionally Left Blank; Signature Page Follows]*

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first above written.

**DEVELOPER**

NORTHROP GRUMMAN SYSTEMS  
CORPORATION, a Delaware corporation

By:   
Name: A.J. Paz  
Its: Corporate Director of Real Estate

**AGENCY**

SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM:

Richards, Watson & Gershon,  
a professional corporation

By: \_\_\_\_\_  
Agency Attorney

## **LIST OF EXHIBITS**

Exhibit "A" Legal Description of the Property

Exhibit "B" Schedule of Performance

Exhibit "C" Form of Grant Deed

Exhibit "D" Form of Right of Entry and Access Agreement

Exhibit "E" Improvements

Exhibit "F" Form of Certificate of Completion

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF THE PROPERTY**

**LOT 5 OF TRACT NO. 28350, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 776, PAGES 27 AND 28 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.**

**EXHIBIT “B”**  
**SCHEDULE OF PERFORMANCE**

<u>Activity</u>	<u>Time Frame</u>
<u>Initial Deposit</u>	Within five (5) business days after opening escrow
<u>Developer reviews and approves or disapproves the title report</u>	Prior to the expiration of the Due Diligence Period
<u>Additional Deposit</u>	Within five (5) business days after the expiration of the Due Diligence Period
<u>Developer reviews and approves or disapproves physical condition of the Property</u>	On or prior to the expiration of the Due Diligence Period
<u>Close of Escrow</u>	Within thirty (30) days following the expiration of the Due Diligence Period
<u>Land Use Approvals.</u> Developer receives all required land use and building approvals and permits from City and other governmental entities (if any)	Prior to the commencement of construction of the Improvements
<u>Developer Completes Construction of Improvements</u>	Subject to force majeure, as provided in Section 7.9 of the Agreement, within five hundred forty (540) days following the Close of Escrow
<u>Issuance of Certificate of Completion.</u> Upon completion of construction in conformance with Agreement, the Agency Executive Director or designee shall issue a Certificate of Completion for the Improvements.	Promptly after the Agency receives written request from Developer if all requirements of the Agreement have been satisfied

**EXHIBIT "C"**  
**FORM OF GRANT DEED**

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED RETURN TO:

Successor Agency to the  
Industry Urban-Development Agency  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Diane Schlichting

---

*[The undersigned declares that this Grant Deed is exempt from Recording Fees pursuant to California Government Code Section 27383]*

**GRANT DEED**

Documentary Transfer Tax: \$ \_\_\_\_\_

THE UNDERSIGNED GRANTOR DECLARES:

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the "**Grantor**"), hereby grants to **NORTHROP GRUMMAN SYSTEMS CORPORATION**, a Delaware corporation (the "**Grantee**"), that certain real property described in Exhibit A attached hereto (the "**Site**") and incorporated herein by this reference, together with all of Grantor's right, title and interest in and to all easements, privileges and rights appurtenant to the Site.

This Grant Deed of the Site is subject to the provisions of a Purchase Agreement [111 Hudson Street] (the "**Agreement**") entered into by and between the Grantor and Grantee dated as of \_\_\_\_\_, 2015, the terms of which are incorporated herein by reference. A copy of the Agreement is available for public inspection at the offices of the Grantor located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The Site is conveyed further subject to all easements, rights of way, covenants, conditions, restrictions, reservations and all other matters of record, and the following conditions, covenants and agreements.

1. The Site as described in Exhibit A is conveyed subject to the condition that the Grantee covenants and agrees for itself, and its successors and its assigns, that the Grantee, such successors, and such assignees shall use the Site, and every part thereof, only for the construction of the Improvements (as defined in the Agreement) thereon and thereafter for any use allowed under applicable law. The Grantor shall have the right to assign all of its rights and benefits hereunder to the City of Industry.

2. The Site is conveyed subject to the condition that:

(a) The Grantee covenants and agrees for itself, that after completion of the Project (as defined in the Agreement), the Grantee shall maintain the Site and the Project (including landscaping in a commercially reasonable condition and repair to the extent practicable and in accordance with industry health and safety standards) in a commercially reasonable condition and repair for the earlier to occur of (i) as long as the Improvements remain on the Site and (ii) a period of fifteen (15) years, and following construction of certain improvements thereon shall use the Site for any such uses as are allowed under applicable law.

(b) The Grantee covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.

3. All deeds, leases or contracts entered into with respect to the Property shall contain or be subject to substantially the following nondiscrimination/nonsegregation clauses:

(a) In deeds: "The Grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.



Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

(b) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

(c) In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

4. All covenants and agreements contained in this Grant Deed shall run with the land and shall be binding for the benefit of Grantor and its successors and assigns and such covenants shall run in favor of the Grantor and for the entire period during which the covenants shall be in force and effect as provided in the Agreement, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies provided herein or otherwise available, and to maintain any actions at law or suits in equity or other property proceedings to enforce the curing of such breach. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor and its successors and assigns.

5. The covenants contained in Paragraph 2(a) of this Grant Deed shall remain in effect for the period set forth therein, and the covenants contained in Paragraphs 2(b) and 3 of this Grant Deed shall remain in effect in perpetuity.

6. This Grant Deed may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signatures appear on next page.]

IN WITNESS WHEREOF, Grantor and Grantee have caused this Grant Deed to be executed and notarized as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_.

GRANTOR:

SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

GRANTEE:

NORTHROP GRUMMAN SYSTEMS  
CORPORATION, a Delaware corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Los Angeles )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

Notary Public, personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Los Angeles )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

Notary Public, personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

**Exhibit A**

**LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,  
COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:

**LOT 5 OF TRACT NO. 28350, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE  
OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 776, PAGES 27 AND 28 OF MAPS, IN THE  
OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.**

## EXHIBIT "D"

### RIGHT OF ENTRY AND ACCESS AGREEMENT

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "**Agreement**") is made and entered into as of \_\_\_\_\_, 2015, by the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body, corporate and politic (herein called "**Grantor**"), and **NORTHROP GRUMMAN SYSTEMS CORPORATION**, a Delaware corporation (herein called "**Grantee**").

#### WITNESSETH:

WHEREAS, Grantor is the owner of the real property more particularly described on Exhibit "A", which exhibit is attached hereto and incorporated herein by reference (herein called the "**Property**");

WHEREAS, concurrently with the execution of this Agreement, Grantor and Grantee contemplate entering into a Purchase Agreement related to the Property (the "**Purchase Agreement**");

WHEREAS, Grantee has requested the right of entry upon and access to the Property for the purpose of undertaking tests, inspections and other due diligence activities (herein called the "**Due Diligence Activities**") in connection with the proposed acquisition by Grantee of the Property;

WHEREAS, Grantor has agreed to grant to Grantee, and Grantee has agreed to accept from Grantor, a non-exclusive, revocable license to enter upon the Property to perform the Due Diligence Activities in accordance with the terms and provisions of this Agreement;

WHEREAS, Grantor and Grantee desire to execute and enter into this Agreement for the purpose of setting forth their agreement with respect to the Due Diligence Activities and Grantee's entry upon the Property.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee do hereby covenant and agree as follows:

7. Access by Grantee.

(a) Subject to Grantee's compliance with the terms and provisions of this Agreement, until the earlier to occur of (i) the expiration of the Due Diligence Period (as defined in the Purchase Agreement); or (ii) the earlier termination of this Agreement, Grantee and Grantee's agents, employees, contractors, representatives and other designees (herein collectively called "**Grantee's Designees**") shall have the right to enter upon the Property for the purpose of conducting the Due Diligence Activities.

(b) Grantee expressly agrees as follows: (i) any activities by or on behalf of Grantee, including, without limitation, the entry by Grantee or Grantee's Designees onto the

Property in connection with the Due Diligence Activities shall not materially damage the Property in any manner whatsoever or disturb or interfere with the rights or possession of any tenant on the Property, (ii) in the event the Property is materially altered or disturbed in any manner in connection with the Due Diligence Activities, Grantee shall immediately return the Property to substantially the same condition existing prior to the Due Diligence Activities, and (iii) Grantee, to the extent allowed by law, shall indemnify, defend and hold Grantor harmless from and against any and all claims, liabilities, damages, losses, costs and expenses of any kind or nature whatsoever (including, without limitation, attorneys' fees and expenses and court costs) suffered, incurred or sustained by Grantor as a result of, by reason of, or in connection with the Due Diligence Activities or the entry by Grantee or Grantee's Designees onto the Property; provided, however, that in no event shall Grantee be liable for any liabilities, damages, losses, costs or expenses of any kind or nature that relate, directly or indirectly, to (y) consequential or punitive damages; or (z) matters that are merely discovered, but not exacerbated, by Grantee. Notwithstanding any provision of this Agreement to the contrary, Grantee shall not have the right to undertake any invasive activities or tests upon the Property, or any environmental testing on the Property beyond the scope of a standard "Phase I" investigation, without the prior written consent of Grantor of a workplan for such "Phase II" or invasive testing. If Grantor does not respond or reject any workplan within ten (10) days of Grantee's delivery of the written workplan proposal to Grantor pursuant to the notice provisions of this Agreement, then Grantor shall be deemed to have approved the submitted workplan and Grantee may proceed with such testing. If Grantor rejects such proposed workplan in whole or in part, then this Agreement shall become null and void at the sole option of Grantee, which option must be exercised by Grantee's giving Grantor written notice on or before the expiration of the Due Diligence Period, as defined in the Purchase Agreement.

8. Lien Waivers. Upon receipt of a written request from Grantor, Grantee will provide Grantor with lien waivers following completion of the Due Diligence Activities from each and every contractor, materialman, engineer, architect and surveyor who might have lien rights, in form and substance reasonably satisfactory to Grantor and its counsel. Grantee hereby indemnifies Grantor from and against any claims or demands for payment, or any liens or lien claims made against Grantor or the Property as a result of the Due Diligence Activities.

9. Insurance. Grantee shall, and shall cause all of Grantee's Designees performing the Due Diligence Activities to, procure or maintain a policy of commercial general liability insurance issued by an insurer reasonably satisfactory to Grantor covering each of the Due Diligence Activities with a single limit of liability (per occurrence and aggregate) of not less than One Million Dollars (\$1,000,000.00), and to deliver to Grantor a certificate of insurance evidencing that such insurance is in force and effect, and evidencing that Grantor has been named as an additional insured thereunder with respect to the Due Diligence Activities. Such insurance shall be maintained in force throughout the term of this Agreement.

10. Successors. To the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

11. Limitations. Grantor does not hereby convey to Grantee any right, title or interest in or to the Property, but merely grants the specific rights and privileges hereinabove set forth.

12. Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, by nationally recognized overnight courier or by personal delivery. Notices shall be considered effective only upon receipt with proof of delivery. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice:

Agency: Successor Agency to the  
Industry Urban-Development Agency  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Kevin Radecki

with a copy to: Richards, Watson & Gershon  
355 South Grand Avenue, 40th Floor  
Los Angeles, California 90071  
Attention: Jim G. Grayson

Developer: Northrop Grumman Systems Corporation  
One Space Park Drive, D/2  
Redondo Beach, California 90278  
Attention: Corporate Real Estate- Legal Notices

with a copy to: McKenna Long & Aldridge LLP  
300 South Grand Avenue, 14<sup>th</sup> Floor  
Los Angeles, California 90071  
Attention: Andrea Chang

and Northrop Grumman Systems Corporation  
2980 Fairview Park Drive  
Falls Church, Virginia 22042-4511  
Attention: Law Dept. – Real Estate Legal Notices

13. Assignment. This Agreement may be assigned by Grantee, in whole or in part.

14. Governing Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of California.

15. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

16. No Recording of Agreement or Memorandum of Agreement. In no event shall this Agreement or any memorandum hereof be recorded in the Official Records of Los Angeles



County, California, and any such recordation or attempted recordation shall constitute a breach of this Agreement by the party responsible for such recordation or attempted recordation.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed and sealed, all the day and year first written above.

GRANTEE:

NORTHROP GRUMMAN SYSTEMS  
CORPORATION, a Delaware corporation

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(Signatures continued)

GRANTOR:

SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT  
AGENT

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

\_\_\_\_\_

**Exhibit A**

**LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,  
COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:

**LOT 5 OF TRACT NO. 28350, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE  
OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 776, PAGES 27 AND 28 OF MAPS, IN THE  
OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.**

**EXHIBIT “E”**  
**IMPROVEMENTS**

Construction of a modern groundwater treatment plant (the “**Plant**”) to treat contaminated groundwater from the Puente Valley Operable Unit. The Plant will be designed to reduce volatile organic compounds, 1, 4-dioxane, and perchlorate to meet or exceed applicable drinking water standards using two-stage liquid-phase granular activated carbon, advanced oxidation employing ultraviolet light and hydrogen peroxide and ion exchange resin and will treat an expected flow rate of approximately 1,500 gallons per minute. A modular reverse osmosis system will be used to treat total dissolved solids and nitrate as necessary. The equipment for these processes, as well as for safely storing water and chemicals, will be purchased and installed on the Property.

**EXHIBIT "F"**

**FORM OF CERTIFICATE OF COMPLETION**

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED RETURN TO:

Successor Agency to the  
Industry Urban-Development Agency  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Diane Schlichting

---

*[The undersigned declares that this Certificate of Completion is exempt from Recording Fees pursuant to California Government Code Section 27383]*

**CERTIFICATE OF COMPLETION**

This Certificate of Completion is given this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, with reference to the following matters:

A. The **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body corporate and politic (the "**Agency**") and \_\_\_\_\_ (the "**Developer**") entered into a certain Purchase Agreement [111 Hudson Street] dated as of \_\_\_\_\_, 2015 (the "**Agreement**"), which Agreement provides, in Section 3.7 thereof, that the Agency shall furnish the Developer with a Certificate of Completion upon satisfactory completion of the Improvements (as described in the Agreement) on the real property described therein as the Property (the "**Site**"), which certificate shall be in such form as to permit it to be recorded in the Recorder's Office of Los Angeles County; and

B. The Certificate of Completion shall be conclusive determination of satisfactory completion of the construction of Improvements required with respect to the Site; and

C. The Agency has determined that the construction of the Improvements has been satisfactorily performed; and

NOW, THEREFORE, the parties to this instrument hereby provide as follows:

17. As provided in the Agreement, the Agency does hereby certify that the construction of the Improvements on the Site has been satisfactorily performed and completed.

18. This Certificate shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, or deed of trust or any insurer of a mortgage, or deed of trust securing money loaned to finance the improvements or any part

thereof, nor does it constitute evidence of payment of any promissory note or performance of any deed of trust provided by the Developer to the Agency under the Agreement or otherwise.

IN WITNESS WHEREOF, the Agency has executed this Certificate of Completion as of the day and year first above written.

SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Los Angeles )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

Notary Public, personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that  
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

*SUCCESSOR AGENCY*

ITEM NO. 5.3





*SUCCESSOR AGENCY TO THE*  
**INDUSTRY URBAN - DEVELOPMENT AGENCY**

**MEMORANDUM**

**TO:** Board Members of the Successor Agency to the Industry Urban-Development Agency

**FROM:** Kevin Radecki, Executive Director *KR*

**DATE:** April 28, 2015

**SUBJECT:** Recommendation on Selection of a Broker to Represent the Successor Agency in the Sale of Property No. 68, the Tres Hermanos Ranch

Staff, with the concurrence of the Advisory Committee, is recommending that the Board approve the selection of The Hoffman Company to serve as the Agency's broker in the sale of the Tres Hermanos property (Property No. 68).

The process the Advisory Committee utilized in selecting a broker to recommend to the Agency Board included sending request for proposals to seven firms deemed to be qualified in marketing this property. Staff received five proposals in response to the RFP. The Advisory Committee met and reviewed each of the five proposals received, and then interviewed three of the firms. The Advisory Committee interviewed Province West, WD Land, and the Hoffman Company. After interviewing the firms, the members of the Advisory Committee were in agreement that the Hoffman Company is best suited to represent the Agency. It will be the Successor Agency's responsibility to pay the broker's fee at the close of escrow. This fee will be paid out of the proceeds from the sale of the property. The compensation is proposed to be on a sliding scale as follows:

For that portion between 0 and \$10,000,000 a 2% fee.

For that portion between \$10,000,000 and \$20,000,000 a 1.5% fee.

For that portion over \$20,000,000 a 1% fee.

**Recommendation:**

It is recommended that the Successor Agency Board approve the selection of the Hoffman Company as broker for the marketing and sale of the Tres Hermanos Ranch (Property No. 68), and authorize the Executive Director to proceed with finalizing a contract for their services.

April 6<sup>th</sup>, 2015

Mr. Kevin Radecki  
Executive Director  
Successor Agency to  
The Industry Urban Development Agency  
15625 East Stafford Street  
City of Industry, CA 91744

**RE: Request for proposal to provide real estate brokerage services for the sale of Tres Hermanos Ranch.**

Dear Mr. Radecki,

The Hoffman Company is very pleased to submit our enclosed proposal for the sale of the 2,450 acre Tres Hermanos Ranch. As the largest land brokerage firm in Southern California, our firm specializes in the marketing and sale of land to investors, land developers and residential builders. We have both current experience and a long history of large land sales in terms of dollar amounts of over \$100 million for a single transaction to multiple Tracts of land within master planned communities.

Our services include all aspects required to obtain a maximum land value and sell it at "Fair Market Value". Our firm is experienced with and able to perform market analysis, development of strategies for the sale of the properties, coordination of the escrow, title review, and closings as well as handling all other activities and services associated with the marketing and sale of this historic ranch property.

In order to understand the highest and best use for the property, Victor Grady met with both Greg Gubman, Community Development Director for Diamond Bar and Joann Lombardo, Community Development Director for Chino Hills. A short summary of their comments are included on page 23 of our proposal. Greg Gubman estimates that the 700 plus acres in Diamond Bar has the potential to build up to 5,000 homes plus approximately 10 acres of retail. Joann Lombardo said that Tres Hermanos in Chino Hills might yield on 55 acres a total of 300 to 500 units and that, due to steep topography, biological and cultural constraints including potential paleontological, Indian artifacts and public resistance, a total of another 100 acres might be developable.

Given the total potential units that may be developed on the entire ranch, an "as-is" sale might be in the Hundred Million Dollar plus range and a sale based on approved specific plans and TTM's could be in the Two Hundred & Fifty Million to Four Hundred Million Dollars or more range depending on the site constraints including grading, infrastructure, etc. We have included in our marketing process on page 15 item 1 established offering guidelines "offers will be based on an "AS-IS" sale and/or close with entitlement timelines." Mr. Gubman said that due to the fact that the ranch is part in Diamond Bar and part in Chino Hills, it may be necessary to have two separate master plans processed in their respective city, although the potential for one comprehensive master plan will be explored.

Completed transactions listed in our proposal include International Investors from such countries as China (Hong Kong), for Twelve Oaks, a 700 acre master plan in Temecula, CA; Blue Canvas master plan in Huntington Beach, CA purchased by PLC with an investor partner from Saudi Arabia; Mesa Verde, a 3,400 unit master plan in Calimesa, CA purchased by one the largest companies in South Korea; Bastanchury Estates in Yorba Linda purchased by Hover Development with Kuwait Finance House (Lennar Homes was the Seller). Vellano, custom lots in Chino Hills, was purchased by investors from China (East Investors Grow). Many other International companies from Canada, Europe, Australia, Japan and others have funded numerous land sales brokered by The Hoffman Company.

We have outlined our typical marketing approach used on previous deals on page 15 of the proposal, which is modified to meet the unique requirements for Tres Hermanos Ranch.

The Hoffman Company has been in business providing land brokerage services for over 37 years as a leader in the land brokerage industry. Our sales volume since January 2013 exceeds one billion dollars and 135 land transactions. The undersigned are the Principals and Senior Land Brokers at The Hoffman Company and are authorized to bind the firm to all commitments made in the RFP for Real Property Brokerage Services.

Sincerely,



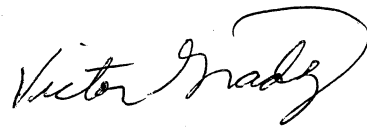
Tom Dallape  
Principal



Norm Scheel  
Principal



Graham Gilles  
Senior Broker



Victor Grady  
Senior Broker

# Tres Hermanos Ranch

2,450 Acres

THE  
HOFFMAN  
COMPANY

LAND BROKERS  
REALTY ADVISORS

CHINO HILLS

DIAMOND BAR

Request for Proposal for Real Property Brokerage Services

**MR. KEVIN RADECKI**

Executive Director

Successor Agency to the Industry Urban-Development Agency

15625 East Stafford Street, City of Industry, CA 91744

Successor Agency to the Industry Urban Development Agency

**PREPARED BY**

**THE HOFFMAN COMPANY**

**Southern California Office**

18881 Von Karman Avenue, Suite 150

Irvine, California 92612

CA BRE #01473762

T 949.553.2020 | F 949.553.8449

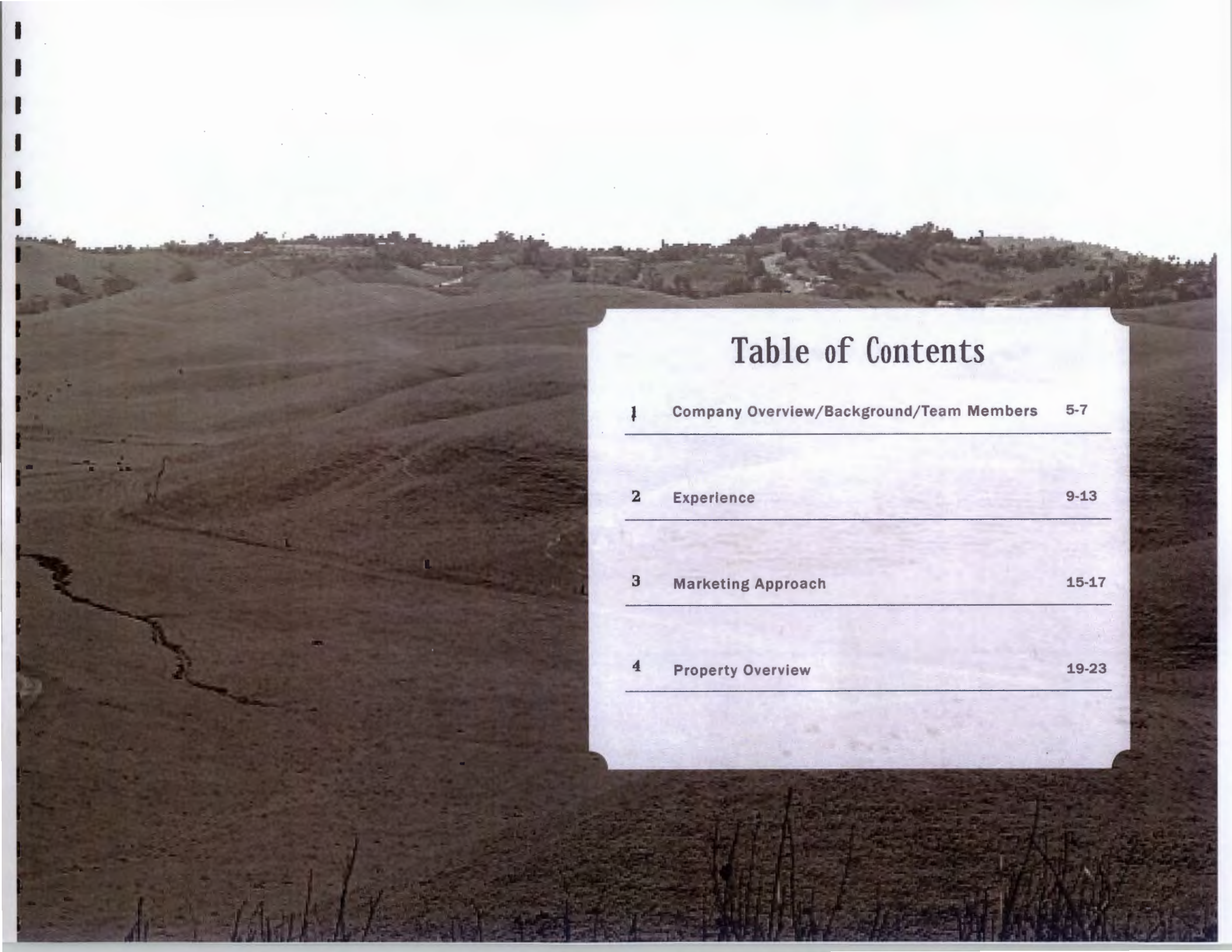
[www.hoffmanland.com](http://www.hoffmanland.com)

Graham Gilles, CA BRE #01252103

Victor Grady, CA BRE #01275966

Tom Dallape, CA BRE #01100284

Norm Scheel, CA BRE #00999403



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An aerial photograph of a ranch. In the center, there is a large, dark, rectangular building, possibly a barn or warehouse. To its left, there are several smaller structures, including what looks like a house or a smaller barn. A large, dark, leafy tree stands to the right of the main building. The surrounding area is a mix of dirt, gravel, and sparse vegetation. The overall tone is sepia or brownish, suggesting an older photograph.

1 WHO WE ARE

TRES HERMANOS RANCH

## Who We Are

### Founded by Bryan Hoffman in 1978

Over three decades in the land business means more than 37 years of experience for The Hoffman Company. It means over 37 years of front line knowledge, loyal contacts and successful deals in every kind of market.

### Responsible for more than 1,500 Real Estate Transactions

The Hoffman Company has been responsible for more than 1,500 real estate transactions for a total \$6 billion since its inception. Many of our clients have been with us since the very beginning. We do more than connect land buyers and sellers; we help clients discover the opportunities that lie just beneath the surface. Being the oldest land brokerage firm in California means we not only have a database with thousands of local, regional, national and international buyers, it means we know who the best buyer is with the strongest track record for each property under consideration.

### Sole Focus on land brokerage makes us unique

Unmatched by our competitors, for over 37 years we have perfected our core skills as land brokers rather than trying to become consultants, receivers or investors. Our clients understand our offerings will fit their specific business plan - housing oriented land in a regional market. This focus ensures we quickly give our offering maximum exposure and attention in the marketplace.

### Bring knowledge, Investment and Technology together

A plan of high-tech tools with high-touch focus ensures each site we market receives maximum exposure and detailed attention from our clients.

### Results Speak

When you have an asset as valuable as land, it pays to work with California and Nevada's most experienced land brokerage firm. Since the firm's inception it has sold over 6 Billion in land sales. In 2013 - 2014 The Hoffman Company has over \$1 billion sold.

## Team Members



**Tom Dallape, Co-Owner**

CA BRE Lic #01100284

NV RED#B.1000466

email: tdallape@hoffmanland.com

office tel: 949.705.0928

address: 18881 Von Karman Avenue, Suite 150  
Irvine, California 92612

### Biography

Tom is a 20-year veteran of The Hoffman Company. His total sales transaction volume in excess of \$1 billion. In 2005, Tom purchased The Hoffman Company with partner Norm Scheel. Tom's specialty includes residential and commercial land sales, centering in Southern California. Major transactions include the sale of 2,500+ lots in Eastvale; 2,000 acres in New Model Colony in Ontario; 850 lots in East Highland Ranch; 600 lots in Warm Springs in Murrieta; 1,200 acres Bryant Ranch in Yorba Linda; 200 lots in Mission Viejo; 200 lots in Huntington Beach; and 132 lots in San Juan Capistrano. Major lender clients include Wells Fargo Bank, US Bank and Bank of America Major homebuilder clients include Lennar, DR Horton, Warmington Homes, KB Home, Standard Pacific and Shea Homes. Tom holds a Bachelor of Science in Urban Land Planning at the University of Southern California. He is a member of the Building Industry Association of Southern California. Tom is a licensed Real Estate Broker in both California and Nevada.

### Notable Transactions

- Career land sales in excess of \$1.25 Billion
- San Juan Hills : 134 Lots, San Juan Capistrano, California
- Blue Canvas : 201 Lots, Huntington Beach, California
- City of Eastvale : 3,000+ Lots, Eastvale, California
- New Model Colony : 1,000+ Acres, Ontario California
- Mandalay : 292 Lots, Oxnard California
- City of Chino : 1,000+ Lots, Chino California
- Temecula/Murrieta : 1,500+ Lots, South Riverside County



**Norm Scheel, Co-Owner**

CA BRE Lic #0099403

email: nscheel@hoffmanland.com

office tel: 949.705.0932

address: 18881 Von Karman Avenue, Suite 150  
Irvine, California 92612

### Biography

Norman Scheel joined The Hoffman Company in 1989 and remains one of the firm's top brokers with total closings in excess of \$1.5 billion. Mr. Scheel acquired the firm in 2005 from founder Byron Hoffman and is currently co-owner with partner Tom Dallape. With more than 22 years in the business, Mr. Scheel has professional relationships with California's leading homebuilders, land developers and financial institutions.

As President of The Hoffman Company, Mr. Scheel has led the firms' expansion by opening offices in Nevada and Northern California.

Mr. Scheel has been a panelist and guest speaker at numerous real estate conferences throughout California.

### Notable Transactions

- Total closings in excess of \$1.5 Billion
- Orange County: Huntington Beach Blue Canvas 201 lots
- San Diego County: Oceanside Arrowood Masterplan 1,007 lots
- Riverside County: Riverside Lake Hills Masterplan 512 lots
- San Bernardino: Chino Hills Pinehurst Masterplan 693 lots
- Los Angeles: Palmdale Rancho Vista 1,541 lots



## Team Members

**Graham Gilles**

CA BRE Lic #01252103

email: ggilles@hoffmanland.com

office tel: 949.705.0914

address: 18881 Von Karman Avenue, Suite 150  
Irvine, California 92612**Biography**

Mr. Gilles joined The Hoffman Company in the year 2000 as a land broker specializing in residential and commercial land uses in the both Inland and Urban Infill markets. Mr. Gilles has provided expert brokerage, valuation and market data to land owners, homebuilders, land developers, apartment developers and investors. In addition he has great experience in dealing with large banking, financial institutions and city and governmental agencies. along with a number of entitlement

Prior to joining the Hoffman Company Mr. Gilles was a Financial Analyst at Highpointe Communities from 1995 to 2000. During his tenure he was also involved in the processing of in excess of 5,000 lots and over 500 apartment units. This past experience brings a unique skill set to the brokerage side of the business and has lead to becoming one of the leading brokers at the firm for many years.

As a former ATP tennis professional Mr. Gilles has a passion for sports and the outdoors. He is an avid golfer, mountain biker and fly-fisherman. He currently resides in Laguna Beach with his wife Celeste and their two children, Trent and Camden.

**Notable Transactions:**

- Career land sales in excess of \$700 million
- Riverwalk Vista Villages I, II, III: Riverside, CA
- Etiwanda Heights: 358 Lots: Rancho Cucamonga, CA
- 700 Acres: Temecula, CA
- Mountain Bridge, 340 Acres: Beaumont, CA
- Quail Ranch, 805 Acres: Moreno Valley, CA

**Victor Grady**

CA BRE Lic #01252103

email: vgrady@hoffmanland.com


office tel: 949.705.0917

address: 18881 Von Karman Avenue, Suite 150  
Irvine, California 92612**Biography**

Mr. Grady joined The Hoffman Company in 2000 as a land broker specializing in master planned communities, mixed use, estate residential, commercial and re-development projects in the Orange, Riverside, San Bernardino and Los Angeles County markets. His primary duties include land brokerage services for the home building industry and commercial industry projects in Southern California.

Mr. Grady's closed land sales include Central Park West in Irvine with a purchase price of \$108 million dollars as a single cash purchase. In Yorba Linda, Mr. Grady represented the buyer that purchased from Pulte Homes at Kerrigan Ranch. Victor also acted as dual agent for the sale of half acre lots for Lennar Homes and Bastanchury Associates (Kuwaiti Investment Bank) located on Bastanchury and Lakeview in Yorba Linda. Mr. Grady has closed hundreds of millions in land sales mainly in Orange County and Los Angeles County. While at the Irvine Company, Mr. Grady acted as Project Manager and participated in the design and development of tens of thousands of residential units on the Irvine Ranch.

Victor and his wife Julie have two daughters; Becky and her husband Kevin live in Irvine with their daughters Gracie, Janie and Lucy. Mary lives with her husband Michael with their son Liam in Seattle, Washington.

An aerial photograph of a ranch in a semi-arid landscape. The scene includes several buildings: a large dark barn, a smaller white house, and a tall cylindrical silo. There are some trees and a dirt road visible. The text '2 EXPERIENCE' is overlaid in the upper left, and 'TRES HERMANOS RANCH' is overlaid in the lower left.

2 EXPERIENCE

TRES HERMANOS RANCH

2013 - 2015 Transactions

**\$1,073,171,692**

Total Sales in California & Nevada  
January 2013 - April 2015

**136** TOTAL TRANSACTIONS

**10,225** RESIDENTIAL LOTS

**10**

NORTHERN CA  
Transactions

**17**

NEVADA  
Transactions

**7**

VENTURA CO.  
Transactions

**17**

SAN BERNARDINO CO.  
Transactions

**33**

LOS ANGELES CO.  
Transactions

**48**

RIVERSIDE CO.  
Transactions

**4**

ORANGE CO.  
Transaction

Current **COMBINED**  
listings AND  
escrows IN EXCESS  
of **5,000** LOTS.

## Major Project Experience

## BLUE CANVAS MASTERPLAN

201 Lots  
Huntington Beach, CA  
\$50,000,000 Sale

## SAN JUAN HILLS

132 Lots  
San Juan Capistrano, CA  
\$45,000,000 Sale

## CENTRAL PARK WEST

1,380 Units  
Irvine, CA  
\$100,000,000 + Sale

## ARROWOOD MASTERPLAN

1,007 Lots  
Oceanside CA  
\$120,000,000 + Sale

## UNIVERSITY CREST

660 Lots  
Rancho Cucamonga, CA

## BRYANT RANCH MASTERPLAN

1,200 Acres  
Yorba Linda, CA

## PINHERST MASTERPLAN

693 Lots  
Chino Hills, CA

## RANCHO VISTA MASTERPLAN

1,541 Lots  
Palmdale, CA

## ETIWANDA HEIGHTS

358 Lots  
Rancho Cucamonga, CA

## WARM SPRINGS MASTERPLAN

601 Lots  
Murrieta, CA

## CALIMESA RIDGE

3,400 Lots  
Calimesa, CA

## TWELVE OAKS

700 Acres  
Temecula, CA

## JESS RANCH MASTERPLAN

4,000 Units  
Victorville, CA

## AVANTI MASTERPLAN

1,593 Lots  
Lancaster, CA

Current Major Listings

## Orange County Register Campus

14.32 Acres  
 Santa Ana | Orange County  
 Seller: Freedom Communities  
 CO - LISTED



## Los Angeles Times Site

20+ Acres  
 Costa Mesa | Orange County  
**TRIBUNE**  
 CO - LISTED



## CONFIDENTIAL

470 Acres  
 Orange County  
 CONFIDENTIAL



## Avalon

1,150 Units  
 Palm Springs | Coachella Valley  
**LEHMAN BROTHERS**  
**LAMCO**



## 80 Acres 206 Lots

Rancho Mirage | Coachella Valley  
 Palm Springs School District



## Delta Coves

560 Units | Bethel Island  
 Contra Costa County

 **SunCal Companies**

CO - LISTED



## Wallis Ranch

806 Lots on 184.1 Acres  
 Dublin | Alameda County

**TRUMARKHOMES**





**DIAMOND BAR**

**TRES  
HERMANOS  
2,450 AC**

**CHINO HILLS**

**ERA ENERGY**  
7,935 Acres  
3,600 Units  
(Proposed)

**BREA**

**BLACKSTONE**

**REQUEST FOR PROPOSAL**

**CANYON HILLS**  
76 Lots

**MADRONA**  
ITM 15965  
162 Lots

**CHINO HILLS  
COUNTRY CLUB**

28  
Lots

**VELLANO**



## Canyon Hills | 76 Lots/141 Acres

Chino Hills

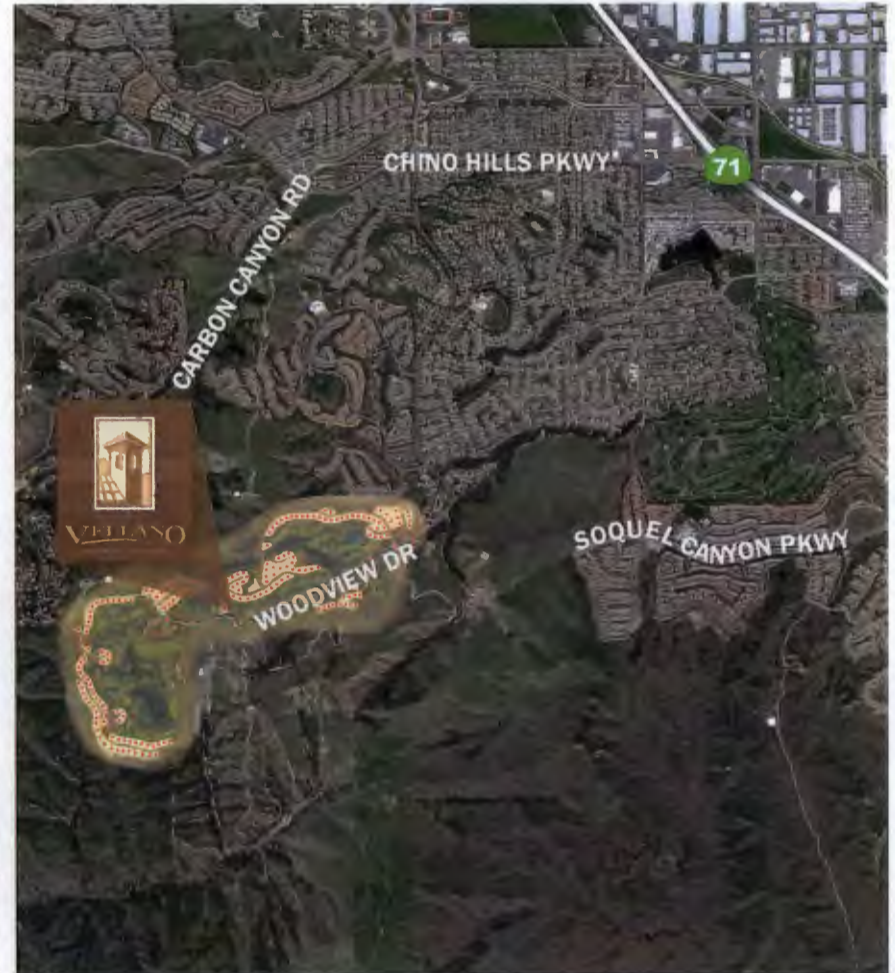
Seller: Foremost Communities / Buyer: Woodbridge Homes



## Vellano

Chino Hills

Seller: Oaktree / Buyer: East Investors Grow



An aerial photograph of a ranch. In the center, there is a large, dark, rectangular building, possibly a barn or warehouse. To its right, there is a smaller, white, single-story house. A large, dark, leafy tree stands between the barn and the house. The surrounding area is mostly flat, light-colored ground, possibly dirt or dry grass, with some faint tracks or paths. In the upper left, there are some smaller structures and a small stream or ditch. The overall scene is a typical rural ranch setting.

3 MARKETING APPROACH

TRES HERMANOS RANCH



## Marketing Process

1

**PRE-MARKETING: CREATE MARKET ANALYSIS**

- » 37 years of experience
- » Establish targeted buyer list and Bid Date
- » Established highest and best use to maximize value and achieve highest possible “fair market value”
- » Prepare robust digital and hard copy marketing materials including Chinese translated versions
- » Establish offering guidelines. Offers will be based on an as-is sale and/or close with entitlement timelines.
- » Obtain City of Industry/Successors Agency approval of marketing Materials

2

**MARKETING LAUNCH**

- » Distribute hard and electronic copies of marketing materials
- » Site will be featured on major national and international publications, real estate networks and websites
- » Set up site tours, meet with buyers and capital sources to review opportunity
- » Respond to all buyer questions and assist with underwriting
- » Update City of Industry/Successors Agency on progress and market reception of site.

3

**OFFERING DEADLINE**

- » Catalogue offers and analyze results
- » Provide all proposals, discuss and recommend to City of Industry/Successor Agency short list

4

**FINALIST SELECTION**

- » Conduct “Best and Final” Round with shortlist of buyers
- » Interview “Best and Final” candidates and their capital partner to vet assumptions
- » Distribute PSA for review and request attorney redline comments
- » District to participate in interview process

5

**BUYER SELECTION**

- » Make recommendations to select buyer based upon price, ability to perform, reputation and property knowledge
- » PSA execution
- » Active escrow management to enforce contract dates and conditions to ensure a timely closing



## Basic Terms and Proposed Timeline

### BASIC TERMS

Brokerage	Scheel Dallape, Inc. DBA The Hoffman Company	
Property	Tres Hermanos Ranch	
Owner	City of industry	
Listing Term	180 Days	
Broker Fees	Sliding Scale, see below. If no sales or lease occur, there will be no cost to the district.	
Sliding Scale	\$0 to \$100,000,000	2.0%
	\$100,000,000 +	1.25%
Effective Date	Effective period of proposal shall be 180 days from engagement.	
Brokers	Graham Gilles, CA BRE#01252103 Victor Grady, CA BRE #01275966 Tom Dallape, CA BRE #01100284 Norm Scheel, CA BRE #00999403	

### KEY OFFERING MILESTONES

# 30 days

- » Pre-marketing: Create Market Analysis
- » Marketing Launch

# 60 days

- » Offering Deadline
- » Finalist Selection

# 14 days

- » Buyer Selection

# TBD

- » Close of Escrow

An aerial photograph of a ranch property. The scene shows a large, open area with several buildings, including a long, dark structure that appears to be a barn or workshop, and a smaller, white house. A large, dark tree is prominent in the lower right quadrant. The terrain is mostly flat with some tracks and a few scattered trees. The text "4 PROPERTY OVERVIEW" is overlaid in the upper left, and "TRES HERMANOS RANCH" is overlaid in the lower left.

4 PROPERTY OVERVIEW

TRES HERMANOS RANCH

Vicinity Map




## Close Up Aerial


### Location

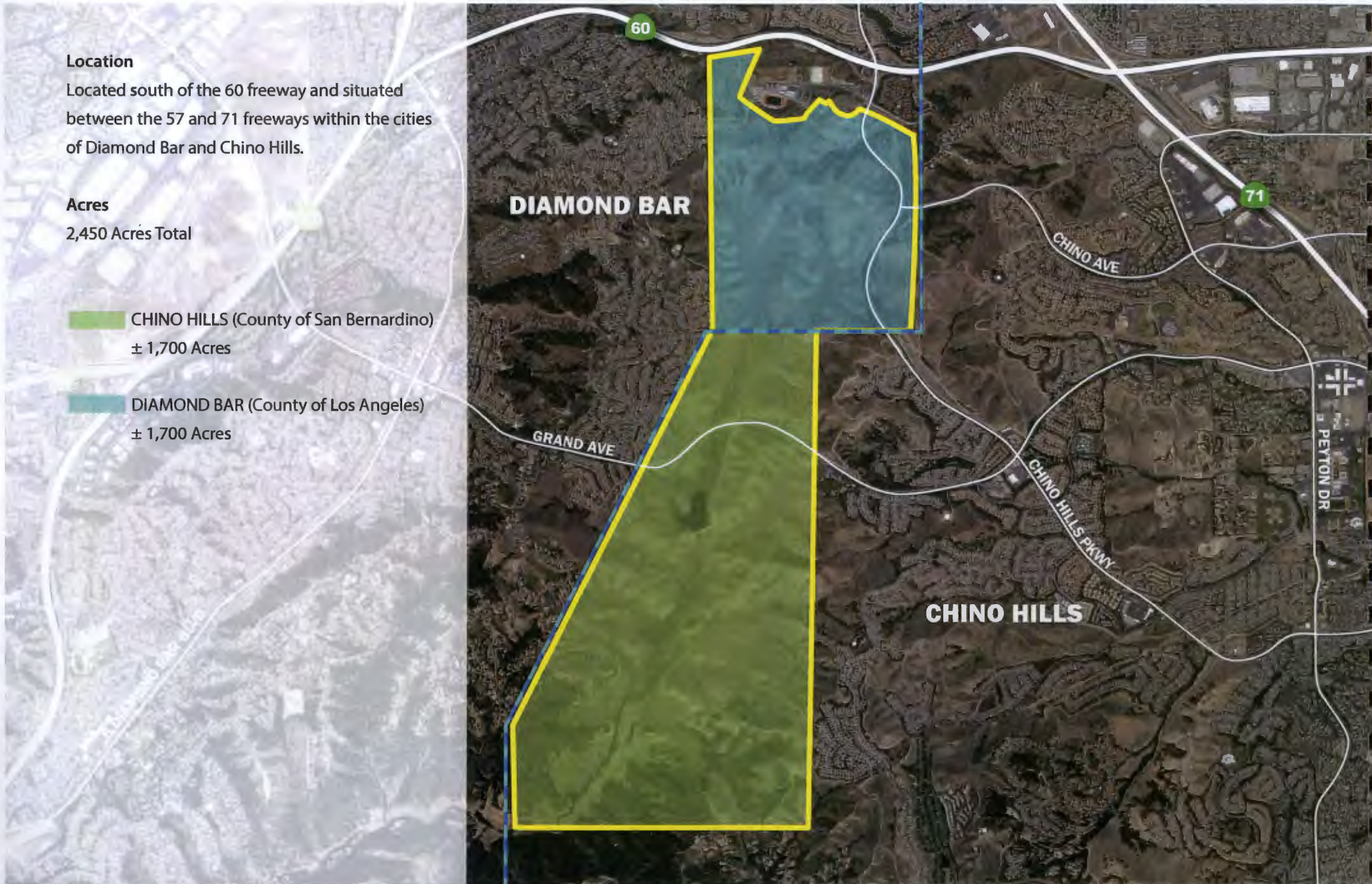
Located south of the 60 freeway and situated between the 57 and 71 freeways within the cities of Diamond Bar and Chino Hills.

### Acres

2,450 Acres Total

 CHINO HILLS (County of San Bernardino)  
± 1,700 Acres

 DIAMOND BAR (County of Los Angeles)  
± 1,700 Acres



Close Up Aerial (Custom Aerial)







## City Planning Guidance

## Initial Opportunity and Constraints Analysis

**DIAMOND BAR**

Meeting with: Marketing with Greg Gubman  
Community Development Director  
Meeting held - March 27, 2015

---

- » Zone change general plan amendment will be necessary for development
- » 700 Acres in the City of Diamond Bar
- » Specific Plan Required
- » Extensive public outreach will be needed
- » Per housing element 17.5 acres high density required (30 DU/Acre)
- » Potential of 400 - 500 Acres developable with approximately 10% open space buffer to existing homes
- » Per Greg Gubman City is open to various densities via a comprehensive land plan
- » Densities of up to 10 DU/Acre per usable acre could be supported in some areas.
- » Developer to provide city with public improvements such as sports fields, aquatic center and other uses via a development agreement.

**CHINO HILLS**

Meeting with: Joann Lombardo  
Community Development Director  
Meeting held - April 2, 2015

---

- » Recent General Plan Amendment placed 100 Very High Density unit and 470 mixed use units on 55 acres of Tres Hermanos Ranch
- » This area of the Tres Hermanos Ranch was previously zoned commercial in the 1994 General Plan
- » Currently other pending developments may reduce the very high and mixed use development numbers
- » The balance of Tres Hermanos is designated Agriculture Ranch which allows up to 1 DU/5 Acres
- » A master plan or specific plan for the entire 1,700 acres Tres Hermanos Ranch within Chino Hills would be required as part of any development proposal.
- » Additional 100 plus acres must be available for mixed-use and medium to high density residential.
- » The Majority of the property shall remain as open space.
- » Steep hillsides and topography limit development
- » A number of biological cultural resources exist on the property



# TRES HERMANOS RANCH



LAND BROKERS  
REALTY ADVISORS

#### SOUTHERN CALIFORNIA OFFICE

18881 Von Karman Avenue, Suite 150

Irvine, CA 92612

T 949.553.2020 | F 949.553.8449

#### COACHELLA VALLEY OFFICE

777 E Tahquitz Way, Suite 200

Palm Springs, CA 92262

T 760.969.7357 | F 949.553.8449

#### NORTHERN CALIFORNIA OFFICE

2121 North California Blvd., Suite 290

Walnut Creek, CA 94596

T 925.478.8429 F 949.553.8449

#### NEVADA OFFICE

3753 Howard Hughes Parkway, Suite 200

Las Vegas, NV 89169

T 702.784.7680 | F 949.553.8449

*SUCCESSOR AGENCY*

ITEM NO. 5.4

**RESOLUTION NO. SA 2015-06**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING THE SALE OF TWO TRUCKS OWNED BY THE SUCCESSOR AGENCY TO THE CITY OF INDUSTRY AND TAKING CERTAIN RELATED ACTIONS**

Recitals:

A. Pursuant to AB X1 26 (enacted in June 2011), as modified by the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal.4th 231(2011), the Industry Urban-Development Agency (the "Former Agency") was dissolved as of February 1, 2012, the Successor Agency to the Industry Urban-Development Agency (the "Successor Agency") was constituted, and the Oversight Board to the Successor Agency (the "Oversight Board") was constituted.

B. AB 1484, which was enacted in June 2012, amended and supplemented the provisions of AB X1 26. Together, AB X1 26 and AB 1484 are referred to herein as the "Dissolution Act."

C. Pursuant to Section 34175(b) of the California Health and Safety Code ("HSC"), all properties of the Former Agency transferred to the control of the Successor Agency by operation of law.

D. Pursuant to HSC Sections 34177(e) and 34181(a), except for real properties that are subject to the long range property management plan approved by the Oversight Board and the State Department of Finance (the "DOF"), the Successor Agency shall dispose of properties of the Former Agency expeditiously and in a manner aimed at maximizing value, at the Oversight Board's direction.

E. The Successor Agency owns two trucks, as further described in Exhibit A attached hereto (the "Trucks"), which were acquired by the Former Agency prior to dissolution.

F. The Successor Agency desires to dispose of the Trucks expeditiously as contemplated by HSC Section 34177(e) and 34181(a).

G. Based on the information reviewed by Successor Agency Staff, as summarized in Exhibit A, it is estimated that the fair market value of the Trucks is approximately \$32,000.

H. The City of Industry (the "City") has indicated its willingness to purchase the Trucks, in their "as-is" condition, at \$32,000.

I. Pursuant to HSC Sections 34178(a) and 34180(h), the Successor Agency may enter into agreements with the City with the Oversight Board's approval.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:**

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The sale of the Trucks to the City for the price of \$32,000, is hereby approved. Each of the Chair, the Vice Chair, the Executive Director and the Finance Officer (each, an “Authorized Officer”), acting individually, is hereby authorized to execute and deliver, for and in the name of the Successor Agency, any such documents and instruments as they deem appropriate and necessary to consummate such sale (the “Sale Documents”).

Section 3. This Board hereby requests the Oversight Board to approve and direct the sale of the Trucks to the City as described in this Resolution, and authorize the execution and delivery of the Sale Documents by the Successor Agency. The Secretary of the Successor Agency is hereby directed to transmit this Resolution to the Oversight Board for consideration at the earliest possible date.

Section 4. The Authorized Officers and all other officers of the Successor Agency are hereby authorized, jointly and severally, to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the sale of the Trucks to the City.

**PASSED AND ADOPTED** this 5th day of May, 2015.

---

Tim Spohn, Chairman

ATTEST:

---

Diane M. Schlichting, Assistant Secretary

**EXHIBIT A**

*As of: April 23, 2015*

Vehicle Description: **2003 CHEV Silverado White Pick-up Truck**

License: 7C21316      Registration valid until 02/28/2016

VIN: 1GCEK14V53Z243962

Mileage: 70,779 as of 03/31/15

Purchase Price: \$28,538.67

Value (Blue Book):	High (Excellent)	Medium (Good)	Low (Fair)
	\$8,000	\$7,000	\$6000

This vehicle is considered in "Good" condition.

Vehicle Description: **2011 GMC 1500 Sierra White Pick-up Truck**

License: 98407C1      Registration valid until 06/30/2015

VIN: 1GTR2VE31BZ304308

Mileage: 24,837 as of 03/31/15

Purchase Price: \$33,311.65

Value (Blue Book):	High (Excellent)	Medium (Good)	Low (Fair)
	\$27,700	\$25,000	\$22,000

This vehicle is considered in "Good" condition.


*SUCCESSOR AGENCY*

ITEM NO. 5.5



*SUCCESSOR AGENCY TO THE*  
**INDUSTRY URBAN - DEVELOPMENT AGENCY**

TO: Successor Agency Board Members

FROM: John Ballas 

DATE: April 15, 2015

SUBJECT: **MOU for Phase IIA of the SR57/60 Confluence, Grand Avenue at Golden Springs Drive Intersection ROPS Line Item No. 128**

---

Attached for your consideration is a Memorandum of Understanding (MOU) between the Successor Agency and the City of Industry with respect to the project costs and the use of grant funds for the above project.

The City of Industry secured \$6.7 million in local Proposition C grant funds from the "2011 Call for Projects" program administered by the Los Angeles County Metropolitan Transportation Authority (LACMTA) for a 40% share in project costs related to the right of way acquisition, construction and construction support services. The remaining 60% share is to be funded with bond proceeds from the Successor Agency. The total project costs are estimated at \$16,818,915. Below is a breakdown of the project funding:

**PROJECT FUNDING:**

Metro Grant Funds	\$ 6,727,566	Proposition C - 25%
Local Match	\$10,091,349	Successor Agency to the Industry Urban- Development Agency
<b>Total</b>	<b>\$16,818,915</b>	

The project includes the improvements to the Grand Avenue and Golden Springs Drive Intersection, which is considered Phase IIA of the 57/60 Confluence Project. A new golf course tunnel will be constructed under Grand Avenue as part of the roadway widening. The project will also widen Golden Springs Drive between Copley Drive and Racquet Club Drive to add a westbound left-turn lane and a dedicated right-turn lane, widen sidewalks and add pedestrian countdown signals.

The project is physically located within the City of Diamond Bar with additional right of way required from the County-owned Diamond Bar Golf Course. Staff has already met with representatives from County Supervisor Don Knabe's office to discuss the required right of way and temporary construction easements that will be required in order to implement the project. The County has indicated that it will grant the necessary easements in advance of the larger, Phase III improvements to the Confluence itself.



The City of Industry will pay all of the project's costs and then seek reimbursement from LACMTA for the 40% share in grant funds. The remaining costs will be invoiced to the Successor Agency. At the completion of the project, the City of Industry shall be fully reimbursed.

The payments to be made by the Successor Agency with respect to the project as contemplated by this MOU are listed on Line Item No. 128 on the Recognized Obligation Payment Schedule ("ROPS"). This listing in the ROPS has been approved by the Successor Agency and the Oversight Board to the Successor Agency in accordance with the requirements of the Health and Safety Code Section 34177. Moreover, the State of California, through the Department of Finance, has authorized the expenditure of funds by the Successor Agency for the project; however, their express direction is that the Successor Agency (and not the City) be the entity to enter into all necessary agreements with contractors for the project. The project will be advertised, awarded and administered by the Successor Agency.

The MOU has been reviewed by staff and legal counsels of both the City and the Successor Agency, and found to be in order.

Staff, therefore, recommends that the Successor Agency approve the Memorandum of Understanding.

## MEMORANDUM OF UNDERSTANDING

(SR57/60 Confluence, Grand Avenue at Golden Springs Drive)

This Memorandum of Understanding ("MOU") is made and entered into this 23rd day of April, 2015, by and between the City of Industry (the "City") and the Successor Agency to the Industry Urban-Development Agency (the "Successor Agency").

### I. RECITALS

- A. On June 24, 1999, the Industry Urban-Development Agency (the "Agency") entered into a Lease Agreement (as lessor) (the "Lease") with Industry East Land, LLC (as lessee) with respect to a 400 acre site located in the City and subsequently developed as an industrial/commercial park consisting of approximately 4,000,000 square feet of industrial and commercial buildings, and commonly known as Grand Crossing project, The Lease required the Agency to pay for all infrastructure and all "CEQA requirements", including all project related traffic mitigation measures required for the development of the property. The Successor Agency is, by operation of law, the designated successor to the Agency and is charged, in part, with the responsibility to carry out and conclude the existing obligations of the former Agency.
- B. An Environmental Impact Report, dated April 17, 2000 (the "EIR"), was prepared and certified for the Grand Crossing project. The EIR identified, among other matters, all project related traffic mitigation measures including necessary improvements to the intersection of Grand Avenue and State Route 60 including the intersection of Grand Avenue at Golden Springs Drive.
- C. The proposed Golden Springs Drive and Grand Avenue intersection alteration is an approximately \$16.8 million project to construct the widening of two northbound and one southbound lanes, addition of left and right turn lanes, and sidewalk widening to complement the existing freeway mainline (the "Project"). The Project is located within the City of Diamond Bar and will partially satisfy the traffic mitigation measures identified in the EIR for the intersection of Grand Avenue and the Westbound On/Off ramps. The Project also includes the installation of pedestrian countdown signals. In general, the Project includes the improvements to the Grand Avenue and Golden Springs Intersection, which is a precursor to further improvements in the SR57/60 Confluence Project (Project# F5100). A new golf course tunnel will be constructed under Grand Avenue as part of the Grand Avenue widening. The Project will also widen Golden Springs Drive between Copley Drive and Racquet Club Drive to add a westbound left-turn lane and a dedicated right-turn lane, widen sidewalks and add pedestrian countdown signals.
- D. On September 22, 2011, Los Angeles County Metropolitan Transportation Authority "LACMTA" Board of Directors, authorized a grant to the City in the amount of approximately \$6.7 million in local Proposition C 25 funds for a portion of the Project costs related to right of way acquisition, construction and contract administration had been secured (the "LACMTA Grant"). This will be formalized in form of a Memorandum of Understanding between the City and LACMTA.
- E. The payments to be made by the Successor Agency with respect to the Project as contemplated by this MOU are listed on line item No. 128 on the Recognized Obligation Payment Schedule ("ROPS"). This listing in the ROPS has been approved by the Successor

Agency and the Oversight Board to the Successor Agency in accordance with the requirements of the Health and Safety Code Section 34177. Moreover, the State of California, through the Department of Finance, has authorized the expenditure of funds by the Successor Agency for the Project; however, their express direction is that the Successor Agency (and not the City) be the entity to enter into all necessary agreements with Contractors for the Project.

- F. The City and Successor Agency desire to enter into this MOU for the purpose of allocating responsibility for Project activities and payment of Project costs.

## II. AGREEMENT

A. Payment of Project Costs. The City shall pay all Project costs associated with the Project Agreement for the grant funds with LACMTA. The Successor Agency will enter into a contract with a contractor ("Contractor") for the construction of the Project. The Successor Agency will submit to the City the invoices from the Contractor for payment by the City. The City will pay the invoices from the Contractor. The City will submit to LACMTA the Quarterly Progress/Expenditure Reports.

B. Reimbursement to City. The City shall submit to the Successor Agency quarterly invoices for reimbursement of all Project costs incurred above the amount of the LACMTA Grant in an amount not to exceed \$10,091,349 (60% of the amounts paid by the City to the Contractor for that quarter). Successor Agency agrees to promptly reimburse City upon receipt of such invoice. In the event of any conflict in the terms of this MOU and the LACMTA Grant, the terms of the LACMTA Grant shall be controlling.

C. Performance of City's Obligations Under the LACMTA Grant. Without the requirement of notice or demand on the part of the Successor Agency, the City shall perform all of its obligations for accounting and reporting under the LACMTA Grant.

D. Accounting of Funds. The City shall provide to the Successor Agency at least once each three (3) month period, and otherwise within ten (10) working days following a written request from the Successor Agency, a written statement showing the amount of funds disbursed by the City, the purposes for which the payments were made and the invoices paid by the City.

E. Term. This MOU shall terminate upon completion of the Project.

F. Notices. Notices shall be given pursuant to this MOU by personal service on the party to be notified, or by written notice upon such party deposited in the custody of the United States Postal Service addressed as follows:

Successor Agency to the Industry Urban-Development Agency  
15625 East Stafford Street, Suite 100  
Industry, California 91744  
Attention: Executive Director

City of Industry  
15625 East Stafford Street, Suite 100  
Industry, California 91744 Attention: Mayor

G. Modification of Term. No alteration or variation of the terms of this MOU shall be valid unless made in writing and signed by the parties hereto and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

IN WITNESS WHEREOF, the City and Successor Agency have caused this Memorandum of Understanding to be executed by their respective officers, duly authorized, on the day and year above written.

CITY OF INDUSTRY

By: \_\_\_\_\_  
Name: Tim Spohn  
Title: Mayor

ATTEST:

\_\_\_\_\_

SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name: Tim Spohn  
Title: Executive Director

ATTEST:

\_\_\_\_\_

*SUCCESSOR AGENCY*

ITEM NO. 5.6

**MEMORANDUM**

**To:** John D. Ballas  
Agency Engineer

**Date:** April 28, 2015

**From:** Gerardo Perez, Project Manager

**Contract:** GCD-0377R

**Reference:** Landscaping Baker Parkway Slopes

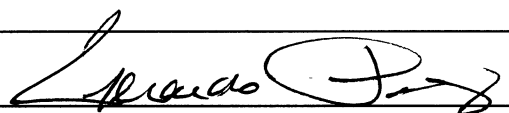
**Subject:** Change Order No. 3 – Close Out Change Order

During the course of landscaping on this project, bid quantity adjustments were necessary. The original contract specifies that the Agency will provide a certain quantity of plants to the Contractor. However, some of these plants were in poor health and did not survive replanting. Therefore, the number of plants that the Contractor had to replace increased. Some of the plants provided by the Agency to be planted decreased in quantity. Additional mulch was also placed on exposed slopes to satisfy the requirements of the NPDES permit.

The total additional quantities that were adjusted totals \$54,184.00 (see attached summary). The total measured field quantities that were credited total \$36,500.00 (see attached summary).

1.	Total Additional Quantities	= \$ 54,184.00
2.	Total Quantities Credited	= <u>(\$36,500.00)</u>
	Net Additional Cost	= \$ 17,684.00

The total additional cost based on final quantities is \$17,684.00. Staff has reviewed the total additional cost in the amount of \$17,684.00 and finds it to be reasonable and acceptable. Therefore, Staff hereby recommends approval of Change Order No. 3 in the amount of \$17,684.00.

By: Gerardo Perez Signature: 

GP/rg

GCD-0377R - Memo - CO No. 3 - Closeout Change Order - G. Perez

**CITY OF INDUSTRY**

**CHANGE ORDER**

15625 E. Stafford St.  
 City of Industry, CA 91744  
 (818)333-2211

Change Order No. 3

Project Landscaping Baker Parkway Slopes Contract No. GCD-0377R Date 5/5/2015

Type \_\_\_\_\_  
 Project Landscaping Contractor KASA Construction

Location City of Industry

**Explanation:**

Close Out Change Order

Extra Work by: X \_\_\_\_\_  
 Contract Items Negotiated T & M

The contractor is hereby directed to perform all labor and to provide all materials necessary to carry out the work described below:

ITEM NO.	ITEM	QUANTITY	UNIT PRICE	TOTALS (\$)	
				+	-
1	Total Additional Quantiites	Lump Sum	\$ 54,184.00	\$ 54,184.00	
2	Total quantiites credited	Lump Sum	\$ 36,500.00		\$ 36,500.00
<b>TOTAL COST</b>				<b>\$17,684.00</b>	

**T & M SUMMARY**

*Labor Cost	+ 20%	Total Labor	
*Equipment Cost	+ 15%	Total Equipment	
*Material Cost	+ 15%	Total Materials	
(*Attach breakdown of labor, equipment and materials)		Sub-Total	
<b>CHANGE ORDER SUMMARY</b>		Other Additive	
Original Contract Amount	\$1,279,788.00	Total T & M	
Total Previous Change Orders	\$81,815.03 6.39%		
Total Change Orders	\$ 99,499.03 7.77%	<b>Pay This</b>	
		<b>CHANGE ORDER</b>	<b>\$ 17,684.00 1.38%</b>

Authorized by \_\_\_\_\_

Additional Working Days 10

I hereby certify that the quantities shown and/or amounts shown for equipment, material and labor costs (if any) are correct to the best of my knowledge and the total cost shown above shall be considered final payment for the work specified by this change order. The total cost includes compensation for any delay in the preparation of this change order and the time to complete the specified work.

Contractor Representative \_\_\_\_\_ Date \_\_\_\_\_

J.D. Ballas, Agency Engineer \_\_\_\_\_ Date \_\_\_\_\_

Gerardo Perez, Project Manager 4.28.15 Date \_\_\_\_\_

C.O. # 3

**FINAL QUANTITIES - CONTRACT GCD-0377R**

ITEM	DESCRIPTION	UNIT	QTY THIS WORK ORDER	UNIT PRICE	EXTENDED
<b>SCHEDULE "A " GRADING</b>					
1	Clearing and grubbing, including the potential borrow area	LS		109,000.00	\$ -
2	Remove and replace the above grade irrigation pipe and sprinkler heads located at the top of slope within the limits of grading (roughly 400 LF); all portions of the existing system (pipe, heads, anchors) can be reused or new materials can be installed, at the contractors discretion	LS		4,500.00	0.00
3	Remove, salvage, stockpile and reinstall AC grindings, per	CY		15.00	\$ -
4	Over-excavation and recompaction of existing soil, per Section A-A of the grading plans	CY		5.00	\$ -
5	Unclassified Excavation	CY		3.00	\$ -
6	Unclassified Fill	CY		3.00	\$ -
7	Finish Grading	LS		30,000.00	\$ -
8	Modify existing concrete precast grated inlet structure to receive new HDPE pipe	LS		2,800.00	\$ -
9	Install 18" HDPE pipe, A.D.S. N-12 or equal, including sand bedding material and all fittings	LF		60.00	\$ -
10	Construct 36" CMP inlet riser including 1" rock backfill around riser and concrete collar at connection with HDPE pipe	EA		5,200.00	\$ -
11	Construct Down Drain	LF		400.00	\$ -
12	Construct connection of down drain to bench/terrace drain per detail 1	LS		2,600.00	\$ -
13	Remove upper portion of manhole shaft, steel plate prior to grading, then reconstruct upper portion of storm drain manhole shaft, H=36"	EA		5,000.00	\$ -
14	Remove fiber rolls from back of sidewalk, or edge of "V" ditch, or toe of slope	LF		1.20	\$ -
15	Remove excess soil from back of sidewalk, or edge of "V" ditch, or toe of slope (per detail 6) and stockpile material on upper deck	CY		17.00	\$ -
16	Install new fiber roll at back of sidewalk, or edge of "V" ditch, or toe of slope, including new wood stakes/anchors	LF		3.00	\$ -
17	Remove, salvage and re-install raptor perch, including concrete or slurry backfill	EA		800.00	\$ -
18	Fabricate and install raptor perch per detail, including concrete or slurry backfill	EA		1,500.00	\$ -
19	Remove existing curb and gutter, remove existing sidewalk, then construct new curb and gutter, new concrete driveway apron, and new asphalt driveway, including rerouting the existing 3" constant pressure line and 1 1/2" lateral line, and rerouting the existing control wires, install valve boxes for splicing control wires, 6" and 8" PVC sleeves, redwood header and all incidentals, per detail 5	LS		9,500.00	\$ -
20	Preparation and Implementation of SWPPP	LS		7,000.00	\$ -
<b>SCHEDULE "B" LANDSCAPING</b>					
1	Replacement of existing irrigation system sprinkler heads (partially deletable)				
1A	Rainbird 5000-S-PC-SAM Shrub Rotor including Non Potable (purple) cap and warning label	EA		35.00	\$ -
1B	Rainbird 5012-PL-PC-SAM 12" Pop up Rotor including Non Potable (purple) cap	EA		40.00	\$ -
2	3" Mainline, including 6" steel sleeve for above grade crossing of down drains or bench drains, at 6 crossings	LF		10.00	\$ -
3	4" Mainline	LF		9.00	\$ -
4	6" Mainline	LF		15.00	\$ -
5	4" Gate Valve	EA		900.00	\$ -
6	3" Gate Valve	EA		620.00	\$ -
7	"B/C" pump including master valve, basket strainer, and flow sensor, including electrical connection from pump to existing electrical service meter also includes sump at each pump	EA		65,000.00	\$ -



8	"D,E,F" pumps including master valve, basket strainer, and flow sensor, including electrical connection from pump to existing electrical service meter also includes sump at each pump	EA		52,000.00	\$	-
9	Irrigation Clocks	EA	(1)	5,500.00	\$	(5,500.00)
10	Install pump start wires from pumps D, E & F to control less D, E & F respectively; quantity shown represents the distance between the respective pumps and controllers	LF		4.00	\$	-
11	Install pump start relay wires from controller B to controller C and pump start wires from controller B to pump B/C; quantity shown represents the distance between controllers B and C and from controller B to pump B/C	LF		5.00	\$	-
12	15 gallon tree, provided by Owner	EA	21	45.00	\$	945.00
13	15 gallon tree, provided by Contractor	EA	(21)	110.00	\$	(2,310.00)
14	5 gallon shrub, provided by Owner	EA	6,856	5.00	\$	34,280.00
15	5 gallon shrub, provided by Contractor	EA	(462)	21.00	\$	(9,702.00)
16	1 gallon shrub, provided by Owner	EA	425	3.00	\$	1,275.00
17	1 gallon shrub, provided by Contractor	EA	(3,376)	8.00	\$	(27,008.00)
18	1 gallon ceanothus yankee point, provided by contractor, for installation as replacement plants during the 180 day plant establishment period, and to fill in sparse areas	EA		6.50	\$	-
19	3" Thick Mulch	CY	(302)	32.00	\$	(9,664.00)
20	Weed abatement (24 acres)	SF		0.010	\$	-
21	Loose 6" to 12" river rock cobble over weed barrier fabric	SF		5.00	\$	-
22	Install signs indicating the use of recycled water	EA		200.00	\$	-
23	Landscape maintenance during plant establishment period of 180 Days (6 months)	MO		1,000.00	\$	-
				TOTAL	\$	(17,684.00)

*SUCCESSOR AGENCY*

ITEM NO. 5.7

**MEMORANDUM**

**To:** John D. Ballas  
Agency Engineer

**Date:** April 28, 2015

**From:** Gerardo Perez, Project Manager

**Contract:** IBC-0379

**Reference:** Industry Business Center Phase I Mass Grading  
Far West Side

**Subject:** Change Order No. 2 – Extra Work due to Plan Revisions

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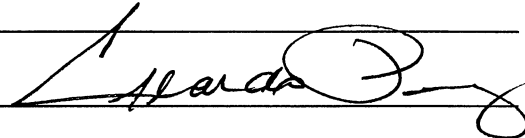
After the project was awarded, additional costs for extra work were necessary due to plan revisions and field requests issued to the Contractor. Additional extra work and costs are as follows:

1. Plan Revision No. 5 and 7 made changes to the plans that revised the D Load of the reinforced concrete pipe from 1500D to 2000D which strengthens the pipe to account for higher velocities. At the new storm drain tie-ins to the existing trapezoidal channel, the Contractor was asked to remove and replace a 10 foot wide concrete panel at each location to prevent any damage to the existing concrete panels of the trapezoidal channel. This was not part of the original contract. The total cost for the storm drain revisions amounts to \$79,495.91.
2. Plan Revision No.3 revised the SCE plans and the additional costs were paid under Change Order No. 1. Subsequent to the issuance of Plan Revision No.3, SCE requested additional revisions in the field. These revisions include installation of an additional 3,408 lineal feet of 5-inch communication conduit, revised vaults, 22 removable bollards, additional concrete encasement and 150 lineal feet of 4 foot high retaining wall which includes additional excavation. The total cost for this additional work is \$88,444.20.
3. The Contractor was also directed to remove additional interfering erosion control devices, mainly fiber rolls, on a time and material basis. These fiber rolls were installed under the previous contract to satisfy the requirements of the NPDES permit. The Contractor was also directed to install sandbags around existing inlets including minor re-grading as a result of an inspection by the Regional Quality Control Board. The total cost amounts to \$4,785.49.

4. The Contractor was also directed to install a pressure relief valve at the request of the local water company to minimize the water hammer it was causing. This water hammer could potentially damage their facilities upstream of the meter. The cost for the pressure relief valve is \$1,763.62.

Staff has reviewed the additional work and the contractor's cost proposals and find them to be reasonable and acceptable. Therefore, Staff hereby recommends approval of Change Order No. 1 in the total amount of \$174,489.22.

---

By: Gerardo Perez Signature: 

GP/rg

IBC-0379 - Memo - CO No. 2 - Plan Revisions Extra Work - G.Perez

**CITY OF INDUSTRY**

**CHANGE ORDER**

15625 E. Stafford St.  
 City of Industry, CA 91744  
 (818)333-2211

Change Order No. 2

Industry Business Center Phase 1  
**Project** Mass Grading Far West Side

**Contract No.** IBC-0379

**Date** 5/5/2015

**Type**  
**Project** Grading

**Contractor** C.A. Rasmussen, Inc.

**Location** City of Industry

**Explanation:**

Storm Drain and SCE Revisions

Extra Work by: X Contract Items X Negotiated      T & M

The contractor is hereby directed to perform all labor and to provide all materials necessary to carry out the work described below:

ITEM NO.	ITEM	QUANTITY	UNIT PRICE	TOTALS (\$)	
				+	-
1	Storm Drain Revisions	Lump Sum	\$ 79,495.91	\$ 79,495.91	
2	SCE Field Revisions	Lump Sum	\$ 88,444.20	\$ 88,444.20	
3	Removal of fiber rolls/installation of sand bags	Lump Sum	\$ 4,785.49	\$ 4,785.49	
4	Installation of pressure relief valve	Lump Sum	\$ 1,763.62	\$ 1,763.62	
<b>TOTAL COST</b>				<b>\$174,489.22</b>	

**T & M S**

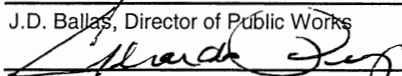
*Labor Cost	+ 20%	Total Labor	
*Equipment Cost	+ 15%	Total Equipment	
*Material Cost	+ 15%	Total Materials	
(*Attach breakdown of labor, equipment and materials)		Sub-Total	
<b>CHANGE ORDER SUMMARY</b>		Other Additive	
Original Contract Amount	\$20,329,606.95	Total T & M	
Total Previous Change Orders	\$ 400,211.07 1.97%	Pay This	
Total Change Orders	\$ 574,700.29 2.83%	<b>CHANGE ORDER</b>	<b>\$ 174,489.22 0.86%</b>

Authorized by \_\_\_\_\_

Additional Working Days 10

I hereby certify that the quantities shown and/or amounts shown for equipment, material and labor costs (if any) are correct to the best of my knowledge and the total cost shown above shall be considered final payment for the work specified by this change order. The total cost includes compensation for any delay in the preparation of this change order and the time to complete the specified work.

Contractor Representative \_\_\_\_\_ Date \_\_\_\_\_

J.D. Ballas, Director of Public Works \_\_\_\_\_ Date \_\_\_\_\_  
  
 Gerardo Perez, Project Manager \_\_\_\_\_ Date \_\_\_\_\_

C.O. # 2



Safety • Quality • Service

# C. A. RASMUSSEN, INC.

General Engineering Contractors  
License No. 254681 A

Valencia Commerce Center  
28548 Livingston Avenue  
Valencia, CA 91355-4171  
Telephone 661.367.9040  
Fax 661.367.9099  
[www.carasmussen.com](http://www.carasmussen.com)

1409.RFC008R1  
Proposal

March 23, 2015

**CNC Engineering**  
255 N. Hacienda Blvd  
Suite 222  
City of Industry, Ca 91744

Attn: Gerry Perez

Proj: Industry Business Center Ph1 Mass Grading, Far West Side  
Contract #IBC-0379

Subject: Request for Change Order – 008R1 – Plan Revision #5 Storm Drain Add'l Costs

Please find below the breakdown of additional costs due to Plan Revision #5 for the storm drain system. Attached are quotes for the 1500 & 2000 D-load RCP for your reference.

Bid Item	Description	Note	Rev#5 Qty	U/M	Unit Price	Total
<b>Schedule B</b>						
New	36" RCP 1500D was changed to 2000D	\$63.44/Lf vs. \$34.00/Lf + Tax	215	LF	\$ 32.09	\$ 6,899.35
New	24" RCP 1500D was changed to 2000D	\$29.36/Lf vs. \$20.74/Lf + tax	1,649	LF	\$ 9.40	\$ 15,500.60
New	48" RCP 1500D was changed to 2000D W/5 Cover added	\$105.75/Lf vs. \$75.28/Lf + Tax	530	LF	\$ 33.21	\$ 17,601.30
New	Charge for Hardware due to deletion of 48" Velocity Rings	To Be Delivered On-Site	23	EA	\$ 485.05	\$ 11,156.15
New	Remove 10' Wide Conc Trapezoid Channel Side And Re-Install With The 24" Angled RCP Tie-In To the Trap Channel (Replaces Bid item #12 On Shedule B)	7500 - 3100* = 4400 PER AGREEMENT WITH OWNER ON 03/05/15	4	EA	\$ 4400 <del>\$ 7,500.00</del>	\$ 17,600 <del>\$ 30,000.00</del>
<b>Subtotal</b>						<b>\$ 68,757.40</b>
<b>MARK-UP</b>					10% <\$5K	<b>\$ -500.00</b>
<b>MARK-UP</b>					5% >\$5K	<b>\$ -3,807.87</b>
<b>Grand Total</b>						<b>\$ 72,445.21</b>

Please issue a change order in the amount of **\$85,465.27** for completion of this added work.

Respectfully,

C.A. Rasmussen, Inc.

*Steve Hoffman*  
Steve Hoffman  
Project Manager

File: 1409-Corporate RFC  
1409-Jobsite RFC

\* \$ 3100 TO BE PAID  
UNDER BID ITEMS.

R



**QUOTE**

P.O. BOX 940669 SIMI VALLEY CA. 93094 - (805)-527-0841

QUOTE DATE: 2/5/2015 SHANNON QUOTE ID: 12007

<b>CUSTOMER NAME:</b> SAM HILL AND SONS	<b>JOB NUMBER:</b> 10903
<b>CONTACT:</b> Scott	<b>JOB TITLE:</b> Industrial Business Ph1 West Side
P.O. BOX 5670	<b>LOCATION:</b> City of Industry
VENTURA	
CA 93003	<b>TRACT:</b>
<b>PHONE:</b> (805) 644-6278	<b>CONTRACT #:</b>
<b>Email:</b>	<b>AGENCY:</b>
<b>Cell or Pgr.:</b>	

<b>Shipping Terms:</b> FOB JOB SITE	<b>Price Valid Until:</b> 2/26/2015
<b>Payment Terms:</b> NET 30 DAYS	<b>Est. lead time from receipt of plans:</b> VERIFIED UPON ORDE

**QUOTE DETAIL**

DESCRIPTION	QUANTITY	UNIT PRICE	UNIT	EXTENSION
24" RCP 2000D	1623	\$29.36	FT.	\$47,651.28
48" RCP 2000D .5 Extra cover	350	\$105.75	FT.	\$37,012.50
48" RCP 2000D	179	\$105.75	FT.	\$18,929.25
36" RCP 2000D	214	\$63.44	FT.	\$13,576.16
Charge for Special Hardware 23 VC Rings	23	\$445.00		\$10,235.00
<b>CALL TO CONFIRM AVAILABILITY 2 WEEKS PRIOR TO SHIPMENT</b>		<b>TOTAL</b>		<b>\$127,404.19</b>

**NOTES:** ALL RCP IS TONGUE AND GROOVE IN 8' LENGTHS UNLESS OTHERWISE NOTED. QUANTITIES MAY BE ROUNDED TO MEET STANDARD LENGTHS. ALL QUANTITIES ARE ESTIMATES; ACCEPTANCE INCLUDES AND IS LIMITED TO PRE-CON'S TERMS AND CONDITIONS. UNIT PRICES WILL PERVAIL.

Sales tax additional

**PRE-CON PRODUCTS IS A REGISTERED MINORITY BUSINESS**

CALTRANS DBE # CT000651

MBE CLEARING HOUSE # 91IS0090

I HEREBY PLACE THIS ORDER AND AUTHORIZE PRE-CON TO MANUFACTURE OR CAUSE TO BE MANUFACTURED THE ABOVE MATERIALS AND ABIDE BY PRE-CON'S TERMS AND CONDITIONS.

BY: \_\_\_\_\_

**PHONE: (805) 527-0841**

**FAX: (805) 584-0769**

THIS QUOTE INCLUDES PRE-CON'S TERMS AND CONDITIONS.



QUOTE

P.O. BOX 940669 SIMI VALLEY CA. 93094 - (805)-527-0841

QUOTE DATE: 2/12/2014

SHANNON

QUOTE ID: 11435

CUSTOMER NAME: ALL INTERESTED BIDDERS  
CONTACT:

JOB NUMBER: 10399

JOB TITLE: Industrial Bus. Center Ph 1 Far West  
LOCATION: Industry

PHONE:  
FAX:  
Cell or Pgr.:

TRACT:  
CONTRACT #:  
AGENCY:

Shipping Terms: FOB JOB SITE

Payment Terms: NET 30 DAYS

Price Valid Until: 4/13/2014

Est. lead time from receipt of plans: VERIFIED UPON ORDE

QUOTE DETAIL

DESCRIPTION	QUANTITY	UNIT PRICE	UNIT	EXTENSION
18" RCP 1500D	12	\$12.63	FT.	\$151.56
24" RCP 1500D	2000	\$20.74	FT.	\$41,480.00
48" RCP 1500D	500	\$75.28	FT.	\$37,640.00
48" Velocity Control Ring per APWA 383-2 **pre-con willing to split out Velocity control	26	\$1,200.00	EA.	\$31,200.00
36" RCP 1500D	240	\$34.00	FT.	\$8,160.00
TOTAL				\$118,631.56

CALL TO CONFIRM AVAILABILITY 2 WEEKS PRIOR TO SHIPMENT

NOTES: ALL RCP IS TONGUE AND GROOVE IN 8' LENGTHS UNLESS OTHERWISE NOTED. QUANTITIES MAY BE ROUNDED TO MEET STANDARD LENGTHS. ALL QUANTITIES ARE ESTIMATES; ACCEPTANCE INCLUDES AND IS LIMITED TO PRECON'S TERMS AND CONDITIONS. UNIT PRICES WILL PERVAIL.

Sales tax additional

PRE-CON PRODUCTS IS A REGISTERED MINORITY BUSINESS

CALTRANS DBE # CT000651

MBE CLEARING HOUSE # 91IS0090

I HEREBY PLACE THIS ORDER AND AUTHORIZE PRE-CON TO MANUFACTURE OR CAUSE TO BE MANUFACTURED THE ABOVE MATERIALS AND ABIDE BY PRE-CON'S TERMS AND CONDITIONS.

PHONE: (805) 527-0841

BY: \_\_\_\_\_ FAX: (805) 584-0769

THIS QUOTE INCLUDES PRE-CON'S TERMS AND CONDITIONS.





Safety • Quality • Service

# C. A. RASMUSSEN, INC.

General Engineering Contractors  
License No. 254681 A

Valencia Commerce Center  
28548 Livingston Avenue  
Valencia, CA 91355-4171  
Telephone 661.367.9040  
Fax 661.367.9099  
[www.carasmussen.com](http://www.carasmussen.com)

1409. RFC011  
Proposed Costs

April 2, 2015

**CNC Engineering**  
255 N. Hacienda Blvd  
Suite 222  
City of Industry, Ca 91744

Attn: Gerry Perez

Proj: Industry Business Center Ph1 Mass Grading, Far West Side  
Contract #IBC-0379

Subject: Request for Change Order – RFC011 – Plan Rev#7 Add'l 24" RCP Pipe & Re-Grading

Please find the breakdown of additional costs due to plan revision #7 for the storm drain system and re-grading of Future Grand Crossing Parkway on the attached spreadsheet.

Please issue the following change orders:

- Execute a change order to perform the re-grading of approximately 650' of future Grand Crossing Parkway which was modified per plan Rev#7 after it was completed under T&M. (Estimated Cost \$10,000) **NOT PART OF CO NO. 2 (NO T&M COSTS HAVE BEEN REVD.)**
- Execute a change to increase the bid quantities for Items #2 & #10A as shown in the spreadsheet for completion of this added work.
- Execute a change order for the amount of **\$14,898.64** for the new storm drainage work not covered in bid items.

Respectfully,

C.A. Rasmussen, Inc.

Steve Hoffman  
Project Manager

File: 1409-Corporate RFC  
1409-Jobsite RFC

**\$ 7848 WILL BE PAID UNDER EX. UNIT ITEMS**

**\$ 7050.64 WILL BE PAID UNDER CO NO. 2**

IBC-0379 (Job 1409)  
RFC011 - SUBMITTED COSTS

NO.	DESCRIPTION	NOTES	REV#7 QTYS	S/UNIT	REV#7 TTL
Schedule A					
16A	Permanent Terraced Slopes & Paved Areas	Regrade Approximately 650' of Future Grand Crossing Parkway, which was revised after it was completed with plan rev#7		T&M	T&M

NO.	DESCRIPTION	NOTES	REV#7 QTYS	S/UNIT	REV#7 TTL
Schedule B					
2.	24" RCP 2000D Sht. 2-5 new Storm Drain Plans		72	\$ 84.00	\$ 6,048.00
10A	Concrete Collar - 24" RCP		1	\$ 1,800.00	\$ 1,800.00
<b>BID ITEM WORK ADD</b>					<b>\$ 7,848.00</b>

NO.	DESCRIPTION	NOTES	REV#7 QTYS	S/UNIT	REV#7 TTL
New	Join 24" RCP to Existing MH		1	\$ 3,800.00	\$ 3,800.00
New	24" RCP 1500D was changed to 2000D	\$29.36/Lf vs. \$20.74/Lf	72	\$ 9.40	\$ 676.80
New	Raise Existing RCP MH 9.5' to New Finish Grade		1	\$ 2,000.00	\$ 2,000.00
<b>EXTRA WORK ADD</b>					<b>\$ 6,476.80</b>
MARK-UP 10% <\$5K				\$	500.00
MARK-UP 5% >\$5K				\$	73.84
<b>TTL NEW WORK</b>					<b>\$ 7,050.64</b> ←
<b>TTL CHANGE ORDER</b>					<b>\$ 14,898.64</b>



Safety • Quality • Service

# C. A. RASMUSSEN, INC.

General Engineering Contractors  
License No. 254681 A

Valencia Commerce Center  
28548 Livingston Avenue  
Valencia, CA 91355-4171  
Telephone 661.367.9040  
Fax 661.367.9099  
[www.carasmussen.com](http://www.carasmussen.com)

1409.RFC015  
Proposal

April 3, 2015

**CNC Engineering**  
255 N. Hacienda Blvd  
Suite 222  
City of Industry, Ca 91744

Attn: Gerry Perez

Proj: Industry Business Center Ph1 Mass Grading, Far West Side  
Contract #IBC-0379

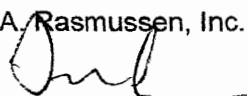
Subject: Request for Change Order Plan Revision #8

Please find below the breakdown of additional costs due to plan Revision #8.

NO.	DESCRIPTION	QTY	U/M	UNIT PRICE	TOTAL
New	Removable Bollards	22	EA	\$ 700.00	\$ 15,400.00
New	Additional Cost to Hand Dig adjacent to Wall	1	LS	\$ 1,500.00	\$ 1,500.00
New	CMU Retaining Wall (618-3 TYPE B, H=4')	150	LF	\$ 159.00	\$ 23,850.00
New	Structural Exc & Backfill of Wall & Slope	150	LF	\$ 75.00	\$ 11,250.00
Subtotal					\$ 52,000.00
MARK-UP				10% <\$5K	\$ 500.00
MARK-UP				5% >\$5K	\$ 2,350.00
Total Change Order Request					\$ 54,850.00

Please issue a change order in the amount of **\$54,850.00** for this work.

C.A. Rasmussen, Inc.

  
Tom Charon  
Operations Manager

File: 1409-Corporate RFC  
1409-Jobsite RFC



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www.GranstromMasonry.com  
P. O. Box 7041 Torrance, CA 90504  
310/327-2527 fax/515-6330  
CA State License C-29 # 629489 (exp. 9/30/15)  
Union Contractor-SBE

---

Date: March 31, 2015

To: C A Rasmussen

Attn: Steve Hoffman ([SHoffman@CARasmussen.com](mailto:SHoffman@CARasmussen.com))

From: Tom Polizzi ([TomP@GranstromMasonry.com](mailto:TomP@GranstromMasonry.com))

Cell: 310-977-6024

---

**Industry Business Center Phase 1 Mass Grading Far West Side – City of Industry**

**Change Order Request "A"**

(Revision 1)

Change or Reference:

**"Plan Rev # 8": CMU Retaining Wall per 618-3 Type B (Max H = 4.0'): 150 Lf @ \$ 159.: \$ 23,850.**

Inclusions and Exclusions per Contract



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[www.carasmussen.com](http://www.carasmussen.com)

1409. RFC009  
Proposed Costs

February 23, 2015

**CNC Engineering**  
255 N. Hacienda Blvd  
Suite 222  
City of Industry, Ca 91744

Attn: Gerry Perez

Proj: Industry Business Center Ph1 Mass Grading, Far West Side  
Contract #IBC-0379

Subject: Request for Change Order – 009

Please find below the breakdown of additional costs due to plan revisions by SCE for the dry utilities presently being installed.

BID ITEM	DESCRIPTION	QTY	UOM	\$/UOM	TTL
4E	5" Conduit	3,408	Lf	\$ 5.50	\$18,744.00
4I	5" Sch 80 Bend	2	Ea	\$ 200.00	\$ 400.00
			<b>BID ITEM SUBTOTAL</b>		<b>\$19,144.00</b>
New	4/0 Copper	118	Lf	\$ 6.00	\$ 708.00
New	Concrete Encasement Additional Cost for extra 2 - 5" conduits	1,704	Lf	\$ 4.00	\$ 6,816.00
New	7x14x11 Type 1 Vault, Cost diff from 7x14x8	2	Ea	\$3,000.00	\$ 6,000.00
			<b>NEW WORK SUBTOTAL</b>		<b>\$13,524.00</b>
			Mark-Up 10% < \$5,000		\$ 500.00
			Mark-Up 5% > \$5,000		\$ 426.20
			<b>NEW WORK TOTAL</b>		<b>\$14,450.20</b>
			<b>RFC TOTAL</b>		<b>\$33,594.20</b>

Please issue a change order in the amount of **\$33,594.20** for completion of this added work.

Respectfully,

C.A. Rasmussen, Inc.

*Steve Hoffman*

Steve Hoffman  
Project Manager

File: 1409-Corporate RFC  
1409-Jobsite RFC

*R*



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# C. A. RASMUSSEN, INC.

General Engineering Contractors  
License No. 254681 A

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Valencia, CA 91355-4171  
Telephone 661.367.9040  
Fax 661.367.9099  
[www.carasmussen.com](http://www.carasmussen.com)

1409. RFC002R1B  
Incurred Cost

April 2, 2015

**CNC Engineering**  
255 N. Hacienda Blvd  
Suite 222  
City of Industry, Ca 91744

Attn: Gerry Perez

Ref: Industry Business Center Ph1 Mass Grading, Far West Side  
Contract #IBC-0379

Subject: Request for Change Order – Costs Incurred for Removal/ Fixing of Existing BMP's Outside of Contract Work Area.

Please find attached costs incurred for the month of Jan-Feb 2015 for removal/ relocation/ fixing of existing BMP's for the above referenced project that was outside of our contract work area.

DATE	TICKET #	DESCRIPTION	AMOUNT
1/20/2015	57746	Relocate Existing Straw Waddles Outside of Contract Work Area	\$ 714.23
1/20/2015	62782	Relocate Existing Silt Fence Outside of Contract Work Area	\$ 714.23
2/2/2015	57747	Repair Existing BMP's Outside of Contract Work Area	\$ 1,302.63
2/3/2015	57748	Fix Existing BMP's & Add Sandbags Outside of Contract Work Area	\$ 2,054.40
			<b>\$ 4,785.49</b>

Please review and if acceptable issue a change order in the amount of **\$4,785.49** for completion of this added work.

C.A. Rasmussen, Inc.

Steve Hoffman  
Project Manager

File: 1409-Corporate RFC  
1409-Jobsite RFC

## DAILY EXTRA WORK REPORT

<b>City Of Industry</b> Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Relocate Straw Waddle	Contract: <b>IBC-0379</b> Cost Code: <b>901010</b> Ticket No. <b>57746</b>	<input checked="" type="checkbox"/> Signed	Change Order <b>900</b> Billing Number <b>22.0</b> Report Date <b>1/26/2015</b> Perform Date <b>1/20/2015</b>
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Labor Charges								
Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended
L01 LBR 301	RL Dickens	4.00			53.380			213.52
L02 LBR 306	JJ Dickens	4.00			49.530			198.12

Equipment Charges											
Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 12004		TRUCK	T&TT			4.00		33.460			133.84

Labor Charges		
RT Labor		411.64
SC	12.00%	49.39
OT Labor		0.00
Subtotal Labor		461.03
Subsistence		0.00
Other Expenses		0.00
MU	20.00%	<u>92.21</u>
<b>Labor Total</b>		<b>553.24</b>

Equipment Charges		
Subtotal		133.84
MU	15.00%	<u>20.08</u>
<b>Equipment Total</b>		<b>153.92</b>

Material Charges		

Subcontract Charges		

Activity Total **707.16**

Bill Surcharge		
Bonding	1.00%	7.07

For Owner/Resident Engineer's Use Only		
<input type="checkbox"/> New Bill	<input type="checkbox"/> Approved for Payment	Date of Action:
<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Returned for Correction	Date Received:

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total +	<b>714.23</b>
Page <u>1</u>	





## DAILY EXTRA WORK REPORT

<b>City Of Industry</b> Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Removed And Relocated Existing Silt Fence					Contract: <b>IBC-0379</b> Cost Code: <b>901010</b> Ticket No. <b>62782</b>			<input checked="" type="checkbox"/> Signed		Change Order <b>900</b> Billing Number <b>23.0</b> Report Date <b>2/12/2015</b> Perform Date <b>1/20/2015</b>			
<b>Labor Charges</b>							<b>Labor Charges</b>						
Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	411.64			
L01 LBR 301	RL Dickens	4.00			53.380			213.52	SC 12.00%	49.39			
L02 LBR 306	JJ Dickens	4.00			49.530			198.12	OT Labor	0.00			
<b>Equipment Charges</b>									Subtotal Labor	461.03			
Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	Subsistence	0.00
E01 12004	TRUCK T&TT		12-20			4.00		33.460			133.84	Other Expenses	0.00
									MU 20.00%	<u>92.21</u>	Labor Total	<b>553.24</b>	
									<b>Equipment Charges</b>				
									Subtotal	133.84			
									MU 15.00%	<u>20.08</u>			
									Equipment Total	<b>153.92</b>			
									<b>Material Charges</b>				
									<b>Subcontract Charges</b>				
									Activity Total	<b>707.16</b>			
									<b>Bill Surcharge</b>				
									Bonding 1.00%	7.07			
<b>For Owner/Resident Engineer's Use Only</b>							Accepted:		<b>Bill Total + 714.23</b>				
<input type="checkbox"/> New Bill		<input type="checkbox"/> Approved for Payment		Date of Action:		Customer:		Date:					
<input type="checkbox"/> Resubmittal		<input type="checkbox"/> Returned for Correction		Date Received:		Contractor:		Date:		Page <u>1</u>			

*AS*



## DAILY EXTRA WORK REPORT

<b>City Of Industry</b> Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Repair Existing B.M.P's	Contract: <b>IBC-0379</b> Cost Code: <b>901010</b> Ticket No. <b>57747</b>	Change Order <b>900</b> Billing Number <b>24.0</b> Report Date <b>2/12/2015</b> Perform Date <b>2/02/2015</b>
--	--	--

Labor Charges								
Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended
L01 OE 409	MS Mayfield	2.00			67.800			135.60
L02 LBR 301	RL Dickens	8.00			53.380			427.04

Equipment Charges											
Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 FM10	LDRRT	CAT	2301			4.00		115.990			463.96

Labor Charges		
RT Labor		562.64
SC	12.00%	67.51
OT Labor		0.00
Subtotal Labor		630.15
Subsistence		0.00
Other Expenses		0.00
MU	20.00%	<u>126.03</u>
Labor Total		<b>756.18</b>

Equipment Charges		
Subtotal		463.96
MU	15.00%	<u>69.59</u>
Equipment Total		<b>533.55</b>

Material Charges		
Subcontract Charges		

Activity Total **1,289.73**

Bill Surcharge		
Bonding	1.00%	12.90

For Owner/Resident Engineer's Use Only		
<input type="checkbox"/> New Bill	<input type="checkbox"/> Approved for Payment	Date of Action:
<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Returned for Correction	Date Received:

Accepted:	
Customer:	Date:
Contractor:	Date:

Bill Total +	<b>1,302.63</b>
Page	1



## DAILY EXTRA WORK REPORT

<b>City Of Industry</b> Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Fix Existing BMPs & Add Sandbags		Contract: <b>IBC-0379</b> Cost Code: <b>901010</b> Ticket No. <b>57748</b>	<input checked="" type="checkbox"/> Signed	Change Order <b>900</b> Billing Number <b>25.0</b> Report Date <b>2/18/2015</b> Perform Date <b>2/03/2015</b>							
<b>Labor Charges</b>				<b>Labor Charges</b>							
Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	562.64	
L01	OE 409	MS Mayfield	2.00		67.800			135.60	SC 12.00%	67.51	
L02	LBR 301	RL Dickens	8.00		53.380			427.04	OT Labor	0.00	
<b>Material/Specialist Work/Lump Sum or Unit Price Payment</b>									Subtotal Labor	630.15	
Number	Date	Vendor Name and Description			Units	Unit Price	Extended		Subsistence	0.00	
M01	02032015	2/03/2015	Cai Portland / 3/4' Gravel			10.000	TN	16.40	164.00	Other Expenses	0.00
M02	02032015	2/03/2015	Thompson Construction Supply / Sandbags			740.000	EA	1.28	947.20	MU 20.00%	<u>126.03</u>
									Labor Total	<b>756.18</b>	
									<b>Equipment Charges</b>		
									<b>Material Charges</b>		
									Subtotal	1,111.20	
									MU 15.00%	<u>166.68</u>	
									Material Total	<b>1,277.88</b>	
									<b>Subcontract Charges</b>		
									Activity Total	<b>2,034.06</b>	
									<b>Bill Surcharge</b>		
									Bonding 1.00%	20.34	
									None		
									Bill Total +	<b>2,054.40</b>	
<b>For Owner/Resident Engineer's Use Only</b>					Accepted:						
<input type="checkbox"/> New Bill	<input type="checkbox"/> Approved for Payment	Date of Action:			Customer:	Date:					
<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Returned for Correction	Date Received:			Contractor:	Date:		Page <u>1</u>			





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## C. A. RASMUSSEN, INC.

General Engineering Contractors  
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Valencia, CA 91355-4171  
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Fax 661.367.9099  
[www.carasmussen.com](http://www.carasmussen.com)

1409. RFC017  
Proposed Costs

April 2, 2015

**CNC Engineering**  
255 N. Hacienda Blvd  
Suite 222  
City of Industry, Ca 91744

Attn: Gerry Perez

Proj: Industry Business Center Ph1 Mass Grading, Far West Side  
Contract #IBC-0379

Subject: Request for Change Order – RFC017

As discussed, in an effort to minimize the water hammer issue that the Walnut Water District has voiced concerns over, CA Rasmussen will attach a pressure relief valve to our 6" recycled waterline. As agreed, the owner will pay for the valve at cost and C.A. Rasmussen will install and maintain it at no cost to the owner.

Please issue a change order in the amount of **\$1763.62** (invoice attached) to cover the cost of this pressure relief valve.

C.A. Rasmussen, Inc.

  
Steve Hoffman  
Project Manager

Attachments: As Noted  
File: 1409-Corporate RFC  
1409-Jobsite RFC

R

**Steve Hoffman**

**From:** Jamie.Guerrero@Ferguson.com  
**Sent:** Monday, March 16, 2015 2:56 PM  
**To:** Steve Hoffman  
**Subject:** FW: Email Bid# B453600

**From:** Jamie Guerrero - 603 SOCAL [mailto:jamie.guerrero@ferguson.com]  
**Sent:** Monday, March 16, 2015 2:55 PM  
**To:** Guerrero, Jamie [Ferguson] - 0603 Pomona  
**Subject:** Email Bid# B453600

**Price Quotation # B453600**

**FERGUSON ENTERPRISES, INC #603**

2750 SOUTH TOWNE AVENUE  
POMONA, CA 91766

Phone : 909-517-3085  
Fax : 909-613-1607

**Bid No.....:** B453600  
**Bid Date...:** 03/16/15  
**Quoted By:** JJG  
**Customer.:** CA RASMUSSEN INC  
28548 LIVINGSTON AVE  
VALENCIA, CA 91355

**Cust Phone:** 661-367-9040  
**Terms.....:** NET 10TH PROX  
**Ship To.....:** CA RASMUSSEN INC  
28548 LIVINGSTON AVE  
VALENCIA, CA 91355

**Cust PO#..:**

**Job Name.:** CLAVAL

Item	Description	Quantity	Net Price	UM	Total
SP-C50G01BPVKCDBH	1-1/4 50G-01-BPVKC THRD PRES VALVE	1	1618.000	EA	1618.00
	2 WKS				

Subtotal: \$1618.00  
Inbound Freight: \$0.00  
Tax: \$145.62  
Order Total: \$1763.62

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This Quote is offered contingent upon the Buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at [http://wvalselevna.com/terms\\_conditionsSale.html](http://wvalselevna.com/terms_conditionsSale.html). Govt Buyers: All items quoted are open market unless noted otherwise. LEAD LAW WARNING: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable law in potable water systems anticipated for human consumption. Products with \*NP in the



*SUCCESSOR AGENCY*

ITEM NO. 5.8



## **FACILITIES RELOCATION AGREEMENT**

This Facilities Relocation Agreement (“Agreement”) is made and entered into this 13 day of April, 2015 (the “Effective Date”) by and between Southern California Edison Company, a California corporation (“SCE”), and Successor Agency to the Industry Urban-Development Agency (the “Applicant”). SCE and the Applicant are sometimes individually referred to herein as a “Party” and collectively as the “Parties”.

### **RECITALS**

WHEREAS, the Applicant is proposing to develop a Commercial project (the “Project”) within that area generally depicted in the attached Exhibit A (the “Project Location”).

WHEREAS, SCE currently operates and maintains certain transmission, distribution, and telecommunication facilities (collectively the “SCE Facilities”) within and proximate to the Project Location.

WHEREAS, the Applicant has determined that implementation of the Project will require the relocation of portions of the SCE Facilities and, to that end, the Applicant has requested that SCE relocate some or all of the SCE Facilities.

WHEREAS, subject to the terms and provisions set forth herein, SCE is willing and able to relocate the identified SCE Facilities in order to accommodate the Project.

NOW, THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN THE APPLICANT AND SCE AS FOLLOWS:

### **AGREEMENT**

#### **1. SCOPE OF WORK**

This Project will require that certain of SCE’s overhead distribution and telecommunications facilities be relocated from their current location to a new underground location. The Scope of Work for the overhead to underground relocation is as follows: Relocation and undergrounding of distribution and ECS facilities at the proposed Industry Business Center site (Design 414372\_0.01).

#### **2. RELOCATION PLANS**

a. Approved Relocation Plans. In furtherance of the Applicant’s request, SCE has prepared certain plans/designs that identify (i) the SCE Facilities that will be impacted by the Project and (ii) the relocation areas for the affected SCE Facilities (the “Relocation Plans”). Copies of the Relocation Plans are attached hereto as Exhibit B. The Applicant expressly acknowledges that (a) it has reviewed and approved the Relocation Plans and (b) the Relocation Plans do not present any conflicts with the Applicant’s development plans for the Project, nor do the Relocation Plans conflict with any other non-SCE utilities that are located, or will be located, in the Project Location. It is the Applicant’s sole responsibility to ensure that no

conflicts exist between the Relocation Plans and the Applicant's development plans or other non-SCE utilities, and to timely inform SCE of the need for any refinements, modifications, or revisions to the Relocation Plans to resolve any such conflicts that may later arise, all in accordance with subsections (b) - (d) below.

b. Refinements to Plans. Depending upon the design status of the Project as of the Effective Date, the Parties acknowledge that refinements and/or adjustments to portions of the Relocation Plans may be required in order to eliminate minor conflicts. In such instance, SCE shall prepare such refinements to the Relocation Plans as may be necessary in order to address/eliminate said conflicts. The refined Relocation Plans shall be presented to the Applicant for review and approval; SCE shall not commence the Relocation Work (see Section 4, below) unless and until the Applicant has reviewed and approved the refined Relocation Plans. The Applicant shall be responsible for all costs and expenses reasonably incurred by SCE in relation to SCE's refinement of the Relocation Plans.

c. Revised Plans. In the event that modifications/revisions to the Relocation Plans are required in order to accommodate changes to the Project (including the elimination of conflicts with the Applicant's development plans), to resolve conflicts with other non-SCE utilities within the Project area, or to address other changed circumstances, then SCE shall prepare such modifications/revisions as are necessary to address said changes and shall present same to the Applicant for review and approval. The Applicant shall be responsible for all costs and expenses reasonably incurred by SCE in relation to SCE's preparation of the modifications/revisions to the Relocation Plans.

d. Potential Project Delays. The Applicant expressly acknowledges that the preparation of refined, modified and/or revised Relocation Plans may cause delays in SCE's performance of the Relocation Work, and that said delays could impact the development schedule for the Project. The Parties agree that SCE shall not have any liability or obligation to the Applicant (or others) in the event that the preparation of refined, modified and/or revised Relocation Plans results in delays in the Project.

### **3. ACQUISITION OF LAND RIGHTS**

The Applicant shall be responsible for securing all land rights required by SCE to allow SCE to relocate, construct and permanently operate and maintain the SCE Facilities on the areas depicted in the Relocation Plans (the "Relocation Areas"). The land rights acquired by the Applicant (the "SCE Land Rights") shall be in a form prescribed by SCE (the "SCE Land Rights Form"); SCE shall provide the SCE Land Rights Form to the Applicant.

The SCE Land Rights shall also include permanent rights of ingress/egress that allow SCE to gain reasonable, unimpeded and non-escorted access to and from the Relocation Areas and the SCE Facilities (whether over lands owned by the Applicant or otherwise). In connection with the acquisition of the SCE Land Rights, the Applicant shall be responsible for clearing all encumbrances identified by SCE that could interfere with the Relocation Work and the exercise of the SCE Land Rights on/about the Relocation Areas (including access thereto/therefrom). Unless otherwise agreed (in writing) by SCE, the SCE Land Rights shall be granted directly to SCE. Notwithstanding any provision herein to the contrary, SCE will not begin the Relocation

Work unless and until all required SCE Land Rights have been executed, in writing, and presented to and approved by SCE.

**4. RELOCATION WORK**

Following (i) the Parties' confirmation of the finality of the Relocation Plans and (ii) the Applicant's acquisition (and SCE's approval) of the SCE Land Rights, SCE shall cause the SCE Facilities to be removed and relocated to the Relocation Areas in accordance with the Relocation Plans (the "Relocation Work"). SCE shall perform the Relocation Work in accordance with all applicable laws, rules and regulations.

**5. COST ALLOCATION**

Applicant is exclusively responsible for all costs and expenses associated with SCE's implementation of the Relocation Plans (including, but not limited to, the costs and expenses associated with (i) SCE's preparation of the Relocation Plans (and any revisions thereto and refinements thereof), (ii) SCE's performance of the Relocation Work and (iii) the Applicant's acquisition of the SCE Land Rights). Applicant shall reimburse SCE for all costs and expenses incurred by SCE in accordance with the provisions of Section 6, below.].

**6. INITIAL COST ESTIMATE, PAYMENT(S) AND RECONCILIATION**

a. Initial Cost Estimate. The total estimated cost for the Relocation Work for which the Applicant is responsible is six hundred ninety one thousand dollars (\$691,000) (the "Initial Cost Estimate").

The Initial Cost Estimate does not include an Income Tax Component of Contribution ("ITCC") based on SCE's understanding that this project is exempt from ITCC charges. In the event that the Internal Revenue Service, state, city, and/or local governmental taxing authority determines that this project is taxable, the Applicant will reimburse SCE for the full amount of the tax liability, plus interest, penalties, fees, and related costs. Such amounts will be paid to SCE within 60 days after notification of such event by SCE to the Applicant. By execution of this document, the Applicant hereby acknowledges that this project is funded by the Applicant.

b. Prior Advances; Outstanding Balance. SCE has previously received an engineering advance from the Applicant in the amount of forty thousand dollars (\$40,000) and an advance payment of one hundred thousand dollars (\$100,000) and a project payment in the amount of five hundred fifty one thousand dollars (\$551,000) which have been applied toward the total Initial Cost Estimate owed by the Applicant. Thus, there is no (\$0.00) total remaining balance due to SCE at this time (the "Outstanding Balance").

c. Payment of Outstanding Balance. Concurrent with the Applicant's execution and delivery of this Agreement, the Applicant shall pay to SCE the Outstanding Balance. The Outstanding Balance shall be delivered to SCE at the address shown in Section 12.b, below, and shall reference the following SCE Project File Number: Project ID #845. Notwithstanding any provision herein to the contrary, the Applicant acknowledges and agrees

that SCE will not begin the Relocation Work unless and until SCE has received the Outstanding Balance.

d. Reconciliation. The Parties acknowledge that the Initial Cost Estimate is valid only for a period of 90 days following the Effective Date, and that the costs associated with SCE's performance of the Relocation Work could increase prior to SCE's completion of the Relocation Work. Upon completion of the Relocation Work (or cancellation of the Project or termination of this Agreement), the Applicant will be responsible for paying the total costs and expenses actually incurred by SCE in relation to implementation of the Relocation Plans. Thus, at the completion of the Relocation Work (or upon cancellation of the Project or termination of this Agreement), SCE will calculate the total actual costs and expenses for which the Applicant is responsible hereunder, and the Applicant will be provided with a final invoice identifying said costs and expenses. The Applicant will be billed or refunded, as applicable, for any difference between the amounts paid by the Applicant hereunder and the actual costs and expenses incurred by SCE. Any amount owed to SCE shall be due no later than 30 days after the Applicant's receipt of the final invoice. Similarly, any amount owed by SCE to the Applicant shall be refunded by SCE to the Applicant within 30 days following SCE's preparation and delivery of the final invoice.

## **7. PROJECT SCHEDULING**

The Parties acknowledge and agree that completion of the Relocation Work is contingent upon mutually acceptable schedules, available resources, the timely obtaining of permits, licenses, real property rights, and other documents, outages or other key items and not being delayed by those forces described in Section 8, below. The Parties shall work cooperatively and in good faith to timely meet all mutually-acceptable schedules and to minimize delays; however, the Applicant expressly acknowledges and agrees that SCE offers no guarantees or warranties regarding the completion date for the Relocation Work.

## **8. NO RESPONSIBILITY FOR DELAYS**

SCE shall not be responsible or liable to the Applicant (or others) for any delay in its performance hereunder, or for any delays in the Project, due to any reason including, but not limited to: shortage of labor or materials, delivery delays, major equipment breakdown, load management, strikes, labor disturbances, war, riot, insurrection, civil disturbance, weather conditions, epidemic, quarantine restriction, sabotage, act of public enemy, earthquake, governmental rule, regulation or order, including orders of judgments of any court or commission, requirement of additional or separate Environmental Impact Reports requested by the California Public Utilities Commission ("CPUC"), delay in receiving a Certificate of Public Convenience and Necessity from the CPUC, delay in obtaining necessary rights of way, act of God, or any cause or conditions beyond the control of SCE or the Applicant. The Applicant expressly waives and releases any and all claims for damages against SCE arising out of any delays in the Project unless due to SCE's sole negligence or willful misconduct.

**9. COMPLIANCE WITH CEQA AND OTHER ENVIRONMENTAL LAWS**

The Applicant, at no cost to SCE, but with SCE's reasonable cooperation, shall comply with the requirements of the California Environmental Quality Act ("CEQA") and other environmental laws, as applicable, and shall prepare any and all Negative Declarations, Mitigated Negative Declarations and/or Environmental Impact Reports which may be required by any agency or entity having jurisdiction over the Project and the Relocation Work. The Applicant expressly acknowledges that SCE is relying upon the Applicant's representations that the Relocation Work is covered by the environmental documentation, clearances and permits issued (or to be issued) in relation to the Project, and that the Applicant is responsible for satisfying all mitigation requirements and conditions attendant to SCE's performance of the Relocation Work. Notwithstanding any provision herein to the contrary, the Applicant acknowledges and agrees that SCE will not begin the Relocation Work unless and until SCE has confirmed that all environmental permits, approvals, certifications and authorizations have been issued in relation to the Project and the Relocation Work.

**10. COOPERATION BY BOTH PARTIES; TIMELY COMMUNICATION**

The Parties shall work cooperatively and in good faith to timely implement their respective duties and obligations set forth herein. To that end, the Parties shall timely communicate with one another regarding the status of the Project, the status of the Relocation Work, and ways that the Parties may work together to facilitate the completion of this Agreement. Notwithstanding any provision herein to the contrary, failure by the Applicant to timely respond to requests for information by SCE shall be considered a default of this Agreement.

**11. INDEMNIFICATION**

The Applicant agrees, for itself, and for its agents, contractors, and employees, to save harmless, defend, and indemnify SCE, its officers, agents, contractors, and employees, and its successors and assigns, from and against all claims, loss, damage, actions, causes of action, expense and/or liability arising from or growing out of loss or damage to property, including SCE's own personal property, or injury to or death of persons, including employees of SCE, resulting in any manner whatsoever, directly or indirectly, by reason of this Agreement or the use of or occupancy of the Project Location by the Applicant, its agents, contractors, and employees, invitees, successors and assigns, and regardless of whether such claims, losses or damages are caused by SCE's ordinary negligence, but excluding any claims, losses, or damages caused solely by SCE's gross negligence or willful misconduct.

**12. NOTICES, CORRESPONDENCE, AND PAYMENT ADDRESS**

a. Notices and Correspondence. Any notices and correspondence provided for in this Agreement, other than payments, to be given by either Party hereto to the other shall be deemed to have been duly given when made in writing and deposited in the United States mail, registered or certified and postage prepaid, addressed as follows:

To SCE:

Miguel Flores  
Project Manager (Transmission)  
Southern California Edison  
800 West Cienega Blvd  
San Dimas, CA 91773

To Successor Agency to the Industry Urban-Development Agency:

15625 E. Stafford St., Suite 100  
City of Industry, CA 91744  
Attention: Kevin Radecki

b. Payments: Any payments provided for in this Agreement shall be forwarded to the addresses below.

To SCE:

Southern California Edison Company  
P.O. Box 800  
Rosemead, California 91771-0001  
Attention: Accounts Receivable

To Successor Agency to the Industry Urban-Development Agency:

15625 E. Stafford St., Suite 100  
City of Industry, CA 91744  
Attention: Kevin Radecki

### 13. TERMINATION

a. Applicant's Right to Terminate Agreement. The Applicant shall have the right to terminate this Agreement at any time upon written notice to SCE. If this Agreement is terminated by the Applicant, the Applicant shall be responsible to SCE for all costs and expenses actually incurred by SCE in connection with SCE's preparation of the Relocation Plans, performance of the Relocation Work, and any other actions/activities under this Agreement, notwithstanding the cost allocation provisions in Section 5, above. Additionally, Applicant shall be responsible for any additional costs and expenses incurred by SCE as a result of the termination, including but not limited to, restoring the SCE Facilities to a permanent operational state; all costs for equipment and/or materials; and all costs or expenses related to the cancellation of contracts, purchase orders, or other commitments or agreements entered into up to and including the date of the notice of termination, between SCE and all parties furnishing labor, materials, and services in connection with this Agreement. SCE shall prepare and deliver to the Applicant an invoice that describes/identifies the costs and expenses thus incurred by SCE. Within 30 days following SCE's delivery of said invoice, the Applicant shall pay to SCE the amounts specified in the invoice.



b. Termination Due to Applicant's Default. If the Applicant is in default of any of the terms, provisions, conditions, limitations and covenants of this Agreement, SCE may give the Applicant written notice of default ("Default Notice") at the address provided for in Section 12.a, above. If the Applicant does not cure such default within the time specified in the Default Notice, SCE has the right, but not the obligation, to terminate this Agreement upon 30 days written notice to the Applicant (or such lesser time as may be appropriate under the circumstances). Except as otherwise provided, should SCE exercise such right of termination, SCE shall be entitled to payment for all costs and expenses for materials, services, labor, overhead, and any other expenses related to the performance of this Agreement thus incurred by SCE, up to and including the date of termination, notwithstanding the cost allocation provisions in Section 5, above. SCE shall also be entitled to payment for all costs and expenses required to effect the termination of this Agreement, including but not limited to: all costs and expenses pertaining to the restoration of the SCE Facilities to a permanent operational state; all costs for equipment and/or materials; and all costs and expenses related to the cancellation of contracts, purchase orders, commitments or other agreements entered into up to and including the date of the notice of termination, between SCE and all parties furnishing labor, materials, and services in connection with this Agreement. SCE shall prepare and deliver to the Applicant an invoice that describes/identifies the costs and expenses thus incurred by SCE. Within 30 days following SCE's delivery of said invoice, the Applicant shall pay to SCE the amounts specified in the invoice. SCE shall reconvey to Applicant (and without cost to Applicant) any SCE Land Rights granted to SCE hereunder if upon termination of this Agreement under this Section 13 SCE has not relocated any of the SCE Facilities to the Relocation Areas as herein provided.

**14. JURISDICTION OF PUBLIC UTILITIES COMMISSION**

This Agreement shall at all times be subject to such changes or modifications as the California Public Utilities Commission may, from time to time, direct in the exercise of its jurisdiction pursuant to the authority conferred upon it by law.

**15. AMENDMENTS**

The provisions of this Agreement shall not be altered or amended by any representations or promises of any Party unless consented to in a writing executed by all Parties.

**16. GOVERNING LAW**

This Agreement shall be subject to and construed according to the laws of the State of California.

**17. HEADINGS**

The captions and headings used in this Agreement are strictly for convenience and are not intended to and shall not affect the Parties' rights and obligations, or the construction or interpretation of this Agreement.

**18. THIRD PARTY BENEFICIARIES**

Nothing herein is intended to create any third party benefit.

**19. NO AGENCY, PARTNERSHIP OR JOINT VENTURE**

Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent or of partnership or of joint venture by and between the Parties hereto.

**20. WAIVER**

No waiver of any default or breach hereunder shall be implied from any omission to take action on account thereof, notwithstanding any custom and practice or course of dealing. No waiver by any Party of any provision under this Agreement shall be effective unless in writing and signed by such Party, and no waiver shall affect any default other than the default specified in the waiver and then said waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant shall not be construed as a waiver of any subsequent breach of the same.

**21. DUPLICATE ORIGINALS AND ELECTRONIC SIGNATURES**

This Agreement may be executed in duplicate originals, each of which, when so executed and delivered, shall be an original but such counterparts shall together constitute one instrument and agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF) or by other electronic means constitutes effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. This Agreement may be executed by SCE by way of an electronic signature, in which case, said electronic signature shall have the same force and effect as a written signature.

***[THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW]***

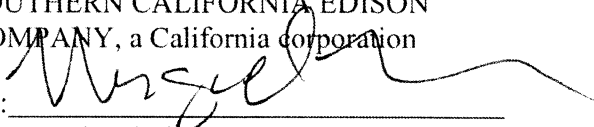
IN WITNESS WHEREOF, this Agreement and each and every term herein is agreed to by and between the undersigned.

DATED: \_\_\_\_\_

Successor Agency to the Industry Urban-  
Development Agency,  
a(n) \_\_\_\_\_

By: \_\_\_\_\_  
Kevin Radecki  
Executive Director

DATED: 04/13/2015

SOUTHERN CALIFORNIA EDISON  
COMPANY, a California corporation  
By:  \_\_\_\_\_  
Miguel Flores  
Project Manager

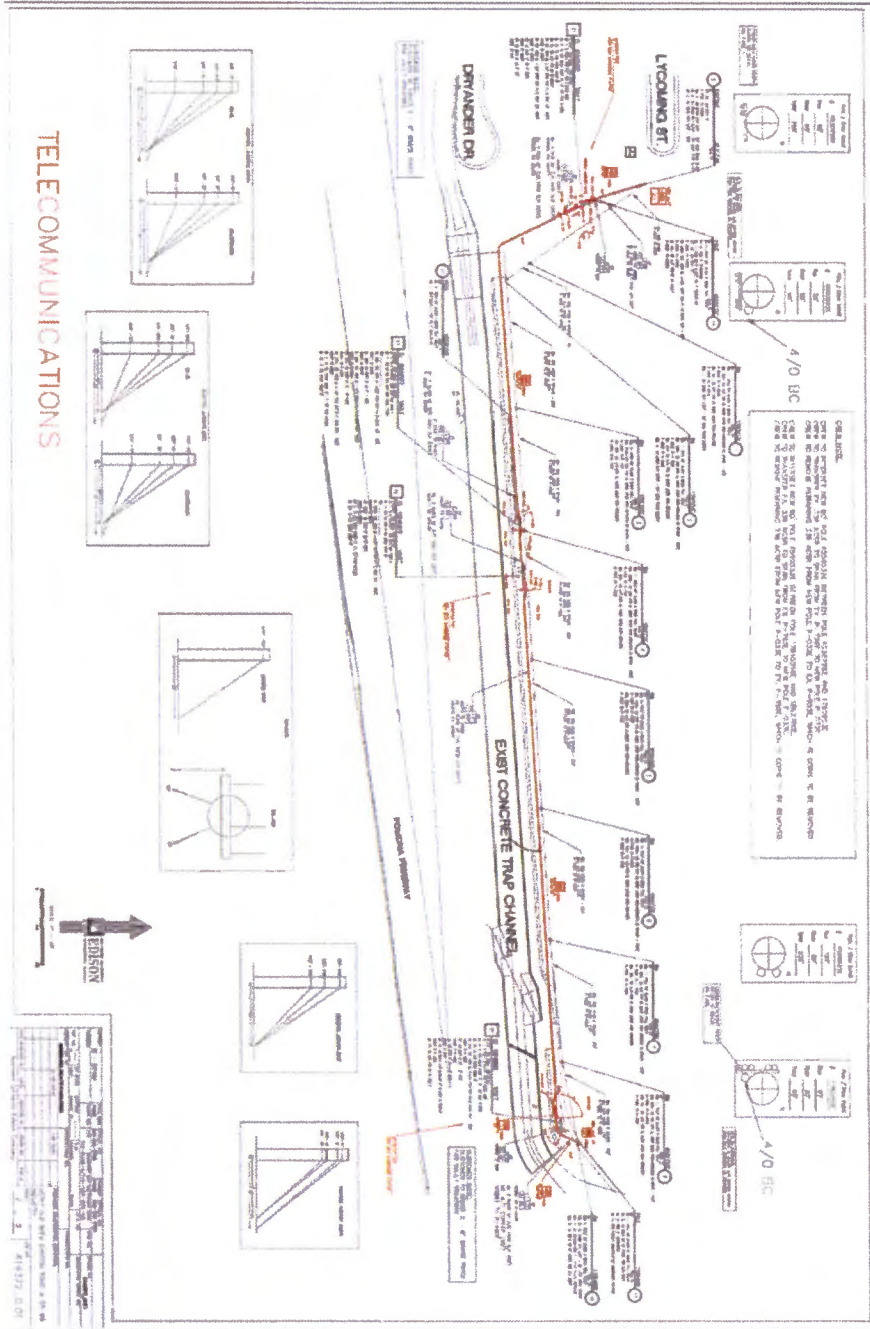
## EXHIBIT A

### Description of the Project Location



# EXHIBIT B

## APPROVED RELOCATION PLANS



*SUCCESSOR AGENCY*

ITEM NO. 5.9



RECORDING REQUESTED BY



SOUTHERN CALIFORNIA  
**EDISON**

An EDISON INTERNATIONAL Company

WHEN RECORDED MAIL TO

SOUTHERN CALIFORNIA EDISON COMPANY

Real Properties  
2131 Walnut Grove Avenue, 2nd Floor  
Rosemead, CA 91770

Attn: Distribution/TRES

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT OF  
EASEMENT**

DOCUMENTARY TRANSFER TAX \$ NONE (VALUE AND CONSIDERATION LESS THAN \$100.00)	DISTRICT	WORK ORDER	IDENTITY	MAP SIZE
	Covina	TD586269	N/A	
SCE Company	FIM 112-4335-1	APPROVED:	BY	DATE
SIG. OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	APN 8719-009-908	REAL PROPERTIES	SLS/SM	4/21/15

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, a former redevelopment agency of the City of Industry (hereinafter referred to as "Grantor"), hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns (hereinafter referred to as "Grantee"), an easement and right of way to construct, use, maintain, operate, alter, add to, repair, replace, reconstruct, inspect and remove at any time and from time to time overhead and underground electrical supply systems and communication systems (hereinafter referred to as "systems"), consisting of poles, guys and anchors, crossarms, wires, underground conduits, cables, vaults, manholes, handholes, and including aboveground enclosures, markers and concrete pads and other appurtenant fixtures and equipment necessary or useful for distributing electrical energy and for transmitting intelligence by electrical means, in, on, over, under, across and along that certain real property in the County of Los Angeles, State of California, described as follows:

FOR LEGAL DESCRIPTION, SEE EXHIBIT "A" AND "B" ATTACHED HERETO AND A PART HEREOF.

Grantor agrees for himself, his heirs and assigns, not to erect, place or maintain, nor to permit the erection, placement or maintenance of any building, planter boxes, earth fill or other structures except walls and fences on the hereinbefore described easement area. The Grantee, and its contractors, agents and employees, shall have the right to trim or top such trees and to cut such roots as may endanger or interfere with said systems and shall have free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said property of the Grantor, the Grantee shall make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable.



EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**GRANTOR**

SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY, a former  
redevelopment agency of the City of Industry

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, notary public,  
(insert name)

personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(This area for notary stamp)

EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**GRANTEE**

SOUTHERN CALIFORNIA EDISON COMPANY,  
a corporation

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_, notary public,  
(insert name)

personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(This area for notary stamp)

**LEGAL DESCRIPTION**  
12 KV EASEMENT

**CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA**

THAT PORTION OF LOT 1 OF PARCEL MAP NO. 8024, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 99, PAGES 3 AND 4 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF LOT 1 OF SAID PARCEL MAP NO. 8024; THENCE NORTH 23°16'34" WEST ALONG THE WESTERLY LINE OF SAID LOT 1, A DISTANCE OF 349.24 FEET; THENCE LEAVING SAID WESTERLY LINE NORTH 70°28'39" EAST, A DISTANCE OF 12.10 FEET TO THE **POINT OF BEGINNING** OF THIS DESCRIPTION; THENCE SOUTH 19°31'21" EAST, A DISTANCE OF 97.34 FEET; THENCE SOUTH 22°31'17" EAST, A DISTANCE OF 159.09 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 17.50 FEET; THENCE SOUTHEASTERLY AND EASTERLY ALONG SAID CURVE, A DISTANCE OF 21.73 FEET, THROUGH A CENTRAL ANGLE OF 71°09'40"; THENCE NORTH 86°19'03" EAST, A DISTANCE OF 1399.43 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 17.50 FEET; THENCE EASTERLY AND NORTHEASTERLY ALONG SAID CURVE A DISTANCE OF 16.95 FEET, THROUGH A CENTRAL ANGLE OF 55°29'22"; THENCE NORTH 30°49'41" EAST, A DISTANCE OF 37.08 FEET TO THE SOUTH LINE OF LOT 2 OF SAID PARCEL MAP NO. 8024; THENCE SOUTH 84°49'40" WEST ALONG SAID SOUTH LINE, A DISTANCE OF 12.36 FEET TO A POINT DISTANT 174.73 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 2; THENCE LEAVING SAID SOUTH LINE SOUTH 30°49'41" WEST, A DISTANCE OF 29.81 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 7.50 FEET; THENCE SOUTHWESTERLY AND WESTERLY ALONG SAID CURVE, A DISTANCE OF 7.26 FEET, THROUGH A CENTRAL ANGLE OF 55°29'22"; THENCE SOUTH 86°19'03" WEST, A DISTANCE OF 850.55 FEET; THENCE NORTH 79°38'47" WEST, A DISTANCE OF 20.62 FEET; THENCE SOUTH 86°19'03" WEST, A DISTANCE OF 109.49 FEET;

THENCE SOUTH 72°16'53" WEST, A DISTANCE OF 20.62 FEET; THENCE SOUTH 86°19'03" WEST, A DISTANCE OF 127.43 FEET; THENCE NORTH 41°19'03" EAST, A DISTANCE OF 31.68 FEET; THENCE NORTH 48°40'57" WEST, A DISTANCE OF 10.00 FEET; THENCE SOUTH 41°19'03" WEST, A DISTANCE OF 35.00 FEET; THENCE NORTH 48°40'57" WEST, A DISTANCE OF 35.00 FEET; THENCE SOUTH 41°19'03" WEST, A DISTANCE OF 10.00 FEET; THENCE SOUTH 48°40'57" EAST, A DISTANCE OF 31.68 FEET; THENCE SOUTH 86°19'03" WEST, A DISTANCE OF 253.13 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 7.50 FEET; THENCE WESTERLY AND NORTHWESTERLY ALONG SAID CURVE, A DISTANCE OF 9.31 FEET, THROUGH A CENTRAL ANGLE OF 71°09'40"; THENCE NORTH 22°31'17" WEST, A DISTANCE OF 157.81 FEET; THENCE NORTH 03°25'17" EAST, A DISTANCE OF 23.55 FEET; THENCE SOUTH 35°12'10" EAST, A DISTANCE OF 25.73 FEET; THENCE NORTH 54°47'50" EAST, A DISTANCE OF 10.00 FEET; THENCE NORTH 35°12'10" WEST, A DISTANCE OF 102.30 FEET; THENCE SOUTH 70°28'39" WEST, A DISTANCE OF 8.17 FEET TO THE POINT OF BEGINNING.

CONTAINING 19,549.10 SQUARE FEET, (0.45 ACRES), OF LAND, MORE OR LESS.

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.



CLEMENT N. CALVILLO, RCE 27743

CNC Engineering

Job No. MP 99-31#16 Legal No.1017

Checked by:  April 9, 2015



# EXHIBIT B



PM No. 8024  
BOOK 99, PAGE 3  
LOT 1

LOT 2

LYCOMING  
STREET

SEE SHEET 2

SEE SHEET 3

SEE SHEET 4

POMONA FREEWAY

P.O.B. POINT OF BEGINNING  
P.O.C. POINT OF COMMENCEMENT  
(R) PER PM NO.8024, BK99, PG3  
(TYP) TYPICAL

Prepared by:

**CNC ENGINEERING**

255 N. Hacienda Blvd. Suite 222

City of Industry, CA 91744

Phone (626) 333-0336

Job No. MP 99-31 #16 April 9, 2015

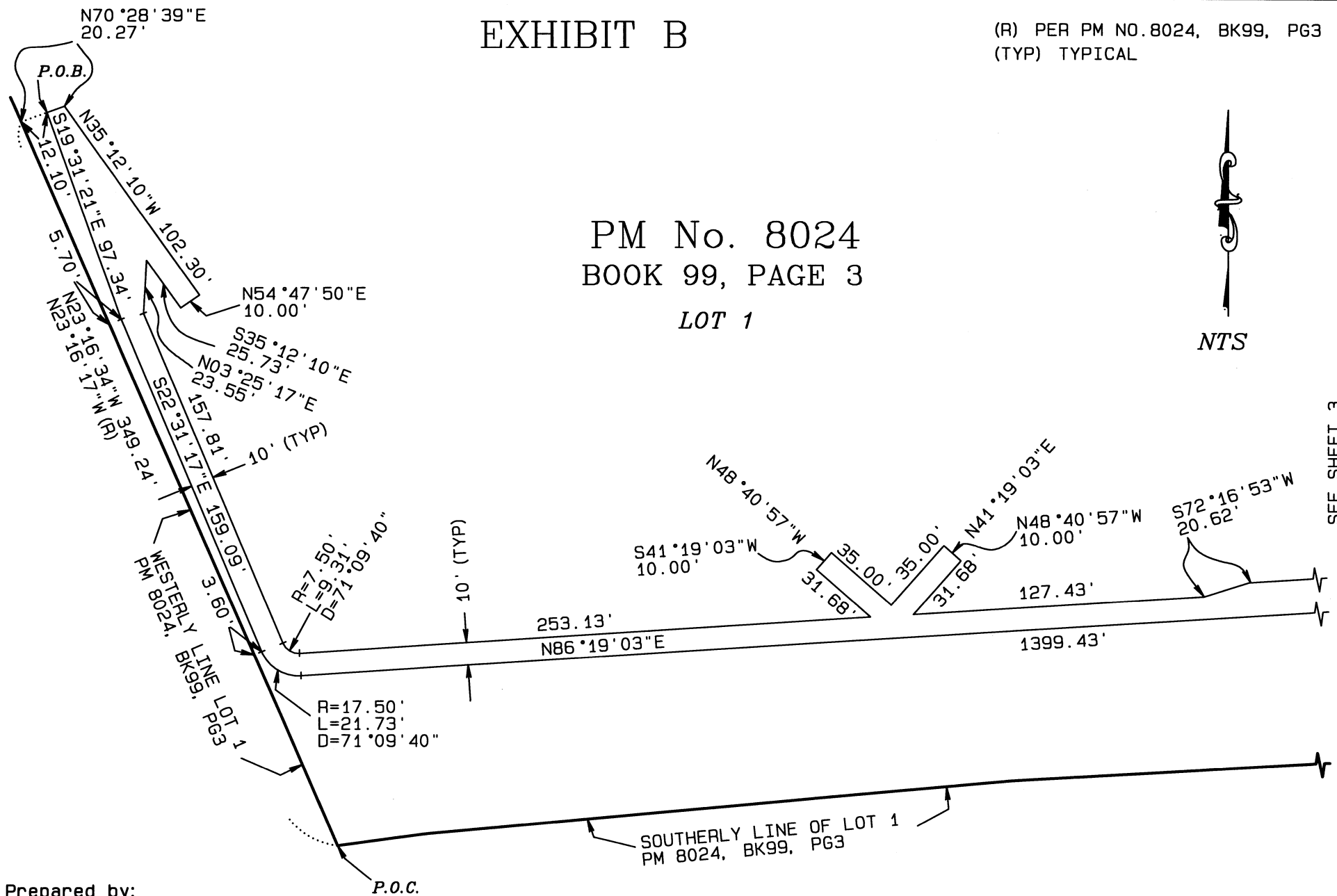
*Legal No.1017*

*SHEET 1 OF 4*

# EXHIBIT B

(R) PER PM NO.8024, BK99, PG3  
(TYP) TYPICAL

PM No. 8024  
BOOK 99, PAGE 3  
LOT 1



SEE SHEET 3

Prepared by:

**CNC ENGINEERING**

255 N. Hacienda Blvd. Suite 222

City of Industry, CA 91744

Phone (626) 333-0336

Job No. MP 99-31 #16 April 9, 2015

Legal No. 1017  
SHEET 2 OF 4

# EXHIBIT B

(TYP) TYPICAL

PM No. 8024  
BOOK 99, PAGE 3

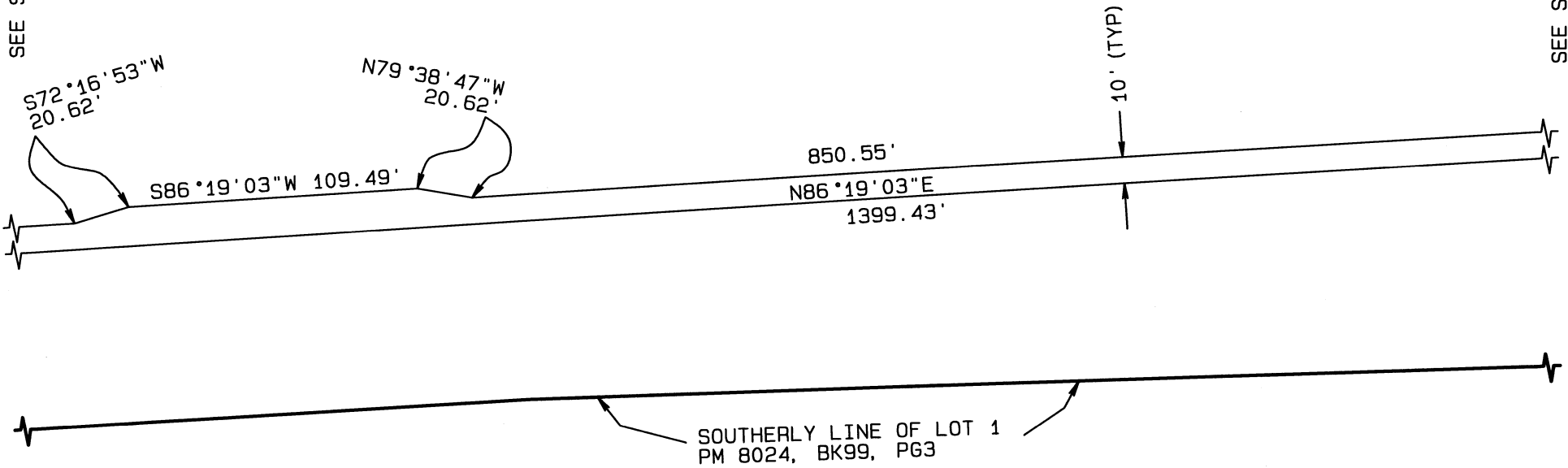
LOT 1



NTS

SEE SHEET 2

SEE SHEET 4



Prepared by:

**CNC ENGINEERING**

255 N. Hacienda Blvd. Suite 222

City of Industry, CA 91744

Phone (626) 333-0336

Job No. MP 99-31 #16 April 9, 2015

Legal No. 1017  
SHEET 3 OF 4

# EXHIBIT B

(R) PER PM NO. 8024, BK99, PG3  
(TYP) TYPICAL

PM No. 8024  
BOOK 99, PAGE 3



NTS

SEE SHEET 3

LOT 1

LOT 2

S.W. COR. LOT 2

10' (TYP)

S84°49'57"W (R)  
S84°49'40"W

174.73'

R=7.50'  
L=7.26'  
D=55°29'22"

N30°49'41"E

12.36'

850.55'

N86°19'03"E

1399.43'

R=17.50'  
L=16.95'  
D=55°29'22"

SOUTHERLY LINE OF LOT 1  
PM 8024, BK99, PG3

Prepared by:

**CNC ENGINEERING**

255 N. Hacienda Blvd. Suite 222  
City of Industry, CA 91744  
Phone (626) 333-0336  
Job No. MP 99-31 #16 April 9, 2015

Legal No. 1017  
SHEET 4 OF 4



*SUCCESSOR AGENCY*

ITEM NO. 5.10

## MEMORANDUM

**TO:** Kevin Radecki, Executive Director      **DATE:** April 28, 2015  
**FROM:** Joshua Nelson      **JOB NO.:** MP 99-31 #16  
**SUBJECT:** 12KV Distribution and Communication Systems in Conjunction with the Industry Business Center Development (Phase 1)

---

Attached for your consideration is a Bill of Sale to Southern California Edison for the phase 1 relocation of their 12 KV distribution and communication systems in conjunction with the Industry Business Center development.

As part of the Industry Business Center projects, various Southern California Edison 12 KV distribution and communication systems needed to be relocated. As part of Contract IBC-0379 for the Far West Mass Grading, the Agency contractor has installed conduit to the new alignment under the inspection of Southern California Edison personnel. Now that the Agency contractor has finished this work, there are three things that Edison needs in order for them to run the cabling and remove their overhead poles. They need an agreement to be signed that discusses the terms of the relocation. They also need to be granted the land rights (in the form of an easement) to have the right to be on the Successor Agency owned land in the new location. Finally because the Agency paid for the conduit, they need to sign a bill of sale that gives the conduit to Edison so that the Agency is no longer responsible for the conduit. The agreement estimates that Edison's cost for this work is \$691,000 all of which has already been provide to Edison in the form of a deposit. They will do a final accounting after the project is complete to determine if a credit is due to the Agency or if more costs have been incurred in which case they will invoice the Agency for the additional cost.

We recommend that you approve the Bill of Sale to Southern California Edison and return it to CNC Engineering for further processing.

---

By: Joshua Nelson  
Sr. Project Manager

Signature: 

JN:cl



March 19, 2015

Attn: Kevin Radecki  
Successor to Industry Urban Development Agency  
15625 E Stafford St, Suite 100  
City of Industry, CA 91744

Subject: Bill of Sale Regarding Applicant-Installed Ducts and Substructures  
Design 414372\_0.01 (9/25/14) Antler 12 kV and Utopia 12 kV  
Project Location: 523 S. Grand Ave., City of Industry, CA 91789  
Project ID # 845

Dear Kevin Radecki:

Pursuant to Section 1 of the Facilities Relocation Agreement between Successor Agency to the Industry Urban-Development Agency ("Applicant") and Southern California Edison ("SCE"), effective February 10, 2015, Applicant has installed certain underground ducts and substructures, which are intended to be deeded to SCE as part of the Underground Relocation<sup>1</sup> project at 523 S. Grand Ave in City of Industry. This letter serves to deed the underground ducts and substructures, and each and every part and component thereof (hereinafter, "the Ducts and Substructures") to SCE.

**By countersigning this letter in the space provided below, Applicant hereby sells, assigns, conveys, transfers and delivers to SCE, its legal representatives, successors and assigns, absolutely and not as security, all of Applicant's present and future right, title and interest in and to the Ducts and Substructures.** Applicant warrants and represents that ownership of the Ducts and Substructures hereby passes to SCE free and clear of any and all liens, mortgages, security interests, pledges, conditions, and encumbrances of any nature. This Bill of Sale shall inure to the benefit of the parties and their respective successors and assigns.

Additionally, the Facilities Relocation Agreement provides that the Applicant shall furnish to SCE a schedule of all costs incurred in the construction of the installed Ducts and Substructures. Please provide the following information related to the installation of Ducts and Substructures:

---

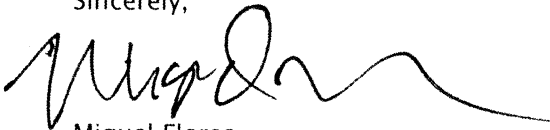
<sup>1</sup> All capitalized terms in this letter have the same meaning as used in the Facilities Relocation Agreement.

1. Number of linear feet of duct installed.
2. Number of ducts installed and size of ducts (i.e. six, five inch ducts).
3. Number of vaults (substructures) installed.
4. Total cost of labor and materials to install Ducts and Substructure(s).
5. Copy of itemized invoice, clearly identifying costs specific to Ducts and Substructures.

As part of the project reconciliation, SCE will provide a statement of Income Tax Component of Contribution ("ITCC") due for the Ducts and Substructures installed by Applicant. As provided in Section 6.d. of the Facilities Relocation Agreement, once the entire project is reconciled, Applicant will be billed or refunded the difference between the estimated amount paid for the relocation project and the actual project cost, including the ITCC component.

Should you have any questions, please contact me at 909-394-2816.

Sincerely,



Miguel Flores  
Project Manager  
Transmission Project Management

By: \_\_\_\_\_  
Signature - [Applicant]

Date: \_\_\_\_\_

\_\_\_\_\_  
Print Name

Title: \_\_\_\_\_

cc: Mary Reid Project File

*SUCCESSOR AGENCY*

ITEM NO. 5.11



Consulting Civil Engineers • Surveyors

### MEMORANDUM

**TO:** Kevin Radecki, Executive Director      **DATE:** April 28, 2015

**FROM:** Eduardo Pereira  
Joshua Nelson      **CONTRACT:** IBC-0383

**SUBJECT:** Bid Documents – Solicitation of Public Bids for Industry Business Center  
66kv Transmission Line Relocation Project (ROPS Line Item No. 217)

At the direction of the Successor Agency staff, Southern California Edison (SCE) and CNC Engineering have assembled the plans and specifications for the above project. This project will be implemented as Contract No. IBC-0383, subject to the approval of the Successor Agency Board.

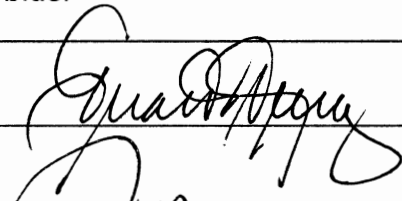
This project is one of several independent contracts that together comprise Line Item No. 217 as listed on the Recognized Obligation Payment Schedule. The Total Outstanding Debt or Obligation for Line Item No. 217 is \$58,675,996.00. This line item is described as The Mass Grading, Infrastructure and Landscaping for the 600 acre property, known as the Industry Business Center. The payee was listed as "Contractor - by public bidding" as one has yet to be selected.


Our goal is to have an executed contract for this project in place by the end of June, 2015 for Successor Agency approval. We will then submit to the State Department of Finance, the executed contract, evidence of sufficient funding, and provide the authority from the 1999 Lease Agreement.

This phase of construction will take care of the installation of the 66kv underground conduits and appurtenant structures. It paves the way for SCE to install the necessary cables and transmission steel poles and eventually cutover the existing overhead 66kv transmission lines to this new underground system. Ultimately, SCE will remove the existing 66kv towers to permit the completion of mass grading of the Industry Business Center west of Grand Avenue.

The estimated cost for this project is \$600,000.00. This project is listed on the Recognized Obligation Payment Schedule (ROPS), Line Item No. 217.

It is hereby recommended that the Successor Agency Board approve the plans and specifications and authorize the solicitation of public bids.

By: Eduardo Pereira      Signature:   
Sr. Project Engineer

By: Joshua Nelson      Signature:   
Sr. Project Manager

EP:jv

ESTIMATE FOR:

**SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT  
AGENCY**

**PROJECT NO. 383**

INDUSTRY BUSINESS CENTER 66KV TRANSMISSION LINE RELOCATION  
PROJECT

CONTRACT NO. IBC-0383

ENGINEER'S ESTIMATE  
\$600,000.00

# CNC ENGINEERING

## COST ESTIMATE SHEET

255 N. Hacienda Blvd., Suite 222  
 Industry, CA 91744  
 Tel: (626) 333-0336  
 Fax: (626) 369-4306

DATE PREPARED:

4/28/2015

JOB NO.:

IBC-0383

ENGINEER/  
DESIGNER:

SCE

ESTIMATOR:

RI

CHECKED BY:

EP

**PROJECT NAME: Industry Business Center 66kv Transmission Line Relocation Project**

**SCOPE OF WORK/PROJECT DESCRIPTION: Procure and construct/install 66kv & 12kv underground conduits including vaults, manholes and appurtenant structures**

ITEM NO.	DESCRIPTION OF ITEM	QUANTITY		UNIT PRICE	TOTAL COST
		NO. UNITS	UNIT MEAS.		
1.	5" Conduit (including fittings and bends)	29,820	LF	\$8.00	\$238,560.00
2.	10' x 20' x 9.50' Vault	5	EA	\$25,000.00	\$125,000.00
3.	Joint Trench (including excavation, pavement restoration and concrete encasement)	4,970	LF	\$35.00	173,950.00
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
	SUBTOTAL				\$537,510.00
	15% CONTINGENCY				\$53,751.00
	GRAND TOTAL				\$591,261.00
	<b>ENGINEER'S BUDGET AMOUNT</b>				<b>\$600,000.00</b>



**NOTICE INVITING SEALED BIDS FOR:**

**SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 383**

**INDUSTRY BUSINESS CENTER 66KV TRANSMISSION LINE RELOCATION PROJECT  
CONTRACT NO. IBC-0383**

The **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, hereinafter referred to as the **AGENCY**, will receive sealed bids for the construction of the above project until **10:00 A.M. on June 9, 2015**, in the City Administrative Office, located at 15625 East Stafford Street in the City of Industry, California 91744. All bids will be opened and read in public immediately thereafter.

If a sealed bid is to be mailed, it must be mailed to the City Administrative Office, Post Office Box 3366, City of Industry, California 91744.

It is the responsibility of the bidder to be sure the sealed bid is in the possession of the City Clerk, City of Industry, prior to the date and time indicated.

At the time of submission of the bid and thereafter, each bidder must be licensed as a **Class A General Engineering and/or C-10 Electrical Contractor and appropriate subcontractors** as defined in Sections 7055-7058 of the Business and Professions Code. Each bidder shall set forth on the Bidder's Information Sheet and the Contractor's License Affidavit the classification and number of the requisite license which that bidder holds.

The **AGENCY** reserves the right to award the contract to the contractor with another license class if the **AGENCY** determines that the license class is proper for the proposed work.

Labor Code Section 1771.1(a) - A Contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

The Scope of Work is as follows: Procure and construct/install 66kv underground conduits including vaults, manholes and appurtenant structures.

Plans and Specifications are available for inspection at the City Administrative Offices, and may be obtained with bid forms at the City Engineering Offices located at 255 North Hacienda Blvd., Suite 222, City of Industry, California 91744.

**Two pre-bid job walks** will be conducted by the Engineer at the job site on Thursday, May 21, 2015, and on Thursday, May 28, 2015, both at 10:00 am. Attendees will meet at the Successor Agency property gate at Grand Crossing Parkway just south of Baker Parkway. All bidders are urged to attend, however if you are unable to attend, the bidder may make other arrangements by contacting CNC Engineering, (626) 330-0336, to see the site. It is not mandatory to attend the job walk, however the Contractor needs to see the site and is required to certify that someone from their firm examined the site, per the statement at the end of the Bid Schedule, in Section C.

There is a non-refundable fee of **\$30.00** for each set of plans and specifications. No cash will be accepted. Checks should be made payable to the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**. (Continued)

**SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 383**

**INDUSTRY BUSINESS CENTER 66KV TRANSMISSION LINE RELOCATION PROJECT**

CONTRACT NO. IBC-0383

Each bid shall be accompanied by a bid guarantee in the form of a Certified or Cashier's Check or Bidder's Bond for not less than ten percent (10%) of the total amount of the bid, made payable to the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**.

The contractor may, at his own expense, substitute securities for monies to be withheld to ensure performance under the contract.

By the order of the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** dated **April 22, 2015**.

---

Tim Spohn - Chairman

SECTION A  
NOTICE INVITING SEALED BIDS FOR:

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 383

INDUSTRY BUSINESS CENTER 66KV TRANSMISSION LINE RELOCATION PROJECT  
CONTRACT NO. IBC-0383

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There is a non-refundable fee of **\$30.00** for each set of plans and specifications. No cash will be accepted. Checks should be made payable to the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**.

The bid shall be accompanied by a bid guarantee in the form of a Certified or Cashier's Check or Bidder's Bond for not less than ten percent (10%) of the total amount of the bid, payable to the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**. The bid guarantee is to insure that the bidder, if awarded the work, will enter into a contract with the AGENCY. Failure of a contractor to enter into a contract within ten (10) days following award will cause the bid guarantee to be forfeited.

The AGENCY may, upon refusal or failure of a successful responsible bidder to accept the contract, award it to the next lowest bidder. If the AGENCY awards the contract to the second lowest bidder, the amount of the lowest bidder's bid guarantee shall be applied by the AGENCY to the difference between the low bid and the second lowest bid; the surplus, if any, shall be returned to the lowest bidder if cash is used, or to the surety company if a bond is used.

The successful bidder will be required to furnish a labor and materials bond in an amount equal to one hundred percent (100%) of the contract price and a faithful performance bond in an amount equal to one hundred percent (100%) of the contract price. A maintenance bond equal to ten percent (10%) of the total bid price amount is to remain in force for one (1) year after the date of completion of work, shall be submitted prior to execution of contract. The above bonds shall be secured by a surety company satisfactory to the AGENCY, and licensed as a Surety Insurer in the State of California and rated at least B+:V in the latest "Best's Insurance Guide." The attached bond forms shall be used without exception.

## **CONTRACTOR**

### **LIABILITY INSURANCE**

Contractor shall obtain and maintain at all times during the term of this agreement Comprehensive General Liability insurance protecting Contractor in amounts not less than \$1,000,000.00 and Automobile Liability Insurance protecting Contractor in amounts not less than \$1,000,000.00. If an umbrella or excess coverage is in effect, it must follow the form of the underlying coverage. Such insurance shall name CNC Engineering; City of Industry; Successor Agency to the Industry Urban-Development

Agency; Civic-Recreational-Industrial Authority DBA Industry Hills Recreation and Conference Center; Majestic Industry Hills, LLC; Parking Authority of the City of Industry; City of Industry Waterworks System; Industry Hills Recreation and Conference Center; and their Officers, Employees, Elected Officials and Members of Boards or Commissions as additional insured parties. Coverage shall be in accordance with the sample certificates and endorsements attached hereto and must include the coverage and provisions indicated.

Contractors using the new I.S.O. form of coverage shall include Endorsement #CG25031185, which provides limits for each separate project that is being undertaken by said contractor.

Contractor shall file and maintain the required certificate(s) of insurance with the Lessor to this agreement at all times during the term of this agreement. The certificate(s) is to be filed prior to the commencement of the work or event and should state clearly:

- (1) The additional insured requested.
- (2) A minimum of ten (10) days prior written notice of cancellation for non-payment of premium and a minimum of thirty (30) days notice of cancellation for any other reason.
- (3) That the insurance is primary to that of the Additional insured.
- (4) Included coverage.
- (5) Cross-Liability Clause.

#### WORKER'S COMPENSATION INSURANCE

Contractor shall obtain and maintain at all times during the term of this agreement Worker's Compensation and Employer's Liability insurance and furnish the Additional Insured with a certificate showing proof of such coverage. Insurance company must waive subrogation rights against the above-named additional insureds. An endorsement to that effect must accompany the certificate of coverage.

#### INSURANCE COMPANIES

Insurance companies must be admitted in California and rated at least B+:XIII in *Best's Insurance Guide*. Non-admitted insurance companies will be considered if they are rated at least A:XIII or better and have a ratio of 3:1 for premium to policy holder surplus or lower in the latest *Best's Insurance Guide*.

Furnish additional insured with an endorsement waiving subrogation against them by the insurance carrier.

All liability insurance policies shall bear an endorsement or shall have attached a rider whereby it is provided that, in the event of expiration or proposed cancellation of such

policies for any reason whatsoever, the AGENCY shall be notified by registered mail, return receipt requested, giving a sufficient time before the date thereof to comply with any applicable law or statute, but in no event less than 10 days in advance of the effective date of cancellation due to non-payment of premium and not less than 30 days in advance of the effective date of cancellation for any other reason or for a policy change.

Notification for all above insurance items shall be submitted to: City of Industry Engineering Offices, 255 North Hacienda Blvd., Suite 222, City of Industry, CA 91744, Attention: Rachel Gonzalez. Failure to provide the AGENCY with written notice of cancellation or any change in required insurance may constitute a material breach of the Contract, in the sole discretion of the AGENCY, upon which the AGENCY may suspend or terminate the Contract.

#### EXPERIENCE AND SAFETY

The successful bidder may be required to submit a statement attesting to its financial responsibility, technical ability, experience and safety record.

#### PREVAILING WAGES

Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the contractor is required to pay not less than the general prevailing rate of wages for each craft, classification, or type of workman needed in the execution of the public work under the jurisdiction of the AGENCY. The general prevailing wages shall be these determined by the Director of the Department of Industrial Relations of the State of California. Copies of the applicable determination by the AGENCY are on file in the office of the AGENCY and are hereby incorporated and made a part hereof the same as though fully set forth herein. Copies of the applicable determination may be obtained at the office of the AGENCY.

#### CONTRACTOR REGISTRATION PROGRAM

A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. Any bids submitted without proof that bidder and any listed subcontractor(s) are currently registered and qualified to perform public work, pursuant to Labor Code Section 1725.5, may not be accepted by the City.

#### LABOR COMPLIANCE MONITORING AND ENFORCEMENT

The project is subject to compliance monitoring and enforcement by the Department of Industrial Relations (California Labor Code Section 1771.4).

## AGREEMENT

When the award of a contract is made to a corporation, the Agreement must be signed by the Secretary/Treasurer of the corporation in addition to the signature of the President/Vice President, or the public agency needs to receive a copy of a resolution adopted by the Board of Directors of the corporation indicating that the party executing the contract has the authority to bind the corporation.

## SURETY BONDS

All surety bonds issued in connection with projects for public works must be accompanied by a power of attorney from the surety company authorizing the person executing the bond to sign on behalf of the company. The bonds must also be acknowledged by a Notary Public to the effect that the signature by the surety's representative is that of the person designated in the Power of Attorney.

By the order of the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** dated **April 22, 2015**.

---

Tim Spohn - Chairman

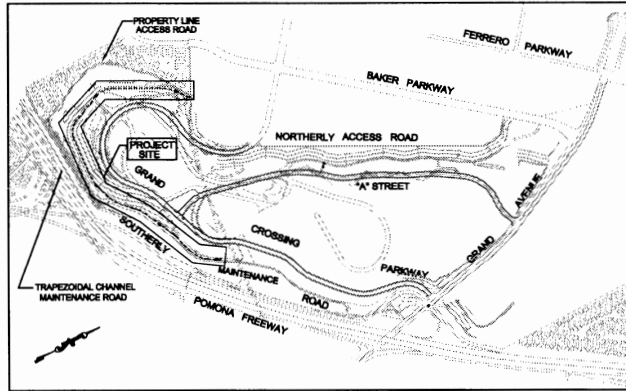
# SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY IMPROVEMENT PROJECT NO. 383

## INDUSTRY BUSINESS CENTER 66 KV TRANSMISSION LINE RELOCATION PROJECT CONTRACT NO. IBC-0383

### GENERAL NOTES

1. UNLESS OTHERWISE NOTED, ALL WORK SHALL BE DONE IN ACCORDANCE WITH THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION, CURRENT EDITION WITH ALL CURRENT SUPPLEMENTS, PUBLISHED BY BUILDING NEWS INC., LOCATED AT 1612 SOUTH CLEMENSIE ST., ANAHEIM, CA 92802 AND APPROPRIATE STANDARD DRAWINGS.
2. PRIOR TO BEGINNING ANY WORK, THE CONTRACTOR SHALL OBTAIN A PERMIT FROM THE CITY OF INDUSTRY PERMIT OFFICE AT 255 N. HACKENBURY BLVD., CITY OF INDUSTRY, CA 91744, (626) 333-0338.
3. ALL WORK COVERED BY THIS PLAN SHALL BE INSPECTED BY THE CITY ENGINEER. REQUEST FOR INSPECTION SERVICE SHALL BE MADE 24-HOURS IN ADVANCE AT (626) 333-0338.
4. WORK IN EXISTING STREETS SHALL BE COMPLETED AS SOON AS POSSIBLE TO MINIMIZE INCONVENIENCE TO ADJACENT PROPERTY OWNERS AND THE TRAVELING PUBLIC. FAILURE TO COMPLY WITH THIS REQUIREMENT IS A VIOLATION OF CITY ORDINANCE.
5. THE CONTRACTOR SHALL NOTIFY THE LOS ANGELES COUNTY FIRE DEPARTMENT (626) 943-2417 AND THE LOS ANGELES SHERIFF DEPARTMENT (626) 330-3392 AT THE CITY OF INDUSTRY SUBSTATION AT LEAST 48-HOURS PRIOR TO START OF WORK.
6. 48-HOURS PRIOR TO ANY STREET WORK, THE CONTRACTOR SHALL CALL THE UNDERGROUND SERVICE ALERT AT 1 (800) 422-4133 AND OBTAIN AN INDUSTRY IDENTIFICATION NUMBER.
7. ALL UTILITY TRENCHES IN PUBLIC STREETS SHALL BE BACKFILLED WITH A CLEAN GRANULAR MATERIAL HAVING A MINIMUM SAND EQUIVALENT OF 30. BACKFILL SHALL BE COMPACTED TO A MINIMUM RELATIVE DENSITY OF 90 PERCENT.
8. THE OPTION OF USING SLAG OR CRUSHED MISC. BASE (CMB) IN LIEU OF CRUSHED AGGREGATE BASE FOR ANY STREET IMPROVEMENT IS NOT ALLOWED.
9. EXISTING CONCRETE IMPROVEMENTS AND ASPHALT CONCRETE PAVEMENT SHALL BE SAW CUT, FULL DEPTH TO A TRUE LINE WHERE NEW CONCRETE OR ASPHALT IS TO JOIN.
10. ALL MANHOLES SHALL BE ADJUSTED TO FINISHED GRADE IN ACCORDANCE WITH SECTION 301-1.8 OF THE STANDARD SPECIFICATIONS. CONTRACTOR SHALL NOTIFY COUNTY SANITATION DISTRICT OF LOS ANGELES COUNTY (CSD), SUPERINTENDENT OF MAINTENANCE AT (323) 774-7272 A MINIMUM OF 48 HOURS PRIOR TO THE COMMENCEMENT OF ANY WORK IN THE AREA OF THEIR MANHOLES. CONTRACTOR SHALL ASSIST IN THE ADJUSTMENT OF MANHOLES IN ACCORDANCE WITH THEIR PROCEDURES 5-1282, REV. 9/88.
11. THE CONTRACTOR SHALL PROTECT AND RESTORE EXISTING UTILITIES AND IMPROVEMENTS AS PER SECTION 5-1, 5-2, AND 7-9 OF THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION.
12. IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE ALL UTILITIES OF EVERY NATURE, WHETHER SHOWN HEREON OR NOT, TO PROTECT THEM FROM DAMAGE. THE CONTRACTOR SHALL BEAR THE TOTAL EXPENSE OF REPAIR OR REPLACEMENT OF SAID UTILITIES DAMAGED BY OPERATIONS IN CONNECTION WITH THE PROSECUTION OF THE WORK.
13. ANY CONTRACTOR OR SUBCONTRACTOR PERFORMING WORK ON THIS PROJECT SHALL FAMILIARIZE HIMSELF WITH THE SITE AND SHALL BE SOLELY RESPONSIBLE FOR ANY DAMAGE TO EXISTING FACILITIES RESULTING DIRECTLY OR INDIRECTLY FROM HIS OPERATIONS, WHETHER OR NOT SUCH FACILITIES ARE SHOWN ON THESE PLANS.
14. WORK IN EXISTING STREETS SHALL BE COMPLETED AS SOON AS POSSIBLE TO MINIMIZE INCONVENIENCE TO ADJACENT PROPERTY OWNERS AND THE TRAVELING PUBLIC. FAILURE TO COMPLY WITH THIS REQUIREMENT IS A VIOLATION OF CITY ORDINANCE.
15. THE FOLLOWING IS A LIST OF THE UTILITY COMPANIES AND THE PERSONS TO CONTACT REGARDING THE RESPECTIVE UTILITIES WITHIN THE LIMITS OF THIS PROJECT:

MR. KOESEN L. LIPOCK SANITATION DISTRICT OF L.A. COUNTY	(562) 908-4288
MR. THOMAS DAVIES SO. CALIFORNIA GAS COMPANY	(714) 634-3037
MR. JOE ZAVALA SO. CALIFORNIA EDISON COMPANY	(909) 592-3729
MR. AMIN ABDOULHOUDA VERIZON	(909) 469-6369
MR. PAUL GARAVITO SAN GABRIEL VALLEY WATER CO.(SGVWC.)	(909) 201-7349
MR. LONG TAN SUBURBAN WATER SYSTEMS (SWS)	(626) 543-2550
MR. HECTOR O. HERNANDEZ LA COUNTY PUBLIC WORKS - ROAD DEPT.	(626) 458-3123
MR. MALCOLM BROWN VERIZON WIRELESS	(949) 288-8772
MR. GREG CALANZO LA PUENTE VALLEY CO. WATER DISTRICT (LPVWD)	(626) 330-2128
MR. MARK SERNA ROLAND WATER DISTRICT	(562) 879-0608
MR. JOHN HILLMER MTA (BUS SERVICES)	(626) 454-2820



VICINITY MAP  
NOT TO SCALE

### INDEX OF DRAWINGS

DRAWL NO.	SHT. NO.	DESCRIPTION
1	1 OF 1	TITLE SHEET, VICINITY MAP, GENERAL NOTES, INDEX OF DRAWINGS, NOTICE TO CONTRACTOR, SYMBOLS AND LEGEND
2	1 OF 5	SOUTHERN CALIFORNIA EDISON TITLE SHEET
3	2 OF 5	SOUTHERN CALIFORNIA EDISON PLAN
4	3 OF 5	SOUTHERN CALIFORNIA EDISON PLAN
5	4 OF 5	SOUTHERN CALIFORNIA EDISON PLAN
6	5 OF 5	SOUTHERN CALIFORNIA EDISON PLAN

### SYMBOLS AND LEGEND:

⊕	EXIST POWER POLE	(000)	EXISTING ELEVATION
⊖	EXIST TELEPHONE POLE	000	PROPOSED ELEVATION
→	EXIST SIGN	TC	TOP OF CURB
→	EXIST DITCH BASIN	FL	FLOW LINE
≡	EXIST FIRE HYDRANT	GB	GRADE BREAK
⊕	EXIST WATER VALVE	C&G	CURB AND GUTTER
⊕	EXIST TELEPHONE MANHOLE	CF	CURB FACE
⊕	EXIST SEWER MANHOLE	CB	CATCH BASIN
⊕	EXIST DRAIN MANHOLE	AC	ASPHALT CONCRETE
⊕	EXIST ELECTRIC MANHOLE	CAB	CRUSHED AGGREGATE BASE
⊕	EXIST TRAFFIC SIGNAL	PCC	PORTLAND CEMENT CONCRETE
⊕	EXIST STREET LIGHT	DHW	DRIVEWAY
⊕	EXIST DRIVEWAY	R.O.W.	RIGHT OF WAY
⊕	DRIVEWAY TO BE RECONSTRUCTED	FS	FINISHED SURFACE
⊕	EXIST CURB & GUTTER	EX	EXISTING
⊕	EXIST RAILROAD SIGN	E	CENTER LINE
⊕	EXIST GAS LINE	E	PROPERTY LINE
⊕	EXIST SEWER LINE	CSD	COUNTY SANITATION DISTRICT
⊕	EXIST WATER LINE	ARM-GG	ASPHALT RUBBER HOT MIX-GAP GRADED
⊕	EXIST DRAIN LINE	BVC	BEGIN VERTICAL CURVE
⊕	EXIST TELEPHONE LINE	EVC	END VERTICAL CURVE
⊕	EXIST ELECTRIC LINE	BMC	BEGIN NORMAL CROWN
⊕	EXIST PETROLEUM LINE	ENC	END NORMAL CROWN
⊕	EXIST CHAIN LINK FENCE	LC	LEVEL CROWN
⊕	STREET R/W	RC	REVERSE CROWN
⊕	EXISTING TREE	BFS	BEGIN FULL SUPERELEVATION
⊕	CONSTRUCTION NOTE	EFS	END FULL SUPERELEVATION
⊕	EX. PCC PAVEMENT		



### NOTICE TO CONTRACTOR

APPROVAL OF THIS PLAN BY THE ENGINEER AND CITY ENGINEER DOES NOT CONSTITUTE A REPRESENTATION AS TO THE ACCURACY OF THE LOCATION OF OR THE EXISTENCE OR NON-EXISTENCE OF ANY UNDERGROUND UTILITY PIPE OR STRUCTURE WITHIN THE LIMITS OF THIS PROJECT. THE EXISTENCE AND LOCATION OF ANY UNDERGROUND UTILITY PIPES OR STRUCTURES SHOWN ON THESE PLANS WERE OBTAINED BY A SEARCH OF AVAILABLE RECORDS.

NO.	DATE	REVISIONS	OK BY



### CITY OF INDUSTRY

INCORPORATED JUNE 18, 1957

P.O. Box 3366, City of Industry, California 91744  
Administrative Offices: 15651 E. Stafford Street  
(626) 333-2211

Prepared by



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JOSHUA NELSON, R.C.E. 34311  
DESIGN BY: JLN  
CHECKED BY: JLN

**SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY**

APPROVED BY: \_\_\_\_\_ DATE \_\_\_\_\_  
JOHN D. BALLAS, R.C.E. 34311, CITY ENGINEER

**INDUSTRY BUSINESS CENTER  
66 KV TRANSMISSION LINE RELOCATION PROJECT**

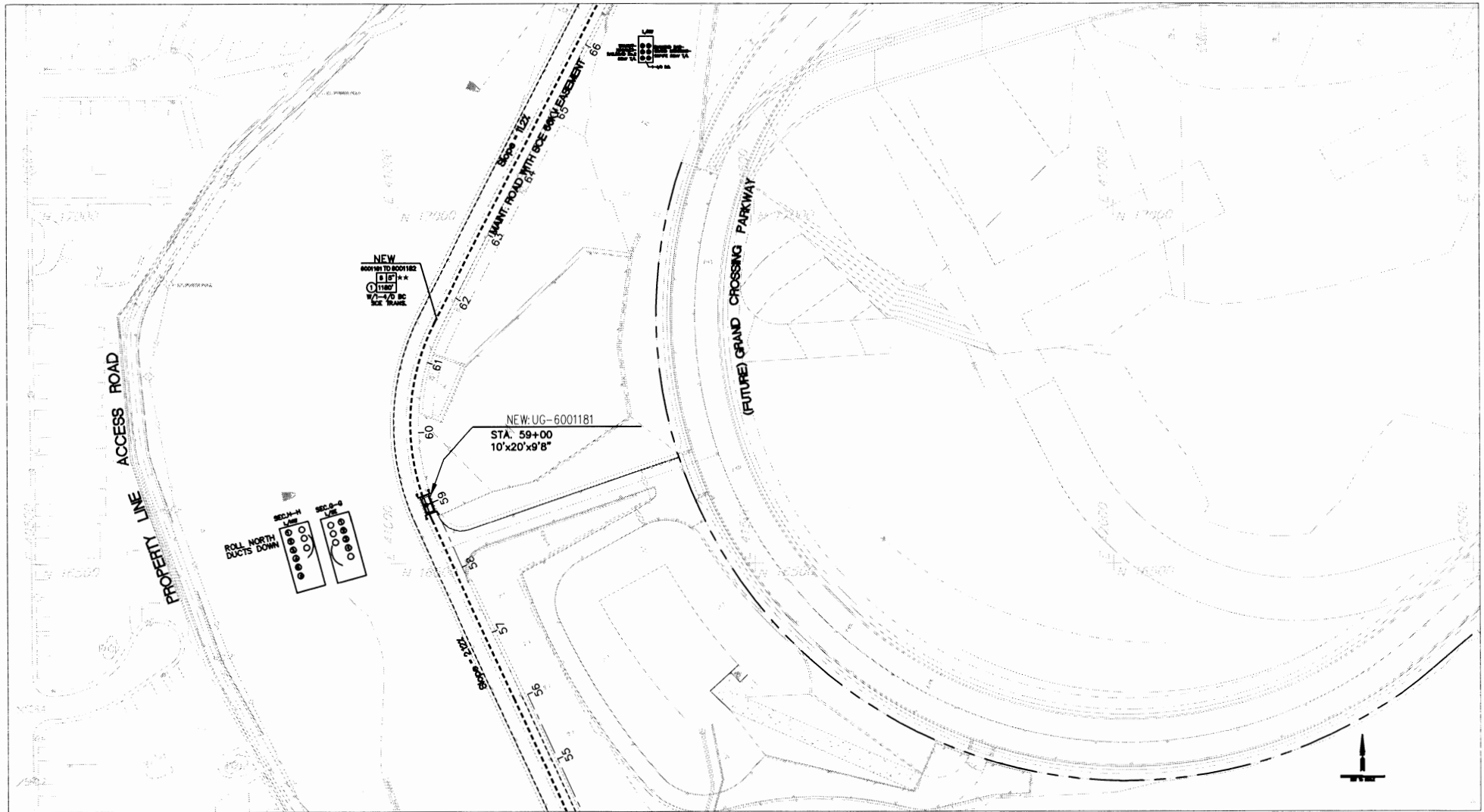
VICINITY MAP, GENERAL NOTES, INDEX OF DRAWINGS  
NOTICE TO CONTRACTOR, SYMBOLS AND LEGEND

DATE: JUNE 2015	JOB NO.: IBC-0383	SHT. 1 OF 1
CONTRACT DRAWING NO. 1 OF 6		









**FINAL DESIGN**  
APPROVED FOR CONSTRUCTION

NO.	REVISION DESCRIPTION	DATE	BY	CHECKED

PROJECT NO. - CDVMA	DATE 10/24/2013	PROJECT NO. - CDVMA	DATE 10/24/2013
DESIGNER	CHECKED	DATE	DATE
TRANSMISSION UG PROJECT 66KV R/W AT SRSD AT 57 FWY CITY OF INDUSTRY			
DATE	BY	DATE	BY
3	5	3	5
Southern California Edison Company			

TD758980



