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# **OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**

## **SPECIAL MEETING AGENDA MARCH 11, 2016 2:00 P.M.**

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

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### **Addressing the Oversight Board:**

- ▶ **Agenda Items:** *Members of the public may address the Oversight Board 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 Oversight Board is asked to complete a Speaker's Card which can be found at the back of the room and at the 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 Oversight Board.*
- ▶ **Public Comments (Agenda Items Only):** *During oral communications, if you wish to address the Agency Board during this Special Meeting, under Government Code Section 54954.3(a), you may only address the Agency Board concerning any item that has been described in the notice for the Special Meeting.*

### **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 Oversight Board (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 of Industry City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the Secretary of the Oversight Board during regular business hours, Monday through Friday, 9:00 a.m. to 5:00 p.m. Agendas are available on the City of Industry website: [www.cityofindustry.org](http://www.cityofindustry.org).*

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1. Call to Order
  2. Flag Salute
  3. Roll Call

4. Public Comments

5. **OVERSIGHT BOARD MATTERS**

- 5.1 Consideration of the status report identifying the inventory of properties, projected cash flow for projects to be funded by other funds, and the project summary.

*RECOMMENDED ACTION: Receive and file the report.*

- 5.2 Consideration of Resolution No. OB 2016-05 - A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, RATIFYING SERVICES AND EXERCISING AN OPTION TO EXTEND THE ENGAGEMENT AGREEMENT FOR LEGAL REPRESENTATION BY VARNER & BRANDT LLP FOR 2015-2016 AND EXERCISING OPTION TO EXTEND ENGAGEMENT AGREEMENT FOR LEGAL REPRESENTATION BY VARNER & BRANDT LLP FOR 2016-2017.

*RECOMMENDED ACTION: Adopt Resolution No. OB 2016-05.*

- 5.3 Consideration of Resolution No. OB 2016-06 - A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, APPROVING AN AMENDMENT TO THE ENGAGEMENT AGREEMENT BY AND BETWEEN THE OVERSIGHT BOARD AND VARNER & BRANDT LLP.

*RECOMMENDED ACTION: Adopt Resolution No. OB 2016-06.*

- 5.4 Consideration of Resolution No. OB 2016-07 - A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING THE PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE AGENCY AND THE CITY OF INDUSTRY FOR CERTAIN PROPERTY LOCATED AT 150 HACIENDA BOULEVARD, CITY OF INDUSTRY, CALIFORNIA.

*RECOMMENDED ACTION: Adopt Resolution No. OB 2016-07.*

- 5.5 Consideration of Resolution No. OB 2016-08 - A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING THE PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE AGENCY AND THE CITY OF INDUSTRY FOR CERTAIN PROPERTY LOCATED AT 220 HACIENDA BOULEVARD, CITY OF INDUSTRY, CALIFORNIA.

*RECOMMENDED ACTION: Adopt Resolution No. OB 2016-08.*

- 5.6 Consideration of Resolution No. OB 2016-09 - A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING THE PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE AGENCY AND THE CITY OF INDUSTRY FOR CERTAIN PROPERTY LOCATED AT 242 HACIENDA BOULEVARD, CITY OF INDUSTRY, CALIFORNIA.

*RECOMMENDED ACTION: Adopt Resolution No. OB 2016-09.*

- 5.7 Consideration of Resolution No. OB 2016-10 - A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, APPROVING THE INDUSTRY BUSINESS CENTER PHASE 2 MASS GRADING WEST SIDE CONTRACT BY AND BETWEEN THE SUCCESSOR AGENCY AND SUKUT CONSTRUCTION, LLC.

*RECOMMENDED ACTION: Adopt Resolution No. OB 2016-10.*

6. Adjournment. Next regular meeting: Tuesday, April 5, 2016 at 3:30 p.m.

*OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY*

ITEM NO. 5.1

**MEMORANDUM**

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**To: Chairman and Members of the Oversight Board to the Successor Agency to the Industry Urban-Development Agency**

**From: Dean Yamagata – Contracted Finance Manager**

**Date: February 19, 2016**

**Subject: Status Reports**

Below is summary of the status reports and changes from the prior Oversight Board meeting held in January 2016.

**Pages 4-6 Exhibit 1 Inventory of Properties**

Exhibit 1 shows the inventory of properties in the Long Range Property Management Plan and the ultimate disposition of the properties. Properties 30, 31 32 and 58 are currently in escrow and the estimated closing dates will be the last six months of 2016. Properties 1, 2, 5, 34 and 35 purchase agreements are being drafted. Properties 17, 29, 40, 41 and 43 are listed for sale. The remaining properties the City of Industry will be making an offer to purchase these properties.

**Pages 7-9 Exhibit 2 Project Summary Report Through January 14, 2016**

Exhibit 2 has been updated to reflect expenditures of \$1,255,284 spent on the projects and other costs for the period January 15, 2016 through February 11, 2016.

**Pages 10-13 Exhibit 3 Budget vs Actual Expenditures ROPS 15-16B Period  
January 1, 2016 to June 30, 2016**

Exhibit 3 shows the comparison of period to date actual expenditures versus the approved amount in ROPS 15-16B for the six months ended June 30, 2016. Below is a summary of the expenditures.

Budget vs. Actual Disbursements Comparison ROPS 15-16B					
Summary Report					
January 1 Through June 30, 2016					Exhibit 3
Payee	ROPS Line Item	Project #	Estimated Project Expenditures Approved On ROPS 15-16B	Actual Disbursements Paid During the Period	Remaining Amount Of Estimated Project Expenditures Budgeted For The Period
			Period January 1 to June 30, 2016	Period January 1 to February 11, 2016	Period January 1 to June 30, 2016
<b>Projects To Be Funded From Other Available Funds</b>					
Landscaping Baker Parkway Slopes		MP 99 31 #61	\$ 150,000.00	\$ 15,930.46	\$ 134,069.54
Diamond Bar Creek		MP 99-31 #26	711,000.00	1,372.70	709,627.30
Industry Business Center		MP 99-31 #16	45,808,421.00	1,046,436.56	44,761,984.44
Industry East Traffic Mitigation		MP 99-31 #65	1,600,000.00	9,363.52	1,590,636.48
City / Agency Reimbursement Agreement			50,000,000.00	-	50,000,000.00
<b>Total Projects To Be Funded From Other Available Funds</b>			<b>\$ 98,269,421.00</b>	<b>\$ 1,073,103.24</b>	<b>\$ 97,196,317.76</b>
<b>Projects To Be Funded From Bond Proceeds</b>					
Lemon Ave Interchange at Route 60		MP 03-10	4,025,000.00	56,346.68	3,968,653.32
Route 57/60 Confluence Project		MP 99-31 #22	4,012,000.00	123,956.26	3,888,043.74
Westbound Slip On- Ramp 57/60		MP 99-31 #22a	5,586,000.00	1,877.50	5,584,122.50
<b>Total Projects To Be Funded From Bond Proceeds</b>			<b>\$ 13,623,000.00</b>	<b>\$ 182,180.44</b>	<b>\$ 13,440,819.56</b>
<b>Administration</b>			<b>1,211,500.00</b>	<b>185,578.28</b>	<b>1,025,921.72</b>
General Insurance	263		-	-	-
Property Maintenance 01-01-2016 through 06-30-2016	269		736,000.00	-	736,000.00
Appraisal Fees	282		22,000.00	-	22,000.00
<b>Total All Expenditures</b>			<b>\$ 113,861,921.00</b>	<b>\$ 1,440,861.96</b>	<b>\$ 112,421,059.04</b>

**Page 14      Exhibit 4      Estimated Sources and Uses of Funds for the period  
January 1, 2016 to June 30, 2018**

Below is a summary of the Sources and Uses of cash for the period from January 1, 2016 to June 30, 2018. The Industry Business Center and Other Projects to be funded by the sales proceeds of property will be expended as funds become available. If the purchase agreements are approved over the next several months it is anticipated that the escrows will close sometime during the six months ending December 31, 2016. The estimated land sales proceeds do not include estimates for all properties as they are currently being marketed, appraised and/or in the process of a purchase agreement being drafted.

We have estimated that the projects being funded by bond proceeds will require approximately \$2,409,000 to be funded from either proceeds from land sales or other funds.

Successor Agency to the IUDA  
Projected Cash Flow For Projects  
To Be Funded By Other Funds  
January 1, 2016 to June 30, 2018

Exhibit 4

	15-16B Budget	16-17A Budget	16-17B Budget	17-18A Budget	17-18B Budget	
	1/1/16 to 6/30/16	7/1/16 to 12/31/16	1/1/17 to 6/30/17	7/1/17 to 12/31/17	1/1/18 to 6/30/18	Totals
<b>Industry Business Center (IBC):</b>						
Land Sales - 3rd Parties (1)	\$ -	\$ 62,792,760				\$ 62,792,760
Land Sales - City of Industry (Partial Amounts) (1)	-	33,314,000				33,314,000
Funds from rental income/notes receivable	4,277,871	2,287,888	3,144,327	3,710,395	5,145,073	18,565,354
Estimated Project Expenditures per ROPS 15-16A	(25,306,738)	(55,727,455)	(25,636,655)	(26,208,182)	(8,787,539)	(141,666,569)
Net	(21,028,867)	42,666,993	(22,492,328)	(22,497,787)	(3,642,466)	(26,994,455)
Transfers To Bond Proceed Projects	-	-	(2,018,197)	(274,268)	(116,764)	(2,409,229)
Beginning Cash Balance - Other cash	1,921,690					1,921,690
Beginning Cash Balance - Property Sales Depository Account	3,601,840	(15,505,337)	27,161,656	2,651,131	(20,120,924)	3,601,840
Ending Cash Balance	\$ (15,505,337)	\$ 27,161,656	\$ 2,651,131	\$ (20,120,924)	\$ (23,880,154)	\$ (23,880,154)
<b>Other Projects:</b>						
Landscaping Baker Parkway Slopes	\$ (116,930)	\$ (101,000)	\$ (101,000)	\$ (38,674)	\$ (9,077)	\$ (366,681)
Diamond Bar Creek	(178,873)	(1,026,950)	(983,711)	(5,560)	-	(2,195,094)
Industry East Traffic Mitigation	(69,364)	(1,763,400)	(950,000)	(1,424,409)	(24,888)	(4,232,061)
Net	(365,167)	(2,891,350)	(2,034,711)	(1,468,643)	(33,965)	(6,793,836)
Transfers from land sales		-	-	-		-
Funds from rental income/notes receivable	365,167	2,891,350	2,034,711	1,468,643	33,965	6,793,836
Beginning Cash Balance	-	-	-	-	-	-
Ending Cash Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Projects To Be Funded By Bond Proceeds:</b>						
Lemon Ave Interchange at Route 60 MP 3 - 10	\$ (297,347)	\$ (6,130,000)	\$ (1,375,876)	\$ -	\$ -	\$ (7,803,223)
Route 57/60 Confluence Project MP 99 - 31 # 22	(1,886,569)	(6,326,885)	(6,383,594)	(274,268)	(116,764)	(14,788,080)
Westbound Slip On-Ramp 57/60 MP 99-31 #22A	(5,501,878)	(1,500,000)	-	-	-	(7,001,878)
Net	(7,485,794)	(13,956,885)	(7,759,470)	(274,268)	(116,764)	(29,593,181)
Transfers from land sales			2,018,197	274,268	116,764	2,409,229
Beginning Cash Balance	27,183,952	19,698,158	5,741,273	-	-	27,183,952
Ending Cash Balance	\$ 19,698,158	\$ 5,741,273	\$ -	\$ -	\$ -	\$ -

(1) Does include estimated sale price for properties listed for sale to 3rd parties including property #40 - Grand Crossing Project and property #41 - Industry Business Center.

(2) - Land Sales amount from the City of Industry only includes estimated sales price for 12 properties of the 24 properties to be purchased. This amount does not include estimated sales price for the Tres Hermanos Properties.

SUCCESSOR AGENCY TO THE IUDA  
LONG RANGE PROPERTY MANAGEMENT PLAN  
INVENTORY OF PROPERTY  
DISPOSITION STATUS

Legend:

	Completed Sale to third party
	Currently In Escrow To Be Sold
	Transferred to City of Industry at no cost
	Conveyance of property to Caltrans for West Bound Off Ramp taken from IBC property


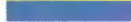



Exhibit 1

No.	Property Type	Address	Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimate of Current Parcel Value	Date of Estimated Current Value	APN #	Lot Size	Oversight Board Resolution # Approval	Completed Sales Transaction (Net Sales Proceeds)	Currently In Escrow	City Offered To Purchase (Estimated Values)	Estimated Date For Escrow To Close	Sales Date	Buyer
1	vacant/industrial	333 Hacienda	for sale	industrial per zoning code	38657	17.77 mill.	6.6 mill.	Apr-13	8208-027-913	9.5 ac.	2014-26		Agreement				
2	vacant/industrial bldg.	333 Turnbull	for sale	industrial per zoning code	40513	6.944 mill.	4.96 mill.	Apr-13	8208-014-900	6.63 ac.	2014-26		Agreement				
3	industrial bldg.	300 Baldwin Park Blvd	for sale		Dec-07	17.0 mill.	Sold		8563-003-905	10.68 ac.	2012-15	\$ 7,801,748.30			3/21/2013	Baldwin Park Industrial Developers, LLC	
4	industrial bldg.	17370 Gale	for sale	Auto zone-new car dealership	Jul-09	7.45 mill.	1.72 mill.	Apr-13	8264-001-945	1.32 ac.	2014-26	\$ 1,519,303.40			5/20/2015	Peninsula Property Holdings, LLC	
5	industrial bldg.	19835 E Walnut	for sale or lease	industrial per zoning code	Jan-08	5.9 mill.	1.878 mill.	Apr-13	8760-009-900	1.96 ac.			Agreement				
6		17651 Railroad St	for sale	industrial per zoning code	May-08	4.1 mill.	Sold		8264-011-901	3.05 ac.	2013-13	\$ 2,230,982.10			2/5/2014	Railroad Industrial Investors, LLC	
7	vacant/industrial	14624 Nelson	for sale	industrial per zoning code	Dec-10	3.33 mill.	2.52 mill.	Apr-13	8208-006-902	4.13 ac.	2014-26				12/23/2015	General Equity Company, LLC - Property 7 & 8 Sales price	
8	vacant/industrial	14700 Nelson	for sale	industrial per zoning code	Jul-10	6.1 mill.	4.49 mill.	Apr-13	8208-006-900 8208-006-901	7.36 ac.	2014-26	\$ 13,109,436.38			12/23/2015	General Equity Company, LLC - Property 7 & 8 Sales price	
9	vacant/industrial	15000 Nelson	for sale	industrial per zoning code	m-2007	6.7 mill.	4.877 mill.	Apr-13	8208-011-902	6.22 ac.	2014-26	\$ 6,691,488.80			6/3/2015	Klema Enterprises, Inc.	
10	vacant/industrial bldg.	13530 Nelson	for sale	convey to City at FMV	Dec-07	5.7 mill.	1.99 mill.	Apr-13	8562-016-901	2.08 ac.			\$ 2,720,000.00				
11	vacant/industrial	15130 Nelson	for sale	industrial per zoning code	Aug-08	3.95 mill.	1.955 mill.	Apr-13	8208-011-903	2.04 ac.	2014-26	\$ 2,368,479.50			6/25/2015	15130 Nelson, LLC	
12	landscape area	15432 Nelson	for sale	convey to City at FMV	Dec-11	11.3 mill	0.834 mill	Apr-13	8208-024-906 8208-024-907	0.87 ac.			\$ 1,140,000.00				
13	vacant	2525 Workman Mill	retain for gov. use	convey to City at no cost	1983	.125 mill	.125 mill	Apr-13	8125-059-916	0.13 ac.	2014-12	NONE			6/3/2014	City of Industry	
14	vacant/landscape area	SW corner Workman Mill & Crossroads	for sale	industrial per zoning code	1981	.183 mill	.805 mill	Apr-13	8120-027-270	0.84 ac.			Appraisal				
15	vacant/industrial	Crossroads PKY South	for sale	industrial per zoning code	1976	.77 mill	2.78 mill	Apr-13	8125-021-940 8125-021-941	3.55 ac.			Appraisal				
16	vacant/industrial	151 Long Lane	for sale	industrial per zoning code	Dec-10	1.465 mill.	1.292 mill.	Apr-13	8202-033-908	1.87 ac.	2014-26	\$ 2,043,354.90			6/11/2015	Brighton Collectibles	
17	vacant/industrial	125 N. Orange	for sale	industrial per zoning code	May-04	13.5 mill.	2.89 mill.	Apr-13	8202-033-906	3.69 ac.	2014-26						
18	commercial office bldg.	111 Hudson	for sale	industrial per zoning code	Feb-05	4.0 mill.	1.75 mill.	Apr-13	8208-024-905	1.83 ac.	2015-08	\$ 2,791,057.00			10/14/2015	Northrop Grumman Systems Corporation	
19	commercial office bldg.	150 Hacienda	for sale	existing bank building	Feb-09	6.2 mill.	5.1 mill.	Apr-13	8208-025-951	.59 ac.			\$ 5,100,000.00			City of Industry	
20	vacant/industrial	220 Hacienda	for sale	existing bank building	Feb-09	1.475 mill.	0.937 mill.	Apr-13	8208-025-952	0.15 ac.			\$ 1,850,000.00			City of Industry	
21	vacant	244 Hacienda	for sale	gov. use per zoning code	Jan-80	0.127 mill.	0.5096 mill.	Apr-13	8208-025-923	0.39 ac.			\$ 3,600,000.00			City of Industry	
22	vacant	South of Stafford North of UPRR	for sale	gov. use per zoning code	Jan-79	2.869 mill.	2.689 mill.	Apr-13	8208-025-940	3.43 ac.			Appraisal				
23	office bldg.	15600 Stafford	for sale	gov. use per zoning code	Mar-05	1.195 mill.	1.882 mill.	Apr-13	8208-025-948	1.44 ac.			Appraisal				
24	small office bldg	15710 & 15718 Stafford	for sale	gov. use per zoning code	Jan-82	.025 mill.	0.144 mill. Or 1.0 mill.	Apr-13	8245-001-901 8245-001-914	0.41 ac.	2014-26	\$ 696,569.00			2/13/2015	Industry Security Services, Inc.	
25	vacant/landscape area	South of Stafford west of Glendora	retain for gov. use	convey to City at no cost	Jan-99	.022 mill.	.022 mill.	Apr-13	8245-001-913	0.10 ac.	2014-12	NONE			6/3/2014	City of Industry	
26	vacant/landscape area	South of UPRR West of Hacienda	retain for gov. use	convey to City at no cost	1982	.133 mill.	.133 mill.	Apr-13	8208-022-902 8208-022-903	0.61 ac.	2014-12	NONE			6/3/2014	City of Industry	
27	vacant	South of UPRR East of Russell	retain for gov. use	convey to City at no cost	1982	.083 mill.	.083 mill.	Apr-13	8245-001-911	0.38 ac.	2014-12	NONE			6/3/2014	City of Industry	
28	vacant/parking	East of Parriott Pl	for sale	gov. use per zoning code	1976	1.35 mill.	4.846 mill.	Apr-13	8208-027-911 8208-027-912	6.18 ac.	2014-26	\$ 8,523,372.16			11/19/2015	CT Parriott, LLC (CT Realty Corp.)	
29	power plant	911 Bixby	for sale	existing power plant	Mar-01	12.5 mill.	8.0 mill.	Apr-13	8242-013-901	11.48 ac.							
30	vacant/commercial	East of Azusa North of Railroad	for sale	industrial per zoning code	Mar-2001 & Jun 2010	5,525 mill.	5,987 mill.	Apr-13	8264-025-903 8264-025-904 8264-025-914 8264-025-915 8264-025-917	30.11 ac.	2014-26	\$ 41,267,760.00		November-16		CT Chestnut, LLC (CT Realty Corp.) Sales price for Properties #2 & #3	
31	vacant/commercial	17301-17301 Gale	for sale	commercial with zone change	Apr-05	38.8 mill.	16.8 mill.	Apr-13	8264-001-943 8264-001-944 8264-001-928	19.08 ac.	2015-03	\$ 16,000,000.00		July-16		RY Properties	
32	vacant	17475 Gale	for sale	new car dealership per automobile zone	Jul-03	7.5 mill.	5.88 mill.	Apr-13	8264-001-943 8264-001-941	5.38 ac.	2013-04	\$ 5,800,000.00		July-16		RY Properties	
33	vacant/commercial	17545 Gale	for sale	new car dealership per automobile zone	Apr-05	16.7 mill.	6.5 mill.	Apr-13	8264-012-919	5.99 ac.			\$ 10,500,000.00				
34	vacant	17647 Gale	for sale	new car dealership per automobile zone	Jan-04	40.5 mill.	6.8 mill.	Apr-13	8264-013-913 8264-013-914 8264-012-923	6.25 ac.			Agreement				
35	remnant/row	17723 Gale	for sale	new car dealership per automobile zone	Jan-04	40.5 mill.	4.4 mill.	Apr-13	8264-013-916	4.02 ac.			Agreement				
36	remnant	17439 Railroad	retain for gov. use	convey to City at no cost	2003	.422 mill.	.422 mill.	Apr-13	8264-004-907 8264-004-909	0.44 ac.	2014-12	NONE			6/3/2014	City of Industry	
37	remnant	adjacent to Fairway	retain for gov. use	convey to City at no cost	2001	.144 mill.	.144 mill.	Apr-13	8760-028-270 8760-010-938 8760-010-935	0.15 ac.	2014-12	NONE			6/3/2014	City of Industry	
38	remnant	West side of Fairway south of UPRR	retain for gov. use	convey to City at no cost	Dec-88	.12 mill.	.12 mill.	Apr-13	8760-028-903	0.55 ac.	2014-12	NONE			6/3/2014	City of Industry	
39	vacant/industrial	800 feet east of Garcia Ln	retain for gov. use	convey to City at no cost	1982	.65 mill.	.65 mill.	Apr-13	8709-027-036	0.3 ac.	2014-12	NONE			6/3/2014	City of Industry	
40	Industrial/commercial	Ind. Bus. Center	for sale/leased to Majestic Realty	industrial/commercial per approved plans	1982 & 1983	27.632 mill.	26 mill.	Apr-13	8719-009-902,904,905,906 9 & 908 8719-007-920,921,922,906,907, 924,917 & 923	597.54 ac							



Legend:  
     Completed Sale to third party  
     Currently In Escrow  
     To Be Sold  
     Transferred to City of Industry at no cost  
     Conveyance of property to Caltrans for West Bound Off Ramp taken from IBC property

No.	Property Type	Address	Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimate of Current Parcel Value	Date of Estimated Current Value	APN #	Lot Size	Oversight Board Resolution # Approval	Completed Sales Transaction (Net Sales Proceeds)	Currently In Escrow	City Offered To Purchase (Estimated Values)	Estimated Date For Escrow To Close	Sales Date	Buyer	
41	industrial/commercial	Grand Crossing	for sale/leased to Majestic Realty	built out industrial/commercial	1980,1981 &1982	11.2 mill.	50 mill.	Apr-13	8709-008-021,022,023,024,025,026,027,028,029, &030 8709-006-004,005,006,003,007,008,001,002,010, & o12 8709-027-037,034 & 032 8709-028-014 8719-006-016,017,014,015,013,012,019 &020 8719-007-033,040,047,038,0480	425 ac.								
43	YAL Building	841 7th Ave	for sale	gov. use per zoning code	Mar-99	1.6 mill.	0.632 mill.	Apr-13	8217-001-901	0.66 ac.	2014-26							
44	YAL Office	205 Hudson	retain for gov. use	convey to City at no cost	Jun-01	0.444 mill.	0.471 mill.	Apr-13	8208-024-900	0.5 ac.	2014-12	NONE			6/3/2014	City of Industry		
45	Helipoint	15252 Stafford	for sale	gov. use per zoning code	1982	0.24 mill.	0.878 mill.	Apr-13	8208-025-939	1.12 ac.			\$ 111,000.00					
46	parking & common areas for parcels 19 & 20	NW & SW corners of Hacienda & Stafford	for sale	gov. use per zoning code	1982	0.12 mill.	combined w/ other parcels	Apr-13	82028-025-938 8208-025-941	0.57 ac.				Appraisal				
47	parking	15625 Stafford	for sale	gov. use per zoning code	Apr-75	0.076 mill.	combined w/ other parcels	Apr-13	8208-025-907, 908, 909 &926	5.5 ac.				Appraisal				
48	vacant	W side of Hacienda N of Stafford	for sale	gov. use per zoning code	2002	1.85 mill.	1.85 mill.	Apr-13	8208-025-937	1.415 ac. With #46 added				Appraisal				
49	Post Office & Fire Prevention	15660 Stafford	for sale	gov. use per zoning code	Nov-79	0.0519 mill.	3.6 mill.	Apr-13	8208-025-942	2.79 ac.				appraisal				
50	vacant/parking	242 &244 Hacienda	for sale	gov. use per zoning code	Aug-09	4.65 mill.	3.2 mill.	Apr-13	8208-025-954	2.46 ac.				Appraisal				
51	vacant/parking	N side of Stafford w of Glendora	for sale	gov. use per zoning code	1985	5.12 mill.	6.25 mill.	Apr-13	8208-025-943	5.74 ac.			\$ 390,000.00		7/1/2016 to 12/31/2016			
52	vacant landscape area	N side of Sotro w of Glendora	retain for gov. use	convey to City at no cost	1985	.52 mill.	.52 mill.	Apr-13	8208-025-944	0.92 ac.	2014-12	NONE			6/3/2014	City of Industry		
53	Convalescent Hospital	555 El Encanto	for sale	offer to City first	Dec-76	3.36 mill.	5.06 mill.	Apr-13	8208-027-901	5.02 ac.			\$ 875,000.00	7/1/2016 to 12/31/2016				
54	vacant	w side of Parriott	for sale	gov. use per zoning code	1978	1.9 mill.	6.12 mill.	Apr-13	8208-027-911 & 912	8.79 ac.				Appraisal				
55	Homestead Museum	15415 Don Julian	retain for gov. use	convey to City at no cost	1980	2.1 mill.	6.87 mill.	Apr-13	8208-027-906 &907	9.86 ac.	2014-12	NONE			6/3/2014	City of Industry		
56	vacant	NW &SW corners Don Julian & Hacienda	retain for gov. use	convey to City at no cost	1980	0.086 mill.	0.086 mill.	Apr-13	8208-027-909 &941	0.37 ac.	2014-12	NONE			6/3/2014	City of Industry		
57	Pump Station	747 Anaheim Puente	retain for gov. use	convey to City at no cost	1995	.28 mill.	1.25 mill.	Apr-13	8242-012-902	1.3 ac.	2014-12	NONE			6/3/2014	City of Industry		
58	vacant	17800 Chestnut	for sale	industrial per zoning code	Feb-03	13.48 mill.	12.38 mill.	Apr-13	8264-024-909, 918 &908	29.14 ac.	2014-26			July-15			CT Chestnut, LLC (CT Realty Corp.) Sales price to	
59	industrial bldg.	1123 Hatcher	for sale	industrial per zoning code	Sep-02	2.717 mill.	2.414 mill.	Apr-13	8264-004-908	3.08 ac.			\$ 6,700,000.00	7/1/2016 to 12/31/2016				
60	vacant/row	1129 & 1135 Hatcher	for sale	industrial per zoning code	Dec-08	3.55 mill.	1.79 mill.	Apr-13	8264-004-910 &911	1.87 ac.				Appraisal	7/1/2016 to 12/31/2016		Part of #59	
61	vacant/row	Auto Mall East	retain for gov. use	convey to City at no cost	2003	2.44 mill.	2.44 mill.	Apr-13	8264-013-912	0.89 ac.	2014-12	NONE			6/3/2014	City of Industry		
62	vacant	North side of Gale	retain for gov. use	convey to City at no cost	2003	.209 mill.	.209 mill.	Apr-13	8264-013-915	0.16 ac.	2014-12	NONE			6/3/2014	City of Industry		
63	vacant/row	south side of San Jose Creek	retain for gov. use	convey to City at no cost	1991	.182 mill.	.182 mill.	Apr-13	8760-023-913	0.19 ac.	2014-12	NONE			6/3/2014	City of Industry		
64		Metroink Station - Parking Station									2012-03	NONE			6/5/2012	City of Industry		
65	Electrical Substation	208 Waddingham	for sale	convey to City at FMV of land	Feb-03	0.931 mill.	3.0 mill.	Apr-13	8719-005-905	3.86 ac.			\$ 203,000.00	7/1/2016 to 12/31/2016				
66	vacant/industrial	Garcia Lane	for sale	gov. use per zoning code	1981	0.53 mill.	2.239 mill.	Apr-13	8709-027-039	2.43 ac.			\$ 125,000.00					
67	water well	south side of San Jose Creek	retain for gov. use	convey to City at no cost	1990	0.085 mill.	0.171 mill.	Apr-13	8719-004-906	0.28 ac.	2014-12	NONE			6/3/2014	City of Industry		
68	ranch	Grand Ave. Diamond Bar	for sale	entitlements through San Bernardino and Orange Counties	Nov-78	12.1 mill.	85-122 mill.	Apr-13	8701-021-271,8701-022-270 &273, 1000-011-19-0000, 20-0000, 21-0000,22-0000, 1000-021-13-0000 & 14-0000, 1000-031-14-0000 & 15-0000	2,450 ac.				Appraisal				
70	vacant industrial	804 Azusa/Anaheim Puente	industrial per zoning code	convey to City at no cost	Mar-01	3.2 mill.	3.22 mill.	Apr-13	8264-025-901, 906 &911	4.11 ac.	2014-13	NONE			6/3/2014	City of Industry		
71	vacant/row	adjacent to 22122 Valley	retain for gov. use	convey to City at no cost	2004	.12 mill.	.579 mill.	Apr-13	none	0.6 ac.	2014-12	NONE			6/3/2014	City of Industry		
72	Puente Basin Water rights	Puente Basin Water Rights	for sale	convey to City at FMV	1981	.30 mill.	.30 mill.	Apr-13	8242-015-058 thru 8719-004-012	NA								
73	Industrial/ Commercial	Ind. Bus. Center	retain for gov. use	convey to Caltrans at no cost	1982 &1983	0.001 mill.	0.012 mill.	Apr-13	part of 8719-007-922	0.01 ac.	2014-21	NONE			11/12/2014 DOF	conveyed to Caltrans at no cost		
74	Industrial/ Commercial	Ind. Bus. Center	retain for gov. use	convey to Caltrans at no cost	1982 &1983	0.007 mill.	0.154 mill.	Apr-13	part of 8719-007-922	0.15 ac.	2014-21	NONE			11/12/2014 DOF	conveyed to Caltrans at no cost		

Legend:  
 Completed Sale to third party  
 Currently In Escrow  
 To Be Sold  
 Transferred to City of Industry at no cost  
 Conveyance of property to Caltrans for West Bound Off Ramp taken from IBC property

No.	Property Type	Address	Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimate of Current Parcel Value	Date of Estimated Current Value	APN #	Lot Size	Oversight Board Resolution # Approval	Completed Sales Transaction (Net Sales Proceeds)	Currently In Escrow	City Offered To Purchase (Estimated Values)	Estimated Date For Escrow To Close	Sales Date	Buyer
75	Industrial/ Commercial	Ind. Bus. Center	retain for gov. use	convey to Caltrans at no cost	1982 &1983	0.003 mill.	0.080 mill.	Apr-13	part of 8719-007-922	0.08 ac.	2014-21	NONE				11/12/2014 DOF	conveyed to Caltrans at no cost
76	Industrial/ Commercial	Ind. Bus. Center	retain for gov. use	convey to Caltrans at no cost	1982 &1983	0.001 mill.	0.020 mill.	Apr-13	part of 8719-007-922	0.02 ac.	2014-21	NONE				11/12/2014 DOF	conveyed to Caltrans at no cost
77	Industrial/ Commercial	Ind. Bus. Center	retain for gov. use	convey to Caltrans at no cost	1982 &1983	0.096 mill.	2.207 mill.	Apr-13	part of 8719-007-917 & 8719-007-907	2.20 ac.	2014-21	NONE				11/12/2014 DOF	conveyed to Caltrans at no cost
Totals												\$ 47,775,791.54	\$ 62,792,760.00	\$ 33,314,000.00			

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4																							Exhibit 2
5																							Remaining Amount Of Estimated Project Costs To Spend Per Amended Contract (AJ-AT+AV=AX)
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2										Successor Agency To Industry Urban-Development Agency													
3										Project Summary												Exhibit 2	
4																							
5		Vendor	ROPS Line #		Description		Expenditures prior to the Current Awarded Budget	Future Contract		Current Awarded Budget	Budget Amendments	Total Estimated Cost From January 2012 To Completion Of Projects	Total All Payments January 2012 to February 11, 2016	Project Complete		Remaining Amount Of Estimated Project Costs To Spend Per Amended Contract (AJ-AT+AV=AX)							
58		Industry Business Center MP 99-31 # 16			Estimated Completion - Summer 2019																		
59																							
60		Placeworks	192		Professional Services		\$ -			\$ 172,502.00		\$ 172,502.00	\$ 152,005.00			\$ 20,497.00							
61		PBLA	193		Professional Services		-	56,500.00		1,856,835.00	700,000.00	2,613,335.00	1,943,119.97			670,215.03							
62		Leighton Consulting	194		Professional Services			104,799.85		2,643,123.00	1,900,000.00	4,647,922.85	2,485,073.62			2,485,073.62							
63		Leighton Consulting	195		Professional Services			315,504.00				315,504.00	-			315,504.00							
64		CNC Engineering	196		Professional Services		687,247.07	(75,371.04)		5,305,283.00	3,500,000.00	9,417,159.03	5,557,749.10			3,859,409.93							
65		CNC Engineering	197		Professional Services			1,262,016.00				1,262,016.00	-			1,262,016.00							
66		Thomsen Engineering	198		Professional Services		56,414.00	2,914.50		60,000.00		119,328.50	75,893.50			43,435.00							
67		Sage Environmental	199		Professional Services		25,711.00	66,241.00		244,441.00		336,393.00	179,144.00			157,249.00							
68		MX Graphics	200		Miscellaneous			45,000.00		37,460.06		82,460.06	52,345.54			30,114.52							
69		So Cal Sandbags	201		Improvement/Infrastructure		64,570.07	200,000.00		30,021.93	29,894.00	324,486.00	124,486.00			200,000.00							
70		So Cal Edison	202		Improvement/Infrastructure			7,218,000.00		1,415,000.00	651,000.00	9,284,000.00	2,653,000.00			6,631,000.00							
71		Verizon	203		Improvement/Infrastructure			-		-		-	-			-							
72		So Cal Gas Co	204		Improvement/Infrastructure			-		-		-	-			-							
73		Walnut Valley Water District	205		Improvement/Infrastructure			16,200,164.40				16,200,164.40	136,964.40			16,063,200.00							
74		Ind Public Utilities	206		Improvement/Infrastructure			11,829,600.00				11,829,600.00	-			11,829,600.00							
75		Time Warner Cable	207		Improvement/Infrastructure			-		-		-	-			-							
76		San Gabriel Valley News Paper	208		Miscellaneous			10,330.08		6,273.40		16,603.48	10,603.48			6,000.00							
77		First American Title Company	209		Professional Services			14,000.00		3,392.15		17,392.15	3,392.15			14,000.00							
78		St Wtr Resources Cont Board	210		Fees			25,000.00		16,826.00		41,826.00	16,826.00			25,000.00							
79		L A County Health Department	211		Fees			4,000.00				4,000.00	-			4,000.00							
80		L A County Public Works	212		Fees			85,000.00				85,000.00	-			85,000.00							
81		L A County Sewer Maint District	213		Fees			217,921.00				217,921.00	-			217,921.00							
82		International Line Builders	214		Improvement/Infrastructure			30,000.00				30,000.00	-			30,000.00							
83		MC Cain	215		Improvement/Infrastructure			145,668.63				145,668.63	25,668.63			120,000.00							
84		Enviros Landscape Arch	216		Professional Services			(28,507.72)		1,725,120.00		1,696,612.28	225,455.49			1,471,156.79							
85		Contractor By Public Bidding	217		Improvement/Infrastructure			61,300,000.00				61,300,000.00	-			61,300,000.00							
86		Contractor By Public Bidding	218		Improvement/Infrastructure			10,516,800.00				10,516,800.00	-			10,516,800.00							
87		Kimley Horn & Assoc	219		Professional Services			(8,853.45)		200,000.00		191,146.55	36,430.12			154,716.43							
88		Kimley Horn & Assoc	220		Professional Services			(8,597.45)		1,051,680.00		1,043,082.55	-			1,043,082.55							
89		SCS Engineering	221		Professional Services					243,018.00	597,882.00	840,900.00	446,600.18			394,299.82							
90		WKE, INC.	222		Professional Services			5,780.00		80,000.00		85,780.00	14,459.47			71,320.53							
91		Bustko Engineering	223		Professional Services			36,888.50		1,971,600.00		2,008,488.50	1,178,505.76			829,982.74							
92		Sukut Construction, LLC	267		Remedial Grading			6,689,774.00			436,733.06	7,126,507.06	7,126,507.51			(0.45)							
93		C. A. Rasmussen Inc.	270		Mass Grading			20,329,607.00		997,870.81		21,327,477.81	20,996,676.66			330,801.15							
94		Sukut Construction, LLC	271		Mass Grading			1,093,803.34		22,693,112.00	2,980,823.21	26,767,738.55	26,767,738.55			-							
95		Regional water Quality			Fees			3,738.00				3,738.00	3,738.00			-							
96		U S Bank ( C A Rasmussen Acct)						5,000.00				5,000.00	5,000.00			-							
97		International Line Builders	281							2,200,000.00		2,200,000.00	545,263.11			1,654,736.89							
98		All American Asphalt	290					6,784,000.00		12,000,000.00		18,784,000.00	-			18,784,000.00							
99							833,942.14	117,457,339.64		80,975,068.54	11,794,203.08	211,060,553.40	70,440,421.85			140,620,131.55							
100																							
101		Industry East Traffic Mitigation MP 99 - 31 # 65			Estimated Completion - 2020																		
102																							
103		CNC Engineering	251		Professional Services		33,170.54			578,964.00		612,134.54	99,791.96			512,342.58							
104		Geotechnical Consultant	252		Professional Services			174,888.00				174,888.00	-			174,888.00							
105		Traffic Consultant	253		Professional Services			1,500,000.00				1,500,000.00	-			1,500,000.00							
106		Contractor by Public Bid	254		Professional Services			1,322,066.00				1,322,066.00	-			1,322,066.00							
107		City Of Diamond Bar	275		Professional Services			713,400.00				713,400.00	-			713,400.00							
108							33,170.54	3,710,354.00		578,964.00		4,322,488.54	99,791.96			4,222,696.58							
109		City / Agency Reimbursement Agreement																					
110		City of Industry	277					15,860,500.00		34,139,500.00		50,000,000.00	-			50,000,000.00							
111																							
112		Total Projects To Be Funded From Other Available Funds					\$ 1,368,285.79	\$ 138,491,923.22		\$ 124,304,241.92	\$ 12,760,534.98	\$ 276,924,985.91	\$ 79,523,924.13			\$ (13,761.22)					\$ 197,387,300.56		
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1		Successor Agency To the Industry Urban-Development Agency					
2		Budget vs. Actual Disbursements Comparison ROPS 15-16B					
3		Detail Report					
4		January 1 Through June 30, 2016					Exhibit 3
5							
6		Payee	ROPS Line Item	Project #	Estimated Project Expenditures Approved On ROPS 15-16B	Actual Disbursements Paid During the Period	Remaining Amount Of Estimated Project Expenditures Budgeted For The Period
7					Period January 1 to June 30, 2016	Period January 1 to February 11, 2016	Period January 1 to June 30, 2016
8							
9		<b>Projects To Be Funded From Other Available Funds</b>					
10		<b>Landscaping Baker Parkway Slopes</b>		MP 99 31 #61			
11		CNC Engineering	99		\$ 15,000.00	\$ 1,580.46	\$ 13,419.54
12		Environs Landscape Architecture	100		10,000.00	-	10,000.00
14		Kasa Construction, Inc.	102			-	-
27		Marina Landscape, Inc.	276		125,000.00	14,350.00	110,650.00
28		San Gabriel Valley Newspaper	158, 208			-	-
30		<b>Total Landscaping Baker Parkway Slopes</b>			<b>\$ 150,000.00</b>	<b>\$ 15,930.46</b>	<b>\$ 134,069.54</b>
31							
32		<b>Diamond Bar Creek</b>		MP 99-31 #26			
33		CNC Engineering	148		60,000.00	1,372.70	58,627.30
34		Thomsen Engineering	149		80,000.00	-	80,000.00
35		Leighton Consulting	150		10,000.00	-	10,000.00
36		Regional Water Quality Control	151		5,000.00	-	5,000.00
37		Army Corp Engineers	152		500.00	-	500.00
38		Calif Dept of Fish & Game	153			-	-
39		State Water Resources Cont Board	154		5,000.00	-	5,000.00
40		MX Graphics	155		2,000.00	-	2,000.00
41		Brown & Brown Ins	156			-	-
42		City of Industry Disposal	157			-	-
43		San Gabriel Valley Newspaper	158		1,000.00	-	1,000.00
44		LA County Health Dept	159		1,500.00	-	1,500.00
45		So Calif Edison	160		50,000.00	-	50,000.00
46		Walnut Valley Water District	161		15,000.00	-	15,000.00
47		LA City Sewer Maint District	162		20,000.00	-	20,000.00
48		PBLA	163			-	-
49		Native Grow Nursery	164		75,000.00	-	75,000.00
50		Contractor - by public bidding	165		300,000.00	-	300,000.00
51		Sage Environmental	166		30,000.00	-	30,000.00
52		WKE, Inc	167		56,000.00	-	56,000.00
53		H & H Contractors	266			-	-
54		<b>Total Diamond Bar Creek</b>			<b>\$ 711,000.00</b>	<b>\$ 1,372.70</b>	<b>\$ 709,627.30</b>
55							

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1		Successor Agency To the Industry Urban-Development Agency					
2		Budget vs. Actual Disbursements Comparison ROPS 15-16B					
3		Detail Report					
4		January 1 Through June 30, 2016					Exhibit 3
5							
6		Payee	ROPS Line Item	Project #	Estimated Project Expenditures Approved On ROPS 15-16B	Actual Disbursements Paid During the Period	Remaining Amount Of Estimated Project Expenditures Budgeted For The Period
7					Period January 1 to June 30, 2016	Period January 1 to February 11, 2016	Period January 1 to June 30, 2016
56							
57		Industry Business Center		MP 99-31 #16			
58		The Planning Center	192		15,000.00	-	15,000.00
59		PBLA Engineering	193		200,000.00	56,200.00	143,800.00
60		Leighton Consulting	194		650,000.00	57,484.67	592,515.33
61		Leighton Consulting	195		-	-	-
62		CNC Engineering	196		1,500,000.00	120,496.54	1,379,503.46
63		CNC Engineering	197		150,000.00	-	150,000.00
64		Thomsen Engineering	198		35,000.00	-	35,000.00
65		Sage Environmental	199		60,000.00	-	60,000.00
66		MX Graphics	200		15,000.00	1,484.88	13,515.12
67		So Cal Sandbags	201		100,000.00	-	100,000.00
68		So Cal Edison	202		3,600,000.00	-	3,600,000.00
69		Verizon	203		500,000.00	-	500,000.00
70		So Cal Gas Co	204		500,000.00	-	500,000.00
71		Walnut Valley Water District	205		10,000,000.00	65,826.00	9,934,174.00
72		Ind Public Utilities	206		8,000,000.00	-	8,000,000.00
73		Time Warner Cable - Not Approved by DOF	207		-	-	-
74		San Gabriel Valley Newspaper	208		2,000.00	-	2,000.00
75		First American Title Company	209		5,000.00	-	5,000.00
76		St Wtr Resources Cont Board	210		12,000.00	-	12,000.00
77		L A County Health Department	211		1,500.00	-	1,500.00
78		L A County Dept Public Works	212		20,000.00	-	20,000.00
79		L A City Sewer Maint District	213		217,921.00	-	217,921.00
80		International Line Builders	214		40,000.00	-	40,000.00
81		MC Cain	215		120,000.00	-	120,000.00
82		Environs Landscape Arch	216		250,000.00	-	250,000.00
83		Contractor By Public Bidding	217		-	-	-
84		Contractor By Public Bidding	218		-	-	-
85		Kimley Horn & Assoc	219		100,000.00	-	100,000.00
86		Kimley Horn & Assoc	220		200,000.00	-	200,000.00
87		SCS Engineers	221		75,000.00	18,788.04	56,211.96
88		WKE, INC.	222		40,000.00	-	40,000.00
89		Bustko Engineering	223		400,000.00	-	400,000.00
90		Sukut Construction, LLC	267		-	-	-
91		C. A. Rasmussen Inc.	270		800,000.00	299,191.31	500,808.69
92		Sukut Construction, LLC	271		4,000,000.00	409,313.00	3,590,687.00
93		International Line Builders, Inc./Contractor - by public bidding	281		2,200,000.00	17,652.12	2,182,347.88
94		Contractor By Public Bidding	289		-	-	-
95		All American Asphalt	290		12,000,000.00	-	12,000,000.00
96		City Of Walnut	291		-	-	-
97		CASC Engineering & Consulting, INC.	293		-	-	-
100		<b>Total Industry Business Center</b>			<b>\$ 45,808,421.00</b>	<b>\$ 1,046,436.56</b>	<b>\$ 44,761,984.44</b>

	A	B	C	D	G	Y	Z	
1		Successor Agency To the Industry Urban-Development Agency						
2		Budget vs. Actual Disbursements Comparison ROPS 15-16B						
3		Detail Report						
4		January 1 Through June 30, 2016						Exhibit 3
5								
6		Payee	ROPS Line Item	Project #	Estimated Project Expenditures Approved On ROPS 15-16B	Actual Disbursements Paid During the Period	Remaining Amount Of Estimated Project Expenditures Budgeted For The Period	
7					Period January 1 to June 30, 2016	Period January 1 to February 11, 2016	Period January 1 to June 30, 2016	
101								
102		<b>Industry East Traffic Mitigation</b>		MP 99-31 #65				
103		CNC Engineering	251		200,000.00	9,363.52	190,636.48	
104		Geotechnical Consultant	252		100,000.00	-	100,000.00	
105		To Be Determined	253		800,000.00	-	800,000.00	
106		Contractor by Public Bid	254			-	-	
107		City Of Diamond Bar	275		500,000.00	-	500,000.00	
108		<b>Total Industry East Traffic Mitigation</b>			<b>\$ 1,600,000.00</b>	<b>\$ 9,363.52</b>	<b>\$ 1,590,636.48</b>	
109								
110		<b>City / Agency reimbursement Agreement</b>						
111		City of Industry	277		50,000,000.00		50,000,000.00	
112		<b>Totals</b>			<b>\$ 50,000,000.00</b>		<b>\$ 50,000,000.00</b>	
113								
114		<b>Total Projects To Be Funded From Other Available Funds</b>			<b>\$ 98,269,421.00</b>	<b>\$ 1,073,103.24</b>	<b>\$ 97,196,317.76</b>	
115								
116		<b>Projects To Be Funded From Bond Proceeds</b>						
117								
118		<b>Lemon Ave Interchange at Route 60</b>		MP 03-10				
119		CNC Engineering	116		\$ 30,000.00	2,182.02	27,817.98	
120		Jacobs Civil	117		150,000.00	46,519.66	103,480.34	
121		Avant-Garde	118		42,000.00	7,645.00	34,355.00	
122		Caltrans (Right of Way Acquisition)	119			-	-	
123		Caltrans - contractor by public bidding	120		3,000,000.00	-	3,000,000.00	
124		Caltrans (Construction Administration)	121		800,000.00	-	800,000.00	
125		LA County Dept Public Works	122		3,000.00	-	3,000.00	
127		<b>Total Lemon Ave Interchange at Route 60</b>			<b>\$ 4,025,000.00</b>	<b>\$ 56,346.68</b>	<b>\$ 3,968,653.32</b>	
128								
129		<b>Route 57/60 Confluence Project</b>		MP 99-31 #22				
130		CNC Engineering	123		40,000.00	4,596.16	35,403.84	
131		WKE Inc (Environmental Phase)	124			-	-	
132		Atkins	125			-	-	
133		Casey O'Callaghan Golf Design	126		40,000.00	-	40,000.00	
134		Caltrans	127		950,000.00	-	950,000.00	
135		Caltrans - by public bidding	128		1,400,000.00	-	1,400,000.00	
136		The PFM Group	129			-	-	
137		Avant-Garde	130		90,000.00	10,180.00	79,820.00	
138		ARC Imaging Recourses	131			-	-	
139		MX Graphics	132		2,000.00	-	2,000.00	
140		WKE Inc (Design Phase)	133		1,400,000.00	109,180.10	1,290,819.90	
141		Prince Global	134		90,000.00	-	90,000.00	
142		<b>Total Route 57/60 Confluence Project</b>			<b>\$ 4,012,000.00</b>	<b>\$ 123,956.26</b>	<b>\$ 3,888,043.74</b>	
143								



	A	B	C	D	G	Y	Z	
1		Successor Agency To the Industry Urban-Development Agency						
2		Budget vs. Actual Disbursements Comparison ROPS 15-16B						
3		Detail Report						
4		January 1 Through June 30, 2016						Exhibit 3
5								
6		Payee	ROPS Line Item	Project #	Estimated Project Expenditures Approved On ROPS 15-16B	Actual Disbursements Paid During the Period	Remaining Amount Of Estimated Project Expenditures Budgeted For The Period	
7					Period January 1 to June 30, 2016	Period January 1 to February 11, 2016	Period January 1 to June 30, 2016	
144		Westbound Slip On- Ramp 57/60		MP 99-31 #22a				
145		WKE Inc	224		50,000.00	-	50,000.00	
146		CNC Engineering	225		5,000.00	-	5,000.00	
147		Caltrans	226		5,500,000.00	-	5,500,000.00	
148		Avant-Garde	227		30,000.00	1,877.50	28,122.50	
149		Atkins	228			-	-	
150		MX Graphics	229		1,000.00	-	1,000.00	
151		ARC Imaging Recourses	230			-	-	
152		<b>Total Westbound Slip On- Ramp 57/60</b>			<b>\$ 5,586,000.00</b>	<b>\$ 1,877.50</b>	<b>\$ 5,584,122.50</b>	
156								
157		<b>Total Projects To Be Funded From Bond Proceeds</b>			<b>\$ 13,623,000.00</b>	<b>\$ 182,180.44</b>	<b>\$ 13,440,819.56</b>	
158								
159		<b>Administration</b>						
160								
161		US Bank	21		11,000.00	-	11,000.00	
162		Bank of NY	22		5,000.00	-	5,000.00	
163		US Bank	23		4,000.00	-	4,000.00	
164		US Bank	25		4,000.00	-	4,000.00	
165		Reimburse City of Industry	255		348,000.00	116,000.00	232,000.00	
166		Various Vendor	256		6,000.00	247.33	5,752.67	
167		Various Vendor	257		42,000.00	6,346.20	35,653.80	
168		Various Vendor	258		494,500.00	14,829.75	479,670.25	
169		Various Vendor	259		187,000.00	27,625.00	159,375.00	
170		Various Vendor	260		110,000.00	20,530.00	89,470.00	
171							-	
172		<b>Total Administration</b>			<b>\$ 1,211,500.00</b>	<b>\$ 185,578.28</b>	<b>\$ 1,025,921.72</b>	
173								
174		<b>Appraisal Fees</b>						
175		City Of Industry	282		\$ 22,000.00		\$ 22,000.00	
176		<b>Total</b>			<b>\$ 22,000.00</b>	<b>\$ -</b>	<b>\$ 22,000.00</b>	
180								
184		<b>Property Maintenance</b>						
185		City of Industry	269		736,000.00	-	736,000.00	
186		<b>Total</b>			<b>\$ 736,000.00</b>	<b>\$ -</b>	<b>\$ 736,000.00</b>	
187								
188		<b>Total All Expenditures</b>			<b>\$ 113,861,921.00</b>	<b>\$ 1,440,861.96</b>	<b>\$ 112,399,059.04</b>	
189								
190								

Successor Agency to the IUDA  
 Projected Cash Flow For Projects  
 To Be Funded By Other Funds  
 January 1, 2016 to June 30, 2018

Exhibit 4

**Industry Business Center (IBC):**

Land Sales - 3rd Parties (1)  
 Land Sales - City of Industry (Partial Amounts) (1)  
 Funds from rental income/notes receivable  
 Estimated Project Expenditures per ROPS 15-16A  
 Net  
 Transfers To Bond Proceed Projects  
 Beginning Cash Balance - Other cash  
 Beginning Cash Balance - Property Sales Depository Account  
 Ending Cash Balance

15-16B Budget	16-17A Budget	16-17B Budget	17-18A Budget	17-18B Budget	
1/1/16 to 6/30/16	7/1/16 to 12/31/16	1/1/17 to 6/30/17	7/1/17 to 12/31/17	1/1/18 to 6/30/18	Totals
\$ -	\$ 62,792,760				\$ 62,792,760
-	33,314,000				33,314,000
4,277,871	2,287,688	3,144,327	3,710,395	5,145,073	18,565,354
(25,306,738)	(55,727,455)	(25,636,655)	(26,208,182)	(8,787,539)	(141,666,569)
(21,028,867)	42,666,993	(22,492,328)	(22,497,787)	(3,642,466)	(26,994,455)
-	-	(2,018,197)	(274,268)	(116,764)	(2,409,229)
1,921,690					1,921,690
3,601,840	(15,505,337)	27,161,656	2,651,131	(20,120,924)	3,601,840
\$ (15,505,337)	\$ 27,161,656	\$ 2,651,131	\$ (20,120,924)	\$ (23,880,154)	\$ (23,880,154)

**Other Projects:**

Landscaping Baker Parkway Slopes  
 Diamond Bar Creek  
 Industry East Traffic Mitigation  
 Net  
 Transfers from land sales  
 Funds from rental income/notes receivable  
 Beginning Cash Balance  
 Ending Cash Balance

\$ (116,930)	\$ (101,000)	\$ (101,000)	\$ (38,674)	\$ (9,077)	\$ (366,681)
(178,873)	(1,026,950)	(983,711)	(5,560)	-	(2,195,094)
(69,364)	(1,763,400)	(950,000)	(1,424,409)	(24,888)	(4,232,061)
(365,167)	(2,891,350)	(2,034,711)	(1,468,643)	(33,965)	(6,793,836)
	-	-	-	-	-
365,167	2,891,350	2,034,711	1,468,643	33,965	6,793,836
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projects To Be Funded By Bond Proceeds:**

Lemon Ave Interchange at Route 60 MP 3 - 10  
 Route 57/60 Confluence Project MP 99 - 31 # 22  
 Westbound Slip On-Ramp 57/60 MP 99-31 #22A  
 Net  
 Transfers from land sales  
 Beginning Cash Balance  
 Ending Cash Balance

\$ (297,347)	\$ (6,130,000)	\$ (1,375,876)	\$ -	\$ -	\$ (7,803,223)
(1,686,569)	(6,326,885)	(6,383,594)	(274,268)	(116,764)	(14,788,080)
(5,501,878)	(1,500,000)	-	-	-	(7,001,878)
(7,485,794)	(13,956,885)	(7,759,470)	(274,268)	(116,764)	(29,593,181)
		2,018,197	274,268	116,764	2,409,229
27,183,952	19,698,158	5,741,273	-	-	27,183,952
\$ 19,698,158	\$ 5,741,273	\$ -	\$ -	\$ -	\$ -

(1) Does include estimated sale price for properties listed for sale to 3rd parties including property #40 - Grand Crossing Project and property #41 - Industry Business Center.

(2) - Land Sales amount from the City of Industry only includes estimated sales price for 12 properties of the 24 properties to be purchased. This amount does not include estimated sales price for the Tres Hermanos Properties.

*OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY*

ITEM NO. 5.2

**RESOLUTION NO. OB 2016-05**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, RATIFYING SERVICES AND EXERCISING AN OPTION TO EXTEND THE ENGAGEMENT AGREEMENT FOR LEGAL REPRESENTATION BY VARNER & BRANDT LLP FOR 2015-2016 AND EXERCISING OPTION TO EXTEND ENGAGEMENT AGREEMENT FOR LEGAL REPRESENTATION BY VARNER & BRANDT LLP FOR 2016-2017**

**WHEREAS**, the Successor Agency to the Industry Urban-Development Agency was formed in accordance with California Health and Safety Code Section 34173 (“Successor Agency”); and

**WHEREAS**, the Oversight Board (“Oversight Board”) of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

**WHEREAS**, the Successor Agency is responsible for paying for all of the costs of meetings of the Oversight Board and may include such costs in its administrative budget pursuant to California Health and Safety Code Section 34179(c); and

**WHEREAS**, the Oversight Board may direct the staff of the Successor Agency to perform work in furtherance of the Oversight Board’s and the Successor Agency’s duties and responsibilities, and the Oversight Board may direct the Successor Agency to provide additional legal advice than what was given by Successor Agency staff pursuant to California Health and Safety Code Sections 34179(c) and 34179(n); and

**WHEREAS**, the Oversight Board is authorized to contract with private agencies for administrative support pursuant to California Health and Safety Code Section 34179(o); and

**WHEREAS**, the Oversight Board and Varner & Brandt LLP (“Counsel”) entered into that certain Engagement Agreement, dated July 6, 2012 (“Engagement Agreement”), for legal representation by Counsel; and

**WHEREAS**, the Successor Agency accepted and approved the Engagement Agreement for the limited purpose of facilitating the payment of legal fees and costs on behalf of the Oversight Board; and

**WHEREAS**, the Engagement Agreement provides that the term of the engagement shall be for a three-year period beginning on July 1, 2012, which engagement may be extended for two one-year options; and

**WHEREAS**, the Engagement Agreement does not require any specific action by either party in order to exercise the options to extend the term; and

**WHEREAS**, the Oversight Board has continued to request and rely upon legal representation from Counsel, and Counsel has continued to provide such legal representation to the Oversight Board, from and after the expiration of the initial term on June 30, 2015; and

**WHEREAS**, Item No. 258 of Recognized Obligation Payment Schedule (“ROPS”) for the period July 1, 2015 through December 31, 2015 (“ROPS 15-16A”), for the period January 1, 2016 through June 30, 2016 (“ROPS 15-16B”) and for the period July 1, 2016 through June 30, 2017 (“ROPS 16-17”), each reflect payment of “Legal Services;” and

**WHEREAS**, the Oversight Board desires to ratify the services provided by Counsel since July 1, 2015 and formally exercise the option to extend the engagement of Counsel under the Engagement Agreement, which actions are proper and necessary in furtherance of the Oversight Board’s duties and responsibilities and for the conduct of the Oversight Board’s meetings in accordance with California Health and Safety Code Sections 34179(c), 34179(n), and 34179(o); and

**WHEREAS**, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board as follows:

**Section 1. Ratification and Extension of Engagement Agreement.** The Oversight Board hereby ratifies the informal exercise of the first option to extend the term of the Engagement Agreement, and the continued legal representation by Counsel thereunder, for the period July 1, 2015, through June 30, 2016, and formally elects to exercise the first option to extend the term of the Engagement Agreement for the period July 1, 2015, through June 30, 2016. The foregoing extension does not create a new enforceable obligation and is contemplated in Item No. 258 of ROPS 15-16A and ROPS 15-16B.

**Section 2. Extension of Engagement Agreement.** The Oversight Board hereby elects to exercise the second option to extend the term of the Engagement Agreement for the period July 1, 2016, through June 30, 2017. The foregoing extension does not create a new enforceable obligation and is contemplated in Item No. 258 of ROPS 16-17.

**Section 3. Authorization of Successor Agency.** Upon approval of this resolution (“Resolution”) by the DOF, the Oversight Board hereby authorizes and directs the Executive Director and/or Assistant Secretary of the Successor Agency, jointly and severally, to execute and deliver any and all other documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution.

**Section 4. Delivery to the California Department of Finance.** The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the DOF in accordance with California Health and Safety Code Section 34179(h).

**Section 5. Other Actions.** The Oversight Board hereby authorizes and directs the Chairman, Vice Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem

necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

**Section 6. Effect.** This Resolution shall take effect in accordance with California Health and Safety Code Section 34179(h).

**PASSED, APPROVED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on March 11, 2016, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

By: \_\_\_\_\_  
Santos H. Kreimann, Chairman  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

ATTEST:

\_\_\_\_\_  
Diane M. Schlichting, Secretary  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

*OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY*

ITEM NO. 5.3

**RESOLUTION NO. OB 2016-06**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, APPROVING AN AMENDMENT TO THE ENGAGEMENT AGREEMENT BY AND BETWEEN THE OVERSIGHT BOARD AND VARNER & BRANDT LLP**

**WHEREAS**, the Successor Agency to the Industry Urban-Development Agency was formed in accordance with California Health and Safety Code Section 34173 (“Successor Agency”); and

**WHEREAS**, the Oversight Board (“Oversight Board”) of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

**WHEREAS**, the Successor Agency is responsible for paying for all of the costs of meetings of the Oversight Board and may include such costs in its administrative budget pursuant to California Health and Safety Code Section 34179(c); and

**WHEREAS**, the Oversight Board may direct the staff of the Successor Agency to perform work in furtherance of the Oversight Board’s and the Successor Agency’s duties and responsibilities, and the Oversight Board may direct the Successor Agency to provide additional legal advice than what was given by Successor Agency staff pursuant to California Health and Safety Code Sections 34179(c) and 34179(n); and

**WHEREAS**, the Oversight Board is authorized to contract with private agencies for administrative support pursuant to California Health and Safety Code Section 34179(o); and

**WHEREAS**, the Oversight Board and Varner & Brandt LLP (“Counsel”) entered into that certain Engagement Agreement, dated July 6, 2012 (“Engagement Agreement”), for legal representation by Counsel; and

**WHEREAS**, the Successor Agency accepted and approved the Engagement Agreement for the limited purpose of facilitating the payment of legal fees and costs on behalf of the Oversight Board; and

**WHEREAS**, the Engagement Agreement provides that the term of the engagement shall be for a three-year period beginning on July 1, 2012, which engagement may be extended for two one-year options; and

**WHEREAS**, the Oversight Board exercised both one-year options to extend the Engagement Agreement by adopting Resolution No. OB 2016-05 and the term of the Engagement Agreement is currently set to expire on June 30, 2017; and

**WHEREAS**, the Oversight Board has determined that an amendment to the Engagement Agreement to extend the term therein, and in the form attached hereto as Attachment A



("Amendment"), is proper and necessary in furtherance of the Oversight Board's duties and responsibilities and for the conduct of the Oversight Board's meetings in accordance with California Health and Safety Code Sections 34179(c), 34179(n), and 34179(o); and

**WHEREAS**, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board as follows:

**Section 1.** **Approval of Amendment to Engagement Agreement.** The Oversight Board hereby approves the Amendment to the Engagement Agreement, in the form attached hereto as Attachment A, to extend to term from June 30, 2017 to June 30, 2018.

**Section 2.** **Authorization of Successor Agency.** Upon approval of this resolution ("Resolution") by the Department of Finance, the Oversight Board hereby authorizes and directs the Executive Director and/or Assistant Secretary of the Successor Agency, jointly and severally, to execute and deliver any and all other documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution.

**Section 3.** **Delivery to the California Department of Finance.** The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the Department of Finance in accordance with California Health and Safety Code Section 34179(h).

**Section 4.** **Other Actions.** The Oversight Board hereby authorizes and directs the Chairman, Vice Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

**Section 5.** **Effect.** This Resolution shall take effect in accordance with California Health and Safety Code Section 34179(h).

**PASSED, APPROVED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on March 11, 2016, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

By: \_\_\_\_\_  
Santos H. Kreimann, Chairman  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

ATTEST:

\_\_\_\_\_  
Diane M. Schlichting, Secretary  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

**RESOLUTION NO. OB 2016-06**  
**ATTACHMENT A**  
**AMENDMENT TO ENGAGEMENT AGREEMENT**  
**[ATTACHED BEHIND THIS PAGE]**

Brendan W. Brandt  
Suzanne M. Bryant  
Rabia P. Chaudhry  
Linda J. Gladson  
Scott R. Heil  
Nathan W. Heyde  
Andrew R. Morand  
Timothy R. Owen  
David J. Porras  
Leslie F. Riley  
Andrew Ross  
Angelica A. Samaniego  
Patricia D. Short  
Bruce D. Varner  
Kristin C. Varner  
Sean S. Varner  
Michelle M. Wolfe

Kristen R. Olsen  
*In memoriam 1968-2015*

Stephen C. Jones  
Of Counsel  
Vahe H. Sarrafian  
Of Counsel

March \_\_, 2016

*Email:* bruce.varner@varnerbrandt.com

**SENT VIA U.S. MAIL AND EMAIL**  
**(DSCHLICHTING@CITYOFINDUSTRY.ORG)**

Diane Schlichting, Secretary  
Oversight Board of the Successor Agency  
to the Industry Urban-Development Agency  
15625 East Stafford Street  
City of Industry, California 91744

***RE: AMENDMENT TO ENGAGEMENT AGREEMENT***

Dear Ms. Schlichting:

We are pleased that the Oversight Board of the Successor Agency to the Industry Urban-Development Agency (the "Oversight Board") has chosen to extend the term of the Engagement Agreement, dated July 6, 2012, by and between the Oversight Board and Varner & Brandt LLP ("Engagement Agreement").

Upon the effective date of the Oversight Board's resolution approving the amendment, the term of the Engagement Agreement is amended to extend through June 30, 2018, and shall thereafter be extended automatically on an annual basis unless either party elects to terminate the engagement of Varner & Brandt LLP upon thirty (30) days advance written notice.

Diane Schlichting, Secretary  
March \_\_, 2016  
Page 2

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Except as expressly amended herein, all the provisions of the Engagement Agreement shall remain in full force and effect.

Very truly yours,

Bruce D. Varner  
of Varner & Brandt LLP

I have read the above letter concerning amendment of the Engagement Agreement for the Oversight Board's agreement for legal representation by Varner & Brandt LLP, and have been lawfully authorized by the Oversight Board to agree to the terms and conditions set forth in this letter.

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**

Dated: \_\_\_\_\_, 2016.

By: \_\_\_\_\_  
Santos Kreimann  
Chairman

**ACCEPTED AND APPROVED FOR THE  
LIMITED PURPOSE OF FACILITATING THE  
PAYMENT OF LEGAL FEES AND COSTS ON  
BEHALF OF THE OVERSIGHT BOARD:**

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

By: \_\_\_\_\_  
Paul Philips  
Executive Director

*OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY*

ITEM NO. 5.4

**CLIENT MEMORANDUM**

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**TO:** OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
**FROM:** VARNER & BRANDT LLP  
**SUBJECT:** TRANSMITTAL OF MARCH 11, 2016 OVERSIGHT BOARD MEETING AGENDA ITEM #5.4  
**DATE:** FEBRUARY 24, 2016

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The following memorandum provides the members of the Oversight Board (“Oversight Board”) to the Successor Agency to the Industry Urban-Development Agency (“Successor Agency”) with pertinent information in order for each Board Member to make an informed decision on the matters before the Oversight Board.

**Agenda Item No.:** 5.4

**Subject: Approval of Purchase and Sale Agreement; Disposition of Property.** Approval of the Successor Agency’s execution of a purchase and sale agreement with the City of Industry (the “City”).

**Request by Successor Agency:** Successor Agency requests that the Oversight Board approve the execution of a purchase and sale agreement with the City concerning the sale and disposition of certain real property located at 150 Hacienda Boulevard, City of Industry (“Property”) and identified as Asset No. 19 in the Successor Agency’s approved long-range property management plan (“LRPMP”).

**Legislative Authority of the Oversight Board:**

1. *California Health and Safety Code Section 34177(e):* The Successor Agency must dispose of assets and properties of the former redevelopment agency as directed by the Oversight Board; provided, however that the Oversight Board may direct the Successor Agency to transfer ownership of certain assets pursuant to Section 34181(a). The disposal of the assets and properties is to be completed expeditiously and in a manner aimed at maximizing value.
2. *California Health and Safety Code Section 34177(h):* The Successor Agency must expeditiously wind down the affairs of the Former Agency in accordance with the direction of the Oversight Board.
3. *California Health and Safety Code Section 34181(a):* The Oversight Board must direct the Successor Agency to dispose of all assets and properties of the former redevelopment

agency; provided, however that the Oversight Board may instead direct the Successor Agency to transfer ownership of those assets constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to this construction or use of such an asset. The Successor Agency must dispose of assets and property expeditiously and in a manner aimed at maximizing value.

4. *California Health and Safety Code Section 34191.3*: The disposition authority of the Successor Agency and the Oversight Board under Sections 34177(e) and 34181(a), respectively, is suspended, except as to transfers for governmental use, until the Department of Finance has approved a long-range property management plan, at which point the long-range property management plan will govern the disposition and use of real property assets of the former redevelopment agency.

**Application:** The Successor Agency must dispose of assets and properties of the former redevelopment agency in accordance with the direction of the Oversight Board. (HSC Sections 34177(e), 34181(a).) Despite the Oversight Board's directive authority, Section 34191.3 suspended the power to direct the disposition of assets and properties of the former redevelopment agency, except for the transfer of governmental use assets, until the DOF approved the Successor Agency's LRPMP. Approval of the Successor Agency's LRPMP occurred on February 21, 2014, making the Oversight Board's directive authority under Section 34177(e) and Section 34181(a) operative. The LRPMP identifies the Property as a "For Sale" property.

Any disposition of property, whether governmental purpose or otherwise, must be done expeditiously and in a manner aimed at maximizing value. (HSC Sections 34177(e), 34181(a))

The Property is improved with a two-story building currently leased by Bank of America. The first floor consists of a bank branch (including a drive-through facility) and the second floor consists of office space. The lease agreement is triple net, with the current lease year ending on February 28, 2016. Bank of America holds three 5-year options to extend the term, which if exercised would extend the lease through February 29, 2031. Successor Agency staff confirmed that Bank of America has yet to exercise any options.

The Successor Agency retained R.P. Laurain & Associates ("Appraiser") to determine the value of the Property, which was determined on July 1, 2015. Successor Agency staff previously provided a copy of the appraisal to each member of the Oversight Board. The Appraiser determined the market value of the Property to be \$5,100,000.00. The value assumes the exercise of the first option period of the lease was exercised by Bank of America. The appraisal presupposes the highest and best use of the Property is continued use as a financial office building for the foreseeable future.

Jim Rabe of Keyser Marston was provided with copies of the appraisal to review and comment. Given the passage of time since the appraisal was first conducted and the current real estate market, Oversight Board members may consider discussing and/or requesting an update from Successor



Agency staff regarding whether there have been any changes to the Property that may warrant an update to the appraisal.

The Property is identified as Property No. 19 on the LRPMP. The disposition method set forth in the LRPMP recommends that the Successor Agency combine the Property, together with 220 Hacienda Boulevard (Agenda No. 5.5), 242 Hacienda Boulevard (Agenda No. 5.6), and 244 Hacienda Boulevard as one packaged group of properties for sale and to make such properties available to the public through direct contact or through brokers. A copy of the relevant portion of the LRPMP is attached to this memorandum as Attachment A for your reference.

The City has offered to purchase the Property for \$5,100,000 and intends to add the Property to its City Hall campus for future expansion and/or enhancements. Successor Agency staff indicated that the Property was not marketed to the public and no offers, other than the City, have been received. The Oversight Board may consider requesting further explanation and information from Successor Agency staff concerning why the Property was not marketed to the public as contemplated by the LRPMP.

We have reviewed the terms of the Purchase and Sale Agreement between the Successor Agency and the City, dated November 25, 2015 and signed by both parties. The sale of the Property is made on an "AS IS" basis and includes a full release of claims. Closing costs will be split between the parties. A non-refundable deposit equal to 10% of the purchase price (i.e., \$510,000) is required and the transaction contemplates a 30 day escrow period. We provided Successor Agency staff with revisions to the agreement, which should be incorporated into the agreement provided in your materials.



Attachment A

Portion of LRPMP

**Property Description**

**Address:** Civic Center

150 Hacienda Blvd., # 19 on Property List (B of A)  
220 Hacienda Blvd., # 20 on Property List (One West Bank)  
244 Hacienda Blvd., # 21 on Property List (vacant)  
242 Hacienda Blvd., # 50 on Property List (vacant)  
Parking and Common Areas, # 47 on Property List

**Size:** 11.33 acres

**Date Purchased:** 1975, 1980 & February and August 2009

**IUDA Purchase Price:** \$12,325,000

**Estimated Current Value:** Office Buildings \$6 million @ \$213 SF, vacant land \$3.5 million @ \$30 SF Total \$9.5 million

**Reason Acquired:** Part of the acquisition that included a new City Hall and surrounding uses

**Plan and Zoning:** Institutional

**Lease Revenue:** \$33,275 (Bank Leases)

**Environmental:** Phase I

**Potential for Transit-Oriented Development:** None

**History of Development Proposals:** A proposal was being developed by the IUDA to sell a part of # 50 on the property list to the owner of the property at 255 Hacienda Blvd. for the construction of a new 20,000 square foot office building.

**Staff Recommendation:** The staff recommends that the properties be combined for sale and made available through direct contact or through brokers. The portion of the property serving City Hall as parking would be turned over to the City as part of a sale.



19 Address : 150 Hacienda Blvd  
 City : City of Industry  
 APN : 8208-025-951  
 Acre : 0.59 Ac.

<b>CITY OF INDUSTRY</b> <b>SUCCESSOR AGENCY OF THE INDUSTRY</b> <b>URBAN-DEVELOPMENT AGENCY</b> <b>PROPERTY LIST ITEM #19</b>	
Prepared by: <b>CNC</b> Consulting Civil Engineers - Surveyors	255 N. Hamilton Blvd., Ste. 222 City of Industry, CA 91744 Phone (951) 512-0026 Fax (951) 516-7076
DESIGN BY: VLS DRAWN BY: VLS	CHECKED BY: DTM DATE: OCTOBER 2012 JOB No. MP 12-0393 SMT. 1 OF 1



②0 Address : 220 S. Hacienda Blvd  
 City : City of Industry  
 APN : 8208-025-952  
 Acre : 0.15 Ac.

Prepared by  
**CNC**  
 CONSULTING  
 Consulting Civil Engineers - Surveyors

220 N. Highlands Blvd., Ste. 223  
 City of Industry, Ca. 91744  
 Phone (925) 338-0306  
 Fax (925) 338-7076

<b>CITY OF INDUSTRY</b>		
<b>SUCCESSOR AGENCY OF THE INDUSTRY</b>		
<b>URBAN-DEVELOPMENT AGENCY</b>		
<b>PROPERTY LIST ITEM# 20</b>		
DESIGN BY: VS	DRAWN BY: VS	CHECKED BY: DTM
DATE: OCTOBER 2012	JOB No. MP 12-0363	SHT. 1 OF 1



21 Address : 244 Hacienda Blvd  
 City : City of Industry  
 APN : 8208-025-923  
 Acre : 0.39 Ac.

Prepared by  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors

255 N. Highlands Blvd., Ste. 222  
 City of Industry, Ca. 91744  
 Phone (951) 338-0300  
 Fax (951) 338-7078

<b>CITY OF INDUSTRY</b>		
<b>SUCCESSOR AGENCY OF THE INDUSTRY</b>		
<b>URBAN-DEVELOPMENT AGENCY</b>		
<b>PROPERTY LIST ITEM# 21</b>		
DESIGNED BY: V.S.	DRAWN BY: V.S.	DATE: OCTOBER 2012
JOB No. MP 12-0363		SHT. 1 OF 1



50 Address : 242 Hacienda Blvd.  
 City : City of Industry  
 APN : 8208-025-954  
 Acre : 2.46 Ac.

Prepared by  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors  
 258 N. Holladay Blvd., Ste. 222  
 City of Industry, Ca. 91746  
 Phone (909) 330-0200  
 Fax (909) 336-7070

**CITY OF INDUSTRY**  
**SUCCESSOR AGENCY OF THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**  
**PROPERTY LIST ITEM # 50**

DESIGN BY : VA	DRAWN BY : SC	CHECKED BY : DTM	DATE : OCTOBER 2012	JOB No. MP 12-0383	SHT. 1 OF 1
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(47) Address : Common Area for Parcels 19 & 20 & other Civic Center Parcels  
 City : City of Industry  
 APN : 8208-025-907  
       8208-025-908  
       8208-025-909  
       8208-025-926  
 Acre : 5.55 Ac.

Prepared by: <b>CNC</b> <small>REGISTERED PROFESSIONAL ENGINEERING CIVIL ENGINEERS</small>		<b>CITY OF INDUSTRY</b> SUCCESSOR AGENCY OF THE INDUSTRY URBAN-DEVELOPMENT AGENCY PROPERTY LIST ITEM # 47	
<small>300 S. Hacienda Blvd., Ste. 202          City of Industry, CA 91744          Phone (951) 236-0200          Fax (951) 236-0200          Cell (951) 236-0200</small>	<small>CHECKED BY: DLM          DATE: OCTOBER 2012</small>	<small>JOB No. MP 12-0383</small>	<small>SHT. 1 OF 1</small>
<small>DESIGNED BY: VLS</small>	<small>DRAWN BY: EC</small>	<small>DATE: OCTOBER 2012</small>	



PUBLIC NOTICE

**NOTICE IS HEREBY GIVEN** that Pursuant to Health and Safety Code Section 34181(f), the Oversight Board of the Successor Agency of the Industry Urban-Development Agency will hold a regular meeting to consider the Purchase Agreements for the sale and disposition of certain real property located at 150 Hacienda Boulevard, 220 Hacienda Boulevard, and 242 Hacienda Boulevard.

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

Time: 3:30 p.m.  
Date: March 1, 2016, or as soon as possible thereafter  
Place: City Council Chamber  
15651 East Stafford Street  
City of Industry, CA 91744

A copy of all relevant materials, including the Purchase Agreement, 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: February 19, 2016

**RESOLUTION NO. OB 2016-07**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT FOR THE SALE AND DISPOSITION OF CERTAIN REAL PROPERTY LOCATED AT 150 HACIENDA BOULEVARD, CITY OF INDUSTRY, CALIFORNIA**

**WHEREAS**, the Successor Agency to the Industry Urban-Development Agency was formed in accordance with California Health and Safety Code Section 34173 (“Successor Agency”); and

**WHEREAS**, the Oversight Board (“Oversight Board”) of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

**WHEREAS**, the Successor Agency must dispose of assets and properties of the former redevelopment agency as directed by the Oversight Board pursuant to California Health and Safety Code Section 34177(e); and

**WHEREAS**, the Oversight Board must direct the Successor Agency to dispose of all assets and properties of the former redevelopment agency pursuant to California Health and Safety Code Section 34181(a); and

**WHEREAS**, the Successor Agency is not permitted to dispose of any real property assets of the former redevelopment agency, except governmental use assets, until the Department of Finance (“DOF”) approves the Successor Agency’s long-range property management plan (“LRPMP”) pursuant to California Health and Safety Code Section 34191.3; and

**WHEREAS**, on February 21, 2014, the DOF issued an approval notice approving the Successor Agency’s LRPMP (“Determination Letter”); and

**WHEREAS**, upon receiving DOF approval of the LRPMP, the LRPMP governs and supersedes all other provisions relating to the disposition and use of real property assets of the former redevelopment agency pursuant to California Health and Safety Code Section 34191.3; and

**WHEREAS**, the Successor Agency owns certain real property located at 150 Hacienda Boulevard, City of Industry, which property is identified on the LRPMP as Property No. 19 as a “for sale” property (“Property”); and

**WHEREAS**, the Successor Agency intends to sell the Property to the City of Industry (“Purchaser”) for a purchase price of \$5,100,000.00, which represents an amount equal to the current fair market value of the Property, as determined by an appraisal performed by R.P. Laurain & Associates on July 1, 2015, and

**WHEREAS**, the sale of the Property by Successor Agency to the Purchaser in accordance with the terms of a purchase and sale agreement (the “Purchase Agreement”), a copy of which has been made available to the Oversight Board for inspection and is attached hereto as Exhibit A; and

**WHEREAS**, the Oversight Board has determined that the approval of the sale and disposition of the Property pursuant to the Purchase Agreement is consistent with the terms of the approved LRPMP under Health and Safety Code Section 34181(a) and 34191.3, and is consistent with the obligation of the Successor Agency to wind down the affairs of the former redevelopment agency in accordance with California Health and Safety Code Section 34177(h); and

**WHEREAS**, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board as follows:

**Section 1.** **Approval of Purchase Agreement; Disposition of the Property.** The Oversight Board hereby approves the sale and disposition of the Property in accordance with the terms of the approved LRPMP and the Purchase Agreement.

**Section 2.** **Authorization of Successor Agency.** Upon approval of this resolution (“Resolution”) by the California Department of Finance, the Oversight Board authorizes and directs the Executive Director and/or Assistant Secretary of the Successor Agency, jointly and severally, to execute and deliver the Purchase Agreement, in substantially the form made available to the Oversight Board for inspection, and any and all other documents which they may deem necessary or advisable in order to effectuate the approval of the Resolution.

**Section 3.** **Delivery to the California Department of Finance.** The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the California Department of Finance in accordance with California Health and Safety Code Section 34179(h).

**Section 4.** **Other Actions.** The Oversight Board hereby authorizes and directs the Chairman, Vice Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

**Section 5.** **Effect.** This Resolution shall take effect in accordance with California Health and Safety Code Section 34179(h).

**PASSED, APPROVED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on March 11, 2016, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

By: \_\_\_\_\_  
Santos H. Kreimann, Chairman  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

**ATTEST:**

\_\_\_\_\_  
Diane M. Schlichting, Secretary  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

**RESOLUTION NO. OB 2016-07**  
**ATTACHMENT A**  
**PURCHASE AGREEMENT**  
**[ATTACHED BEHIND THIS PAGE]**

**PURCHASE AND SALE AGREEMENT**  
**150 North Hacienda Boulevard, City of Industry**

THIS PURCHASE AGREEMENT for the property located at 150 NORTH HACIENDA BOULEVARD, CITY OF INDUSTRY, CA (this "Agreement"), dated as of November 25, 2015 (the "Effective Date") is entered into by and between the SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, a public body corporate and politic, (the "Agency" or "Seller") and the CITY OF INDUSTRY, a municipal corporation (the "City" or "Buyer"). The City and the City are hereinafter sometimes individually referred to as a "party" and collectively referred to as the "parties."

**RECITALS**

A. Agency is the owner of that certain real property located at 150 North Hacienda Boulevard, City of Industry, California and the reciprocal easement area, as more particularly described on Exhibit A attached hereto together with all right, title and interest in and to all appurtenances and improvements (collectively, the "Property").

B. The Property was previously owned by the Industry Urban-Development Agency ("IUDA"). On June 28, 2011, the Governor signed into law ABX1 26, which provided for the dissolution and winding down of redevelopment agencies throughout the State of California. AB X1 26 was subsequently amended by Assembly Bill 1484 (collectively, as amended, "Dissolution Act").

C. Pursuant to the Dissolution Act, the City of Industry elected to be the Successor Agency to the IUDA to administer the dissolution and winding down of the IUDA. On February 1, 2012, pursuant to the Dissolution Legislation, the Agency was dissolved by operation of law, and, upon dissolution, all assets, properties and contracts of the IUDA, including the Property, were transferred, by operation of law, to the Agency pursuant to the provisions of Health and Safety Code § 34175 (b).

D. Bank of America currently occupies the Property pursuant to a Lease originally dated June 6, 1975, as amended. ("Lease").

E. Buyer desires to purchase the Property from Seller, and Seller desires to sell the Property to Buyer on the terms and conditions contained in this Agreement.

**NOW, THEREFORE**, for valuable consideration, and subject to all terms and conditions hereof, Buyer and Seller agree as follows:

**1. PURCHASE AND SALE.** Pursuant to the terms and conditions contained in this Agreement, Seller hereby agrees to sell the Property to Buyer and, Buyer hereby agrees to purchase the Property from Seller.

**2. PURCHASE PRICE.** The purchase price ("Purchase Price") for the Property shall be Five Million One Hundred Thousand Dollars (\$5,100,000.00) (the "**Purchase Price**"), payable by Buyer to Seller in cash at the Closing (as defined in Section 7A below). A non-refundable deposit equal to ten percent (10%) of the Purchase Price shall be deposited into escrow by Buyer within five (5) days

after execution of this Agreement by Seller and delivery to Buyer ("Deposit"). At the close of escrow, the Deposit shall be applied to the Purchase Price. Notwithstanding the above, if any of the conditions to closing set forth in Section 4 are not satisfied and escrow fails to close as a result thereof, the Deposit shall be fully refundable to Buyer.

### 3. ESCROW.

A. Opening of Escrow. Buyer has opened an escrow at the offices of 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](mailto:pbeverly@firstam.com). Upon mutual execution of this Agreement, Buyer and Seller shall deliver a fully executed copy of this Agreement to Escrow Holder.

B. Closing Date. Escrow shall close within thirty (30) days, or less, after satisfaction of the Condition to Closing set forth in Section 4 B (i). For purposes of this Agreement, the closing date ("Closing Date") shall mean the date on which a grant deed conveying the Property to Buyer is recorded in the Los Angeles County Recorder's Office.

### 4. CONDITIONS TO CLOSING.

A. Buyer's Conditions to Closing. Close of Escrow and Buyer's obligation to purchase the Property pursuant to this Agreement are subject to the satisfaction of the following conditions at or prior to Closing:

(i) Title. Buyer acknowledges receipt of a preliminary title report prepared by Escrow Holder for the Property ("Title Report"). Buyer shall acquire the Property subject to all exceptions described in the Title Report, together with all non-delinquent real property taxes and assessments to be assessed against the Property, and the Bank of America Lease ("Approved Exceptions"). At the Closing, Seller shall deliver title to the Property to Buyer subject only to the Approved Exceptions.

(ii) Delivery of Deed. Seller shall have executed and deposited into Escrow, for delivery to Buyer, the Grant Deed attached hereto as Exhibit B.

(iii) Delivery of Assignment. Seller shall have executed and deposited into Escrow, for delivery to Buyer, an Assignment in the form attached hereto as Exhibit D, assigning the Bank of America Lease to Buyer ("Assignment"). If any of the conditions to Buyer's obligations set forth above fail to occur at or before the Closing Date through no fault of Buyer, then Buyer may cancel the Escrow, terminate this Agreement, and recover any amounts paid by Buyer to the Escrow Holder toward the Purchase Price.

B. Seller's Condition to Closing. Close of Escrow and Seller's obligation to sell the Property to Buyer pursuant to this Agreement, are subject to the satisfaction of the following conditions at or prior to Closing:

(i) Authorization to Sell. Prior to the Closing, Seller shall have obtained any and all authorizations and approvals necessary to sell the Property pursuant to the Dissolution Legislation, including

California Department of Finance approval of the Oversight Board resolution approving the sale of the Property to Buyer on the terms and conditions set forth herein.

(ii) No Default. Buyer shall not be in material default of Buyer's obligations under this Agreement, including, but not limited to, Buyer's obligation to deliver the Purchase Price into escrow on or before the Closing Date. If the conditions above have not been satisfied or waived by Seller at or before the Closing Date through no fault of Seller, then Seller may, upon written notice to Buyer, cancel the Escrow, terminate this Agreement, and recover any documents delivered to the Escrow Holder pursuant to this Agreement.

## 5. REPRESENTATIONS AND WARRANTIES.

A. Buyer hereby represents and warrants to Seller that (i) it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby; (ii) all requisite action (corporate, trust, partnership or otherwise) has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby; and (iii) no consent of any other party is required.

B. Except as provided in Section 4 B (i) above, Seller hereby represents and warrants to Buyer that (i) it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby; (ii) all requisite action (corporate, trust, partnership or otherwise) has been taken by Seller in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby; and (iii) no consent of any other party is required.

C. Except as disclosed on those reports set forth on Exhibit C attached hereto (collectively, "Environmental Reports"), Seller hereby represents and warrants that (i) Seller has not released any Hazardous Materials on the Property, (ii) Seller has no actual knowledge of any release of Hazardous Materials (as defined below) on the Property, and (iii) Seller has not received any notice of any violation of any law, ordinance, rule, regulation or order of any governmental authority pertaining to the Property. For purposes of this Agreement, the term "Hazardous Materials" shall mean any and all of those materials, substances, wastes, pollutants, contaminants, byproducts, or constituents which have been determined to be injurious to health or the environment, including without limitation those designated as hazardous or toxic by any federal, state or local law, ordinance, rule, regulation or policy, and any other materials, substances, wastes, pollutants, contaminants, by-products or constituents requiring remediation under federal, state or local laws, ordinances, rules, regulations or policies.

D. Seller hereby represents and warrants to Buyer that (i) except for the Bank of America Lease, there are no other leases, options to purchase, rights of first refusal or contracts for lease or sale of the Property; and (ii) there are no liens or claims against the Property other than the Approved Exceptions.

E. Seller hereby represents and warrants to Buyer that during the term of this Agreement Seller shall not, without Buyer's prior written approval, modify the Bank of America Lease or enter into any other contracts which will not be terminated on or before Closing.



## 6. CONDITION OF PROPERTY

The Property shall be conveyed from the Agency to the City on an "AS IS" condition and basis with all faults and the City agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the City and anyone claiming by, through or under the City hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the 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 City 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 City is presently unaware or which the City does not presently suspect to exist which, if known by the City, would materially affect the City'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 City 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 CITY FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE CITY 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 CITY 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, CITY HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

City's Initials  


The waivers and releases by the City 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.

## 7. CLOSING OF ESCROW.

A. Delivery of Documents and Payment. At or prior to Closing, Seller shall deposit into Escrow the executed Assignment, and a Grant Deed in the form attached hereto as Exhibit B, properly executed and acknowledged by Seller, in favor of Buyer, containing the legal description of the Property and subject only to the Approved Exceptions. At or prior to Closing, Buyer and Seller shall have each deposited into Escrow any supplemental escrow instructions necessary to close this Escrow. Escrow Holder shall deliver to Seller the Purchase Price, when (1) Escrow Holder holds, and is able to record, the Grant Deed, (2) Escrow Holder is prepared to issue to Buyer the Title Policy as provided in Section 7 B below, (3) the conditions specified in Section 4 have been satisfied or waived and (4) Escrow Holder holds, and is able to deliver to Buyer, the executed Assignment.

B Title Insurance. At the Close of Escrow, Buyer shall obtain from Escrow Holder a standard coverage American Land Title Association (“ALTA”) owner’s form policy of title insurance in the amount of the Purchase Price insuring title to the Property in the name of Buyer subject only to the Approved Exceptions and the standard printed exclusions from coverage of an ALTA standard title policy (“Title Policy”).

C Recordation and Delivery. At the Closing, Escrow Holder shall (1) forward the Grant Deed to the recorder for recordation, and (2) deliver the Title Policy as provided in Section 7B, above and the Assignment to Buyer at the address set forth in Section 13.

D. Obligation to Refrain from Discrimination. The City covenants and agrees for itself, its successors and assigns, and for every successor in interest to the Property or any part thereof, 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 City (itself or any person claiming under or through the City) 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 City conveys the Property to a third party after completion of the Improvements thereon in

accordance with the Agreement, the City shall be relieved of any further responsibility under this Section 5.3 as to the Property so conveyed.

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

(i) 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.”

(ii) 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.”

(iii) 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.”

F. Restrictive Covenant. In order to insure the City’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 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.

G. Effect and Duration of Covenants. The following covenants shall be binding upon the Property and City 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 City:

(1) The 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.

(4) The use requirement regarding using the Property only for the construction of the Improvements set forth in Section 5.1 shall remain in effect until the earlier of the completion of the Improvements, or one (1) year after Close of Escrow if the reason for the failure to complete the Improvements is not due to a default by City. The use requirement regarding using the Property for any lawful purpose shall remain in effect in perpetuity.

8. **BROKERS.** Seller and Buyer hereby represent to each other that there are no brokers, finders, or other persons entitled to a commission, finder's fee or other payment in connection with this Agreement. Buyer and Seller hereby agree to indemnify, defend, protect, and hold the other harmless from and against any claims, liabilities, or damages for commissions or finder's fees brought by any third party who has dealt or claims to have dealt with the indemnifying party pertaining to the Property.

9. **FIRPTA.** Seller warrants that it is not a foreign person or entity as defined in the Foreign Investors Real Property Tax Act and prior to the close of escrow Seller will deposit an affidavit certifying same. Escrow Holder's duties pertaining to these provisions are limited to the receipt from Seller of such affidavit prior to the close of escrow and delivery to Buyer of such affidavit at the close of escrow.

10. **GOVERNING LAW.** This Agreement shall be construed and enforced in accordance with the applicable laws of the State of California.

11. **PROPERTY TAXES.** Buyer shall be responsible for any property or other taxes assessed against the Property to the extent attributable to the period on or after the Closing. Seller shall be responsible for any property or other taxes assessed against the Property to the extent attributable to the period prior to the Close of Escrow.

12. **CLOSING COSTS.** Buyer and Seller shall split equally the documentary transfer taxes, customary escrow fee and charges and recordation fees and the cost of the Title Policy. Any endorsements to the Title Policy requested by Buyer shall be paid for by Buyer. Tenant rental payments, real property taxes and assessments (if any), utility and other operating costs of the Property shall be prorated at Closing.

13. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by national overnight courier service, sent by facsimile transmission, if also sent by one of the other methods provided in this Section, or sent by registered or certified mail, first class postage prepaid, return receipt requested, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice, (ii) the date of the facsimile transmission, or (iii) three (3) business days after the date of posting with the United States Postal Service at the following addresses:

To Buyer: Paul J. Philips, City Manager  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744

To Seller: Successor Agency to the Industry Urban-Development Agency  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Paul J. Philips, Executive Director

with a copy to: James M. Casso  
Casso & Sparks, LLP  
P.O. Box 4131  
West Covina, CA 91791

Any party to this Agreement may change its address for receipt of notices by giving notice of such change to the other party in the manner set forth in this Section. Neither the rejection of a notice by the addressee or the inability to deliver a notice because of a change of address for which no change of address notice was received, shall affect the date on which such notice is deemed received.

**14. RECEIPT OF PROPERTY DOCUMENTS.** Buyer acknowledges that it has received and had the opportunity to review the following documents:

- (i) The Title Report;
- (ii) The Environmental Reports; and
- (iii) The Bank of America.

**15. MISCELLANEOUS.**

A. Time. Time is of the essence of this Agreement with respect to each and every provision hereof in which time is a factor.

B. Entire Agreement. This Agreement, including the Exhibits attached hereto, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes any and all prior agreements and understandings between the parties. No change in, modification of or amendment to this Agreement shall be valid unless set forth in writing and signed by all of the parties subsequent to the execution of this Agreement.

C. Further Assurances. Each of the parties agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Closing Date, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement.

D. Successors. Subject to the provisions of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, executors, representatives, successors and assigns.

E. Severability. In the event any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall be effective only to the extent of such determination and shall not prohibit or otherwise render ineffective any other provision of this Agreement.

F. Exhibits. References herein to exhibits are to Exhibit A, Exhibit B, Exhibit C, and Exhibit D attached hereto, which exhibits are hereby incorporated by reference.

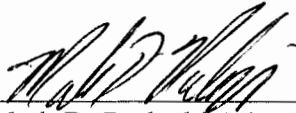
G. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature pages

may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

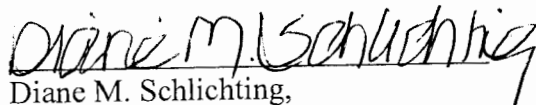
**SIGNATURES ON NEXT PAGE**

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the date first written above.

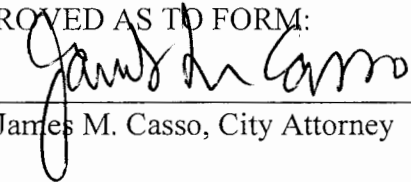
**CITY OF INDUSTRY**

By:   
Mark D. Radecki, Mayor

ATTEST:

  
Diane M. Schlichting,  
Acting Deputy City Clerk

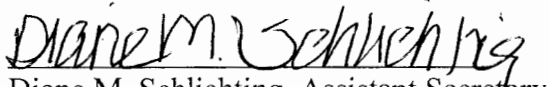
APPROVED AS TO FORM:

By:   
James M. Casso, City Attorney

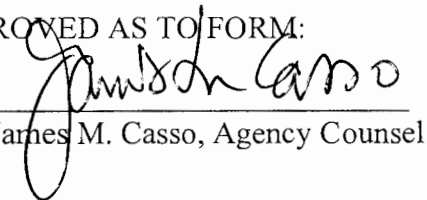
**SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY**

By:   
Mark D. Radecki, Chairman

ATTEST:

  
Diane M. Schlichting, Assistant Secretary

APPROVED AS TO FORM:

By:   
James M. Casso, Agency Counsel



*OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY*

ITEM NO. 5.5

**CLIENT MEMORANDUM**

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**TO:** OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
**FROM:** VARNER & BRANDT LLP  
**SUBJECT:** TRANSMITTAL OF MARCH 11, 2016 OVERSIGHT BOARD MEETING AGENDA ITEM #5.5  
**DATE:** FEBRUARY 24, 2016

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The following memorandum provides the members of the Oversight Board (“Oversight Board”) to the Successor Agency to the Industry Urban-Development Agency (“Successor Agency”) with pertinent information in order for each Board Member to make an informed decision on the matters before the Oversight Board.

**Agenda Item No.:** 5.5

**Subject: Approval of Purchase and Sale Agreement; Disposition of Property.** Approval of the Successor Agency’s execution of a purchase and sale agreement with the City of Industry (the “City”).

**Request by Successor Agency:** Successor Agency requests that the Oversight Board approve the execution of a purchase and sale agreement with the City concerning the sale and disposition of certain real property located at 220 Hacienda Boulevard, City of Industry (“Property”) and identified as Asset No. 20 in the Successor Agency’s approved long-range property management plan (“LRPMP”).

**Legislative Authority of the Oversight Board:**

1. *California Health and Safety Code Section 34177(e):* The Successor Agency must dispose of assets and properties of the former redevelopment agency as directed by the Oversight Board; provided, however that the Oversight Board may direct the Successor Agency to transfer ownership of certain assets pursuant to Section 34181(a). The disposal of the assets and properties is to be completed expeditiously and in a manner aimed at maximizing value.
2. *California Health and Safety Code Section 34177(h):* The Successor Agency must expeditiously wind down the affairs of the Former Agency in accordance with the direction of the Oversight Board.
3. *California Health and Safety Code Section 34181(a):* The Oversight Board must direct the Successor Agency to dispose of all assets and properties of the former redevelopment

agency; provided, however that the Oversight Board may instead direct the Successor Agency to transfer ownership of those assets constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to this construction or use of such an asset. The Successor Agency must dispose of assets and property expeditiously and in a manner aimed at maximizing value.

4. *California Health and Safety Code Section 34191.3*: The disposition authority of the Successor Agency and the Oversight Board under Sections 34177(e) and 34181(a), respectively, is suspended, except as to transfers for governmental use, until the Department of Finance has approved a long-range property management plan, at which point the long-range property management plan will govern the disposition and use of real property assets of the former redevelopment agency.

**Application:** The Successor Agency must dispose of assets and properties of the former redevelopment agency in accordance with the direction of the Oversight Board. (HSC Sections 34177(e), 34181(a).) Despite the Oversight Board's directive authority, Section 34191.3 suspended the power to direct the disposition of assets and properties of the former redevelopment agency, except for the transfer of governmental use assets, until the DOF approved the Successor Agency's LRPMP. Approval of the Successor Agency's LRPMP occurred on February 21, 2014, making the Oversight Board's directive authority under Section 34177(e) and Section 34181(a) operative. The LRPMP identifies the Property as a "For Sale" property.

Any disposition of property, whether governmental purpose or otherwise, must be done expeditiously and in a manner aimed at maximizing value. (HSC Sections 34177(e), 34181(a))

The Property is improved with a building currently utilized and leased by One West Bank. The building is utilized as bank branch, which includes a drive-through facility. The lease agreement is triple net, with the current lease term ending April 30, 2016. One West Bank holds two 5-year options to extend the term, which if exercised would extend the lease through April 30, 2026.

The Successor Agency retained R.P. Laurain & Associates ("Appraiser") to determine the value of the Property, which was determined on July 1, 2015. Successor Agency staff previously provided a copy of the appraisal to each member of the Oversight Board. The Appraiser determined the market value of the Property to be \$1,850,000.00. The appraisal presupposes the highest and best use of the Property is continued use as a financial office building for the foreseeable future.

Jim Rabe of Keyser Marston was provided with copies of the appraisal to review and comment. Given the passage of time since the appraisal was first conducted and the current real estate market, Oversight Board members may consider discussing and/or requesting an update from Successor Agency staff regarding whether there have been any changes to the Property that may warrant an update to the appraisal.

The Property is identified as Property No. 20 on the LRPMP. The disposition method set forth in the LRPMP recommends that the Successor Agency combine the Property, together with 150 Hacienda Boulevard (Agenda No. 5.4), 242 Hacienda Boulevard (Agenda No. 5.6), and 244 Hacienda Boulevard as one packaged group of properties for sale and make such properties available to the public through direct contact or through brokers. A copy of the relevant portion of the LRPMP is attached to this memorandum as Attachment A for your reference.

The City has offered to purchase the Property for \$1,850,000 and intends to add the Property to its City Hall campus for future expansion and/or enhancements. Successor Agency staff indicated that the Property was not marketed to the public and no offers, other than the City, have been received. The Oversight Board may consider requesting further explanation and information from Successor Agency staff concerning why the Property was not marketed to the public as contemplated by the LRPMP.

We have reviewed the terms of the Purchase and Sale Agreement between the Successor Agency and the City, dated November 25, 2015 and signed by both parties. The sale of the Property is made on an "AS IS" basis and includes a full release of claims. Closing costs will be split between the parties. A non-refundable deposit equal to 10% of the purchase price (i.e., \$185,000) is required and the transaction contemplates a 30 day escrow period. We provided Successor Agency staff with revisions to the agreement, which should be incorporated into the agreement provided in your materials.



Attachment A

Portion of LRPMP

**Property Description**

**Address:** Civic Center

150 Hacienda Blvd., # 19 on Property List (B of A)  
220 Hacienda Blvd., # 20 on Property List (One West Bank)  
244 Hacienda Blvd., # 21 on Property List (vacant)  
242 Hacienda Blvd., # 50 on Property List (vacant)  
Parking and Common Areas, # 47 on Property List

**Size:** 11.33 acres

**Date Purchased:** 1975, 1980 & February and August 2009

**IUDA Purchase Price:** \$12,325,000

**Estimated Current Value:** Office Buildings \$6 million @ \$213 SF, vacant land \$3.5 million @ \$30 SF Total \$9.5 million

**Reason Acquired:** Part of the acquisition that included a new City Hall and surrounding uses

**Plan and Zoning:** Institutional

**Lease Revenue:** \$33,275 (Bank Leases)

**Environmental:** Phase I

**Potential for Transit-Oriented Development:** None

**History of Development Proposals:** A proposal was being developed by the IUDA to sell a part of # 50 on the property list to the owner of the property at 255 Hacienda Blvd. for the construction of a new 20,000 square foot office building.

**Staff Recommendation:** The staff recommends that the properties be combined for sale and made available through direct contact or through brokers. The portion of the property serving City Hall as parking would be turned over to the City as part of a sale.



19 Address : 150 Hacienda Blvd  
 City : City of Industry  
 APN : 8208-025-951  
 Acre : 0.59 Ac.

Prepared by  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors  
 555 N. Hacienda Blvd., Ste. 222  
 City of Industry, Ca. 91744  
 Phone (909) 335-0206  
 Fax (909) 336-7076

**CITY OF INDUSTRY**  
**SUCCESSOR AGENCY OF THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**  
**PROPERTY LIST ITEM #19**

CHECKED BY: DTM  
 DATE: OCTOBER 2013  
 JOB No. MP 12-0383  
 SHT. 1 OF 1



② Address : 220 S. Hacienda Blvd  
 City : City of Industry  
 APN : 8208-025-952  
 Acre : 0.15 Ac.

Prepared by:  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors

255 N. Hacienda Blvd., Box 232  
 City of Industry, Ca. 91744  
 Phone (951) 532-0200  
 Fax (951) 538-7076

**CITY OF INDUSTRY**  
**SUCCESSOR AGENCY OF THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**  
**PROPERTY LIST ITEM# 20**

DESIGNED BY: V.S.	DRAWN BY: V.S.	CHECKED BY: DTM	DATE: OCTOBER 2011	JOB No. MP 12-0383	SHT. 1 OF 1
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②1 Address : 244 Hacienda Blvd  
 City : City of Industry  
 APN : 8208-025-923  
 Acre : 0.39 Ac.

Prepared by  
**CNC**  
 ENGINEERING  
 Professional Civil Engineers - 82202012

255 N. Hacienda Blvd., Ste. 223  
 City of Industry, Ca. 91744  
 Phone (951) 338-0208  
 Fax (951) 338-7878

**CITY OF INDUSTRY**  
**SUCCESSOR AGENCY OF THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**  
**PROPERTY LIST ITEM# 21**

DESIGNED BY: VS	DRAWN BY: VS	CHECKED BY: STM	DATE: OCTOBER 2013	JOB No. MP 12-0363	SHT. 1 OF 1
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(50) Address : 242 Hacienda Blvd.  
 City : City of Industry  
 APN : 8208-025-954  
 Acre : 2.46 Ac.

Prepared by  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors

255 N. Holladay Blvd., Ste. 222  
 City of Industry, Ca. 91746  
 Phone (951) 335-0208  
 Fax (951) 336-7970

CITY OF INDUSTRY	
SUCCESSOR AGENCY OF THE INDUSTRY	
URBAN-DEVELOPMENT AGENCY	
PROPERTY LIST ITEM # 50	
CHECKED BY: DTM	JOB No. MP-12-0383
DATE: OCTOBER 2012	SHT. 1 OF 1

DESIGNED BY: VS      DRAWN BY: SC



(47) Address : Common Area for Parcels 19 & 20 & other Civic Center Parcels  
 City : City of Industry  
 APN : 8208-025-907  
       8208-025-908  
       8208-025-909  
       8208-025-926  
 Acre : 5.55 Ac.

		<b>CITY OF INDUSTRY</b> <b>SUCCESSOR AGENCY OF THE INDUSTRY</b> <b>URBAN-DEVELOPMENT AGENCY</b> <b>PROPERTY LIST ITEM # 47</b>	
<small>           Prepared by:            205 S. Hawthorn Blvd., Ste. 202            City of Industry, Ca. 91744            Phone: (916) 215-0200            Fax: (916) 215-0200            E-MAIL: CNC@CNCENGINEERING.COM         </small>	<small>           DESIGNED BY: V.S.            DRAWN BY: S.C.         </small>	<small>           CHECKED BY: STM            DATE: OCTOBER 2012         </small>	<small>           JOB No. MP-12-0363            SHEET: 1 OF 1         </small>

PUBLIC NOTICE

**NOTICE IS HEREBY GIVEN** that Pursuant to Health and Safety Code Section 34181(f), the Oversight Board of the Successor Agency of the Industry Urban-Development Agency will hold a regular meeting to consider the Purchase Agreements for the sale and disposition of certain real property located at 150 Hacienda Boulevard, 220 Hacienda Boulevard, and 242 Hacienda Boulevard.

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

Time: 3:30 p.m.  
Date: March 1, 2016, or as soon as possible thereafter  
Place: City Council Chamber  
15651 East Stafford Street  
City of Industry, CA 91744

A copy of all relevant materials, including the Purchase Agreement, 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: February 19, 2016



**RESOLUTION NO. OB 2016-08**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT FOR THE SALE AND DISPOSITION OF CERTAIN REAL PROPERTY LOCATED AT 220 HACIENDA BOULEVARD, CITY OF INDUSTRY, CALIFORNIA**

**WHEREAS**, the Successor Agency to the Industry Urban-Development Agency was formed in accordance with California Health and Safety Code Section 34173 (“Successor Agency”); and

**WHEREAS**, the Oversight Board (“Oversight Board”) of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

**WHEREAS**, the Successor Agency must dispose of assets and properties of the former redevelopment agency as directed by the Oversight Board pursuant to California Health and Safety Code Section 34177(e); and

**WHEREAS**, the Oversight Board must direct the Successor Agency to dispose of all assets and properties of the former redevelopment agency pursuant to California Health and Safety Code Section 34181(a); and

**WHEREAS**, the Successor Agency is not permitted to dispose of any real property assets of the former redevelopment agency, except governmental use assets, until the Department of Finance (“DOF”) approves the Successor Agency’s long-range property management plan (“LRPMP”) pursuant to California Health and Safety Code Section 34191.3; and

**WHEREAS**, on February 21, 2014, the DOF issued an approval notice approving the Successor Agency’s LRPMP (“Determination Letter”); and

**WHEREAS**, upon receiving DOF approval of the LRPMP, the LRPMP governs and supersedes all other provisions relating to the disposition and use of real property assets of the former redevelopment agency pursuant to California Health and Safety Code Section 34191.3; and

**WHEREAS**, the Successor Agency owns certain real property located at 220 Hacienda Boulevard, City of Industry, which property is identified on the LRPMP as Property No. 20 as a “for sale” property (“Property”); and

**WHEREAS**, the Successor Agency intends to sell the Property to the City of Industry (“Purchaser”) for a purchase price of \$1,850,000.00, which represents an amount equal to the current fair market value of the Property, as determined by an appraisal performed by R.P. Laurain & Associates on July 1, 2015, and

**WHEREAS**, the sale of the Property by Successor Agency to the Purchaser in accordance with the terms of a purchase and sale agreement (the “Purchase Agreement”), a copy of which has been made available to the Oversight Board for inspection and is attached hereto as Exhibit A; and

**WHEREAS**, the Oversight Board has determined that the approval of the sale and disposition of the Property pursuant to the Purchase Agreement is consistent with the terms of the approved LRPMP under Health and Safety Code Section 34181(a) and 34191.3, and is consistent with the obligation of the Successor Agency to wind down the affairs of the former redevelopment agency in accordance with California Health and Safety Code Section 34177(h); and

**WHEREAS**, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board as follows:

**Section 1. Approval of Purchase Agreement; Disposition of the Property.** The Oversight Board hereby approves the sale and disposition of the Property in accordance with the terms of the approved LRPMP and the Purchase Agreement.

**Section 2. Authorization of Successor Agency.** Upon approval of this resolution (“Resolution”) by the California Department of Finance, the Oversight Board authorizes and directs the Executive Director and/or Assistant Secretary of the Successor Agency, jointly and severally, to execute and deliver the Purchase Agreement, in substantially the form made available to the Oversight Board for inspection, and any and all other documents which they may deem necessary or advisable in order to effectuate the approval of the Resolution.

**Section 3. Delivery to the California Department of Finance.** The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the California Department of Finance in accordance with California Health and Safety Code Section 34179(h).

**Section 4. Other Actions.** The Oversight Board hereby authorizes and directs the Chairman, Vice Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

**Section 5. Effect.** This Resolution shall take effect in accordance with California Health and Safety Code Section 34179(h).

**PASSED, APPROVED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on March 11, 2016, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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

Santos H. Kreimann, Chairman  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

**ATTEST:**

\_\_\_\_\_  
Diane M. Schlichting, Secretary  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency



**RESOLUTION NO. OB 2016-08**  
**ATTACHMENT A**  
**PURCHASE AGREEMENT**  
**[ATTACHED BEHIND THIS PAGE]**

**PURCHASE AND SALE AGREEMENT**  
**220 North Hacienda Boulevard, City of Industry**

THIS PURCHASE AGREEMENT for the property located at 220 NORTH HACIENDA BOULEVARD, CITY OF INDUSTRY, CA (this "Agreement"), dated as of November 25, 2015 (the "Effective Date") is entered into by and between the SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, a public body corporate and politic, (the "Agency" or "Seller") and the CITY OF INDUSTRY, a municipal corporation (the "City" or "Buyer"). The City and the City are hereinafter sometimes individually referred to as a "party" and collectively referred to as the "parties."

**RECITALS**

A. Agency is the owner of that certain real property located at 222 North Hacienda Boulevard, City of Industry, California, and the reciprocal easement area, as more particularly described on Exhibit A attached hereto together with all right, title and interest in and to all appurtenances and improvements (collectively, the "Property").

B. The Property was previously owned by the Industry Urban-Development Agency ("IUDA"). On June 28, 2011, the Governor signed into law ABX1 26, which provided for the dissolution and winding down of redevelopment agencies throughout the State of California. AB X1 26 was subsequently amended by Assembly Bill 1484 (collectively, as amended, "Dissolution Act").

C. Pursuant to the Dissolution Act, the City of Industry elected to be the Successor Agency to the IUDA to administer the dissolution and winding down of the IUDA. On February 1, 2012, pursuant to the Dissolution Legislation, the Agency was dissolved by operation of law, and, upon dissolution, all assets, properties and contracts of the IUDA, including the Property, were transferred, by operation of law, to the Agency pursuant to the provisions of Health and Safety Code § 34175 (b).

D. One West Bank currently occupies the Property pursuant to a Lease originally dated DATE, as amended. ("Lease").

E. Buyer desires to purchase the Property from Seller, and Seller desires to sell the Property to Buyer on the terms and conditions contained in this Agreement.

**NOW, THEREFORE**, for valuable consideration, and subject to all terms and conditions hereof, Buyer and Seller agree as follows:

**1. PURCHASE AND SALE.** Pursuant to the terms and conditions contained in this Agreement, Seller hereby agrees to sell the Property to Buyer and, Buyer hereby agrees to purchase the Property from Seller.

**2. PURCHASE PRICE.** The purchase price ("Purchase Price") for the Property shall be One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000.00) (the "**Purchase Price**"), payable by Buyer to Seller in cash at the Closing (as defined in Section 7A below). A non-refundable deposit equal to ten percent (10%) of the Purchase Price shall be deposited into escrow by Buyer within five

(5) days after execution of this Agreement by Seller and delivery to Buyer (“Deposit”). At the close of escrow, the Deposit shall be applied to the Purchase Price. Notwithstanding the above, if any of the conditions to closing set forth in Section 4 are not satisfied and escrow fails to close as a result thereof, the Deposit shall be fully refundable to Buyer.

### 3. ESCROW.

A. Opening of Escrow. Buyer has opened an escrow at the offices of 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](mailto:pbeverly@firstam.com). Upon mutual execution of this Agreement, Buyer and Seller shall deliver a fully executed copy of this Agreement to Escrow Holder.

B. Closing Date. Escrow shall close within thirty (30) days, or less, after satisfaction of the Condition to Closing set forth in Section 4 B (i). For purposes of this Agreement, the closing date (“Closing Date”) shall mean the date on which a grant deed conveying the Property to Buyer is recorded in the Los Angeles County Recorder’s Office.

### 4. CONDITIONS TO CLOSING.

A. Buyer’s Conditions to Closing. Close of Escrow and Buyer’s obligation to purchase the Property pursuant to this Agreement are subject to the satisfaction of the following conditions at or prior to Closing:

(i) Title. Buyer acknowledges receipt of a preliminary title report prepared by Escrow Holder for the Property (“Title Report”). Buyer shall acquire the Property subject to all exceptions described in the Title Report, together with all non-delinquent real property taxes and assessments to be assessed against the Property, and the One West Bank Lease (“Approved Exceptions”). At the Closing, Seller shall deliver title to the Property to Buyer subject only to the Approved Exceptions.

(ii) Delivery of Deed. Seller shall have executed and deposited into Escrow, for delivery to Buyer, the Grant Deed attached hereto as Exhibit B.

(iii) Delivery of Assignment. Seller shall have executed and deposited into Escrow, for delivery to Buyer, an Assignment in the form attached hereto as Exhibit D, assigning the One West Bank Lease to Buyer (“Assignment”). If any of the conditions to Buyer’s obligations set forth above fail to occur at or before the Closing Date through no fault of Buyer, then Buyer may cancel the Escrow, terminate this Agreement, and recover any amounts paid by Buyer to the Escrow Holder toward the Purchase Price.

B. Seller’s Condition to Closing. Close of Escrow and Seller’s obligation to sell the Property to Buyer pursuant to this Agreement, are subject to the satisfaction of the following conditions at or prior to Closing:

(i) Authorization to Sell. Prior to the Closing, Seller shall have obtained any and all authorizations and approvals necessary to sell the Property pursuant to the Dissolution Legislation, including

California Department of Finance approval of the Oversight Board resolution approving the sale of the Property to Buyer on the terms and conditions set forth herein.

(ii) No Default. Buyer shall not be in material default of Buyer's obligations under this Agreement, including, but not limited to, Buyer's obligation to deliver the Purchase Price into escrow on or before the Closing Date. If the conditions above have not been satisfied or waived by Seller at or before the Closing Date through no fault of Seller, then Seller may, upon written notice to Buyer, cancel the Escrow, terminate this Agreement, and recover any documents delivered to the Escrow Holder pursuant to this Agreement.

## 5. REPRESENTATIONS AND WARRANTIES.

A. Buyer hereby represents and warrants to Seller that (i) it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby; (ii) all requisite action (corporate, trust, partnership or otherwise) has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby; and (iii) no consent of any other party is required.

B. Except as provided in Section 4 B (i) above, Seller hereby represents and warrants to Buyer that (i) it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby; (ii) all requisite action (corporate, trust, partnership or otherwise) has been taken by Seller in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby; and (iii) no consent of any other party is required.

C. Except as disclosed on those reports set forth on Exhibit C attached hereto (collectively, "Environmental Reports"), Seller hereby represents and warrants that (i) Seller has not released any Hazardous Materials on the Property, (ii) Seller has no actual knowledge of any release of Hazardous Materials (as defined below) on the Property, and (iii) Seller has not received any notice of any violation of any law, ordinance, rule, regulation or order of any governmental authority pertaining to the Property. For purposes of this Agreement, the term "Hazardous Materials" shall mean any and all of those materials, substances, wastes, pollutants, contaminants, byproducts, or constituents which have been determined to be injurious to health or the environment, including without limitation those designated as hazardous or toxic by any federal, state or local law, ordinance, rule, regulation or policy, and any other materials, substances, wastes, pollutants, contaminants, by-products or constituents requiring remediation under federal, state or local laws, ordinances, rules, regulations or policies.

D. Seller hereby represents and warrants to Buyer that (i) except for the One West Bank Lease, there are no other leases, options to purchase, rights of first refusal or contracts for lease or sale of the Property; and (ii) there are no liens or claims against the Property other than the Approved Exceptions.

E. Seller hereby represents and warrants to Buyer that during the term of this Agreement Seller shall not, without Buyer's prior written approval, modify the One West Bank Lease or enter into any other contracts which will not be terminated on or before Closing.

## 6. CONDITION OF PROPERTY

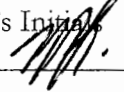
The Property shall be conveyed from the Agency to the City on an "AS IS" condition and basis with all faults and the City agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the City and anyone claiming by, through or under the City hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the 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 City 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 City is presently unaware or which the City does not presently suspect to exist which, if known by the City, would materially affect the City'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 City 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 CITY FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE CITY 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 CITY 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, CITY HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

City's Initial   
\_\_\_\_\_

The waivers and releases by the City 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.

## 7. CLOSING OF ESCROW.

A. Delivery of Documents and Payment. At or prior to Closing, Seller shall deposit into Escrow the executed Assignment, and a Grant Deed in the form attached hereto as Exhibit B, properly executed and acknowledged by Seller, in favor of Buyer, containing the legal description of the Property and subject only to the Approved Exceptions. At or prior to Closing, Buyer and Seller shall have each deposited into Escrow any supplemental escrow instructions necessary to close this Escrow. Escrow Holder shall deliver to Seller the Purchase Price, when (1) Escrow Holder holds, and is able to record, the Grant Deed, (2) Escrow Holder is prepared to issue to Buyer the Title Policy as provided in Section 7 B below, (3) the conditions specified in Section 4 have been satisfied or waived and (4) Escrow Holder holds, and is able to deliver to Buyer, the executed Assignment.

B Title Insurance. At the Close of Escrow, Buyer shall obtain from Escrow Holder a standard coverage American Land Title Association (“ALTA”) owner’s form policy of title insurance in the amount of the Purchase Price insuring title to the Property in the name of Buyer subject only to the Approved Exceptions and the standard printed exclusions from coverage of an ALTA standard title policy (“Title Policy”).

C Recordation and Delivery. At the Closing, Escrow Holder shall (1) forward the Grant Deed to the recorder for recordation, and (2) deliver the Title Policy as provided in Section 7B, above and the Assignment to Buyer at the address set forth in Section 13.

D. Obligation to Refrain from Discrimination. The City covenants and agrees for itself, its successors and assigns, and for every successor in interest to the Property or any part thereof, 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 City (itself or any person claiming under or through the City) 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 City conveys the Property to a third party after completion of the Improvements thereon in

accordance with the Agreement, the City shall be relieved of any further responsibility under this Section 5.3 as to the Property so conveyed.

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

(i) 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.”

(ii) 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.”

(iii) 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.”

F. Restrictive Covenant. In order to insure the City’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 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.

G. Effect and Duration of Covenants. The following covenants shall be binding upon the Property and City 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 City:

(1) The 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.

(4) The use requirement regarding using the Property only for the construction of the Improvements set forth in Section 5.1 shall remain in effect until the earlier of the completion of the Improvements, or one (1) year after Close of Escrow if the reason for the failure to complete the Improvements is not due to a default by City. The use requirement regarding using the Property for any lawful purpose shall remain in effect in perpetuity.



8. **BROKERS.** Seller and Buyer hereby represent to each other that there are no brokers, finders, or other persons entitled to a commission, finder's fee or other payment in connection with this Agreement. Buyer and Seller hereby agree to indemnify, defend, protect, and hold the other harmless from and against any claims, liabilities, or damages for commissions or finder's fees brought by any third party who has dealt or claims to have dealt with the indemnifying party pertaining to the Property.

9. **FIRPTA.** Seller warrants that it is not a foreign person or entity as defined in the Foreign Investors Real Property Tax Act and prior to the close of escrow Seller will deposit an affidavit certifying same. Escrow Holder's duties pertaining to these provisions are limited to the receipt from Seller of such affidavit prior to the close of escrow and delivery to Buyer of such affidavit at the close of escrow.

10. **GOVERNING LAW.** This Agreement shall be construed and enforced in accordance with the applicable laws of the State of California.

11. **PROPERTY TAXES.** Buyer shall be responsible for any property or other taxes assessed against the Property to the extent attributable to the period on or after the Closing. Seller shall be responsible for any property or other taxes assessed against the Property to the extent attributable to the period prior to the Close of Escrow.

12. **CLOSING COSTS.** Buyer and Seller shall split equally the documentary transfer taxes, customary escrow fee and charges and recordation fees and the cost of the Title Policy. Any endorsements to the Title Policy requested by Buyer shall be paid for by Buyer. Tenant rental payments, real property taxes and assessments (if any), utility and other operating costs of the Property shall be prorated at Closing.

13. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by national overnight courier service, sent by facsimile transmission, if also sent by one of the other methods provided in this Section, or sent by registered or certified mail, first class postage prepaid, return receipt requested, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice, (ii) the date of the facsimile transmission, or (iii) three (3) business days after the date of posting with the United States Postal Service at the following addresses:

To Buyer: Paul J. Philips, City Manager  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744

To Seller: Successor Agency to the Industry Urban-Development Agency  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Paul J. Philips, Executive Director

with a copy to: James M. Casso  
Casso & Sparks, LLP  
P.O. Box 4131  
West Covina, CA 91791

Any party to this Agreement may change its address for receipt of notices by giving notice of such change to the other party in the manner set forth in this Section. Neither the rejection of a notice by the addressee or the inability to deliver a notice because of a change of address for which no change of address notice was received, shall affect the date on which such notice is deemed received.

**14. RECEIPT OF PROPERTY DOCUMENTS.** Buyer acknowledges that it has received and had the opportunity to review the following documents:

- (i) The Title Report;
- (ii) The Environmental Reports; and
- (iii) The One West Bank Lease.

**15. MISCELLANEOUS.**

A. Time. Time is of the essence of this Agreement with respect to each and every provision hereof in which time is a factor.

B. Entire Agreement. This Agreement, including the Exhibits attached hereto, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes any and all prior agreements and understandings between the parties. No change in, modification of or amendment to this Agreement shall be valid unless set forth in writing and signed by all of the parties subsequent to the execution of this Agreement.

C. Further Assurances. Each of the parties agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Closing Date, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement.

D. Successors. Subject to the provisions of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, executors, representatives, successors and assigns.

E. Severability. In the event any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall be effective only to the extent of such determination and shall not prohibit or otherwise render ineffective any other provision of this Agreement.

F. Exhibits. References herein to exhibits are to Exhibit A, Exhibit B, Exhibit C, and Exhibit D attached hereto, which exhibits are hereby incorporated by reference.

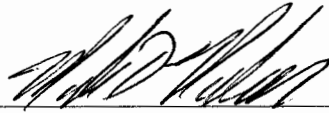
G. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature pages

may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

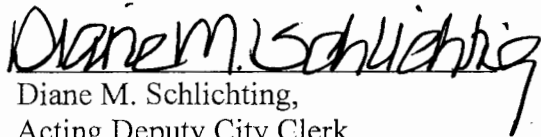
*SIGNATURES ON NEXT PAGE*

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the date first written above.

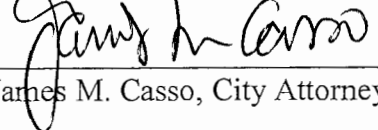
**CITY OF INDUSTRY**

By:   
Mark D. Radecki, Mayor

ATTEST:

  
Diane M. Schlichting,  
Acting Deputy City Clerk

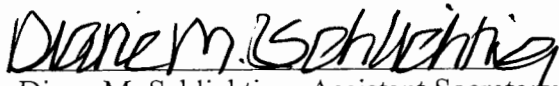
APPROVED AS TO FORM:

By:   
James M. Casso, City Attorney

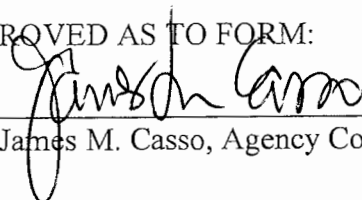
**SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY**

By:   
Mark D. Radecki, Chairman

ATTEST:

  
Diane M. Schlichting, Assistant Secretary

APPROVED AS TO FORM:

By:   
James M. Casso, Agency Counsel

*OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY*

ITEM NO. 5.6

**CLIENT MEMORANDUM**

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**TO:** OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
**FROM:** VARNER & BRANDT LLP  
**SUBJECT:** TRANSMITTAL OF MARCH 11, 2016 OVERSIGHT BOARD MEETING AGENDA ITEM #5.6  
**DATE:** FEBRUARY 24, 2016

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The following memorandum provides the members of the Oversight Board (“Oversight Board”) to the Successor Agency to the Industry Urban-Development Agency (“Successor Agency”) with pertinent information in order for each Board Member to make an informed decision on the matters before the Oversight Board.

**Agenda Item No.:** 5.6

**Subject: Approval of Purchase and Sale Agreement; Disposition of Property.** Approval of the Successor Agency’s execution of a purchase and sale agreement with the City of Industry (the “City”).

**Request by Successor Agency:** Successor Agency requests that the Oversight Board approve the execution of a purchase and sale agreement with the City concerning the sale and disposition of certain real property located at 242 and 244 Hacienda Boulevard, City of Industry (“Property”) and identified as Asset Nos. 21 and 50 in the Successor Agency’s approved long-range property management plan (“LRPMP”).

**Legislative Authority of the Oversight Board:**

1. *California Health and Safety Code Section 34177(e):* The Successor Agency must dispose of assets and properties of the former redevelopment agency as directed by the Oversight Board; provided, however that the Oversight Board may direct the Successor Agency to transfer ownership of certain assets pursuant to Section 34181(a). The disposal of the assets and properties is to be completed expeditiously and in a manner aimed at maximizing value.
2. *California Health and Safety Code Section 34177(h):* The Successor Agency must expeditiously wind down the affairs of the Former Agency in accordance with the direction of the Oversight Board.
3. *California Health and Safety Code Section 34181(a):* The Oversight Board must direct the Successor Agency to dispose of all assets and properties of the former redevelopment

agency; provided, however that the Oversight Board may instead direct the Successor Agency to transfer ownership of those assets constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to this construction or use of such an asset. The Successor Agency must dispose of assets and property expeditiously and in a manner aimed at maximizing value.

4. *California Health and Safety Code Section 34191.3*: The disposition authority of the Successor Agency and the Oversight Board under Sections 34177(e) and 34181(a), respectively, is suspended, except as to transfers for governmental use, until the Department of Finance has approved a long-range property management plan, at which point the long-range property management plan will govern the disposition and use of real property assets of the former redevelopment agency.

**Application**: The Successor Agency must dispose of assets and properties of the former redevelopment agency in accordance with the direction of the Oversight Board. (HSC Sections 34177(e), 34181(a).) Despite the Oversight Board's directive authority, Section 34191.3 suspended the power to direct the disposition of assets and properties of the former redevelopment agency, except for the transfer of governmental use assets, until the DOF approved the Successor Agency's LRPMP. Approval of the Successor Agency's LRPMP occurred on February 21, 2014, making the Oversight Board's directive authority under Section 34177(e) and Section 34181(a) operative. The LRPMP identifies the Property as a "For Sale" property.

Any disposition of property, whether governmental purpose or otherwise, must be done expeditiously and in a manner aimed at maximizing value. (HSC Sections 34177(e), 34181(a))

The Property is composed of two adjacent parcels of vacant land. The proposed transaction contemplates combining the two parcels for sale to one purchaser. The Property is located in the institutional zone district of the City; however, the City has indicated that the Property could reasonably be rezoned for commercial office, industrial, or a business park use.

The Successor Agency retained R.P. Laurain & Associates ("Appraiser") to determine the value of the Property, which value was determined on July 1, 2015. A copy of the appraisal was previously provided by Successor Agency staff to each member of the Oversight Board. The Appraiser determined the market value of the Property to be \$3,600,000.00. The appraisal presupposes the highest and best use of the Property is combining both parcels for one commercial office, industrial or business park development.

Jim Rabe of Keyser Marston was provided with copies of the appraisal to review and comment. Given the passage of time since the appraisal was first conducted and the current real estate market, Oversight Board members may consider discussing and/or requesting an update from Successor Agency staff regarding whether there have been any changes to the Property that may warrant an update to the appraisal.

The two parcels comprising the Property are identified as Property Nos. 21 and 50 on the LRPMP. The disposition method set forth in the LRPMP recommends that the Successor Agency combine the Property, together with 150 Hacienda Boulevard (Agenda No. 5.4) and 220 Hacienda Boulevard (Agenda No. 5.5) as one packaged group of properties for sale and make such properties available to the public through direct contact or through brokers. A copy of the relevant portion of the LRPMP is attached to this memorandum as Attachment A for your reference.

The City has offered to purchase the Property for \$3,600,000 and intends to add the Property to its City Hall campus for future expansion and/or enhancements. Successor Agency staff indicated that the Property was not marketed to the public and no offers, other than the City, have been received. The Oversight Board may consider requesting further explanation and information from Successor Agency staff concerning why the Property was not marketed to the public as contemplated by the LRPMP.

We have reviewed the terms of the Purchase and Sale Agreement between the Successor Agency and the City, dated November 25, 2015 and signed by both parties. The sale of the Property is made on an "AS IS" basis and includes a full release of claims. Closing costs will be split between the parties. A non-refundable deposit equal to 10% of the purchase price (i.e., \$360,000) is required and the transaction contemplates a 30 day escrow period. We provided Successor Agency staff with revisions to the agreement, which should be incorporated into the agreement provided in your materials.





Attachment A

Portion of LRPMP

**Property Description**

**Address:** Civic Center

- 150 Hacienda Blvd., # 19 on Property List (B of A)
- 220 Hacienda Blvd., # 20 on Property List (One West Bank)
- 244 Hacienda Blvd., # 21 on Property List (vacant)
- 242 Hacienda Blvd., # 50 on Property List (vacant)
- Parking and Common Areas, # 47 on Property List

**Size:** 11.33 acres

**Date Purchased:** 1975, 1980 & February and August 2009

**IUDA Purchase Price:** \$12,325,000

**Estimated Current Value:** Office Buildings \$6 million @ \$213 SF, vacant land \$3.5 million @ \$30 SF Total \$9.5 million

**Reason Acquired:** Part of the acquisition that included a new City Hall and surrounding uses

**Plan and Zoning:** Institutional

**Lease Revenue:** \$33,275 (Bank Leases)

**Environmental:** Phase I

**Potential for Transit-Oriented Development:** None

**History of Development Proposals:** A proposal was being developed by the IUDA to sell a part of # 50 on the property list to the owner of the property at 255 Hacienda Blvd. for the construction of a new 20,000 square foot office building.

**Staff Recommendation:** The staff recommends that the properties be combined for sale and made available through direct contact or through brokers. The portion of the property serving City Hall as parking would be turned over to the City as part of a sale.



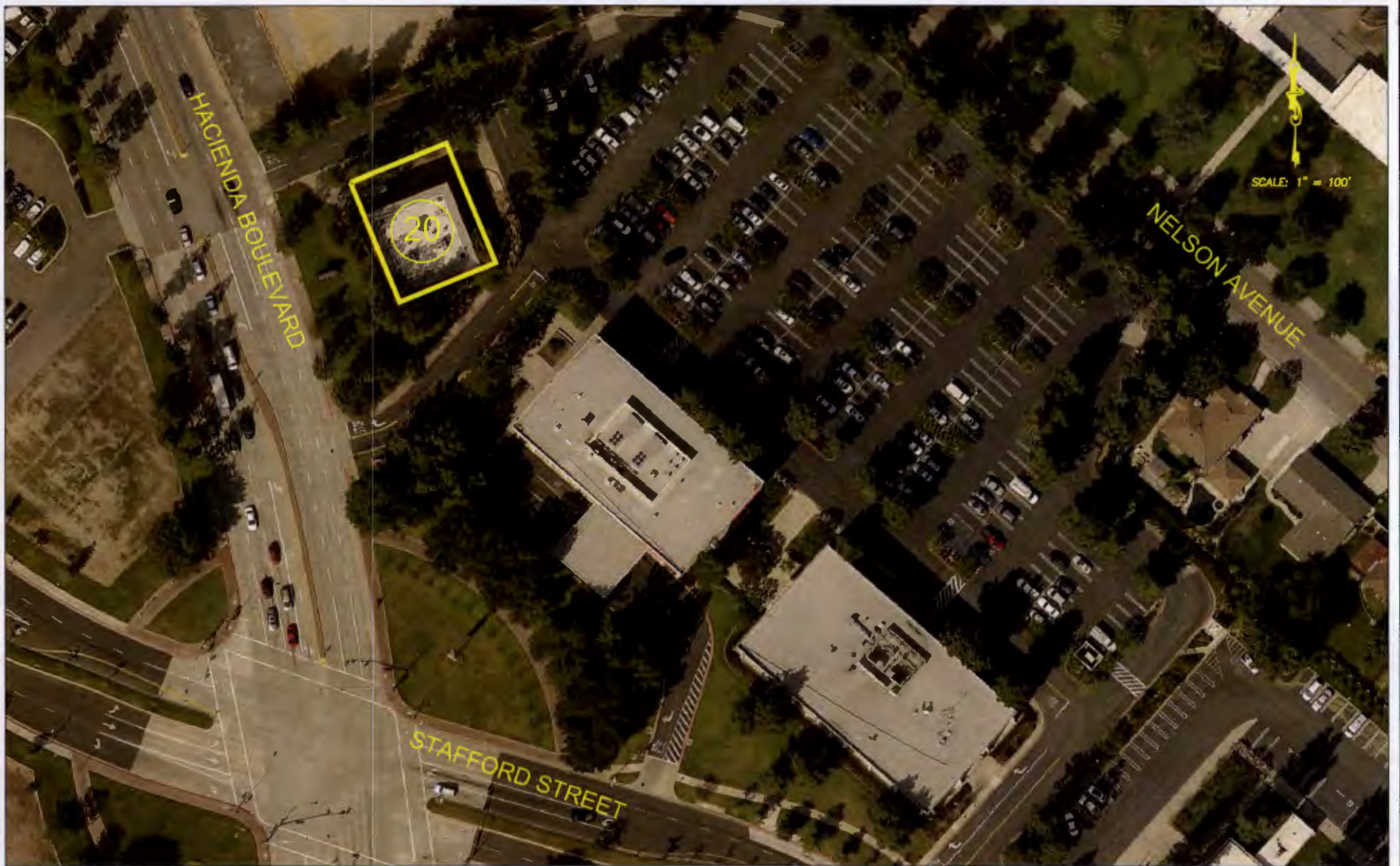
19 Address : 150 Hacienda Blvd  
 City : City of Industry  
 APN : 8208-025-951  
 Acre : 0.59 Ac.

Prepared by  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors

225 S. Hacienda Blvd., Ste. 222  
 City of Industry, Ca. 91744  
 Phone (909) 513-0338  
 Fax (909) 538-7078

**CITY OF INDUSTRY**  
**SUCCESSOR AGENCY OF THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**  
**PROPERTY LIST ITEM #19**

DESIGNED BY: V.S.	DRAWN BY: V.S.	CHECKED BY: D.T.M.	DATE: OCTOBER 2012	JOB No. MP 12-0383	BHT. 1 OF 1
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20 Address : 220 S. Hacienda Blvd  
 City : City of Industry  
 APN : B208-025-952  
 Acre : 0.15 Ac.

Prepared by  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors

200 N. Hacienda Blvd., Ste. 222  
 City of Industry, Ca. 91744  
 Phone (951) 513-0288  
 Fax (951) 538-7078

**CITY OF INDUSTRY**  
**SUCCESSOR AGENCY OF THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**  
**PROPERTY LIST ITEM# 20**

DESIGNED BY: VA	DRAWN BY: VA	CHECKED BY: DTM	DATE: OCTOBER 2012	JOB No. MP 12-0383	SHT. 1 OF 1
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21 Address : 244 Hacienda Blvd  
 City : City of Industry  
 APN : B208-025-923  
 Acre : 0.39 Ac.

Prepared by  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors

255 N. Hacienda Blvd., Ste. 225  
 City of Industry, Ca. 91744  
 Phone (951) 335-0206  
 Fax (951) 335-7076

**CITY OF INDUSTRY**  
**SUCCESSOR AGENCY OF THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**  
**PROPERTY LIST ITEM# 21**

DESIGNED BY: VS      DRAWN BY: VS

CHECKED BY: STM  
 DATE: OCTOBER 2012

JOB No. MP 12-0363      SHT. 1 OF 1



(50) Address : 242 Hacienda Blvd.  
 City : City of Industry  
 APN : 8208-025-954  
 Acre : 2.46 Ac.

Prepared by:  
**CNC**  
 ENGINEERING  
 Consulting Civil Engineers - Surveyors

255 S. Hacienda Blvd., Ste 202  
 City of Industry, CA 91744  
 Phone (951) 333-0238  
 Fax (951) 338-7079

**CITY OF INDUSTRY**  
**SUCCESSOR AGENCY OF THE INDUSTRY**  
**URBAN-DEVELOPMENT AGENCY**  
**PROPERTY LIST ITEM # 50**

DESIGNED BY: [blank] DRAWN BY: [blank]  
 CHECKED BY: [blank] DATE: [blank]

CHECKED BY: [blank] DATE: [blank]

JOB No. MP 12-0383

BHT. 1 OF 1



④7 Address : Common Area for Parcels 19 & 20 & other Civic Center Parcels  
 City : City of Industry  
 APN : 8208-025-907  
       8208-025-908  
       8208-025-909  
       8208-025-926  
 Acre : 5.55 Ac.

Prepared by <b>CNC</b> ENGINEERING Consulting Civil Engineers - Surveyors		200 N. Hacienda Blvd., Ste. 202 City of Industry, Ca. 91744 Phone (909) 512-0208 Fax (909) 512-7098		<b>CITY OF INDUSTRY</b> SUCCESSOR AGENCY OF THE INDUSTRY URBAN-DEVELOPMENT AGENCY PROPERTY LIST ITEM # 47	
CHECKED BY : V.A. DATE :	DRAWN BY : E.C. DATE :	CHECKED BY : DTM DATE : OCTOBER 2012	JOB No. MP 12-0363	BHT. 1 OF 1	

PUBLIC NOTICE

**NOTICE IS HEREBY GIVEN** that Pursuant to Health and Safety Code Section 34181(f), the Oversight Board of the Successor Agency of the Industry Urban-Development Agency will hold a regular meeting to consider the Purchase Agreements for the sale and disposition of certain real property located at 150 Hacienda Boulevard, 220 Hacienda Boulevard, and 242 Hacienda Boulevard.

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

Time: 3:30 p.m.  
Date: March 1, 2016, or as soon as possible thereafter  
Place: City Council Chamber  
15651 East Stafford Street  
City of Industry, CA 91744

A copy of all relevant materials, including the Purchase Agreement, 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: February 19, 2016





**RESOLUTION NO. OB 2016-09**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT FOR THE SALE AND DISPOSITION OF CERTAIN REAL PROPERTY LOCATED AT 242 AND 244 HACIENDA BOULEVARD, CITY OF INDUSTRY, CALIFORNIA**

**WHEREAS**, the Successor Agency to the Industry Urban-Development Agency was formed in accordance with California Health and Safety Code Section 34173 (“Successor Agency”); and

**WHEREAS**, the Oversight Board (“Oversight Board”) of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

**WHEREAS**, the Successor Agency must dispose of assets and properties of the former redevelopment agency as directed by the Oversight Board pursuant to California Health and Safety Code Section 34177(e); and

**WHEREAS**, the Oversight Board must direct the Successor Agency to dispose of all assets and properties of the former redevelopment agency pursuant to California Health and Safety Code Section 34181(a); and

**WHEREAS**, the Successor Agency is not permitted to dispose of any real property assets of the former redevelopment agency, except governmental use assets, until the Department of Finance (“DOF”) approves the Successor Agency’s long-range property management plan (“LRPMP”) pursuant to California Health and Safety Code Section 34191.3; and

**WHEREAS**, on February 21, 2014, the DOF issued an approval notice approving the Successor Agency’s LRPMP (“Determination Letter”); and

**WHEREAS**, upon receiving DOF approval of the LRPMP, the LRPMP governs and supersedes all other provisions relating to the disposition and use of real property assets of the former redevelopment agency pursuant to California Health and Safety Code Section 34191.3; and

**WHEREAS**, the Successor Agency owns certain real property located at 242 and 244 Hacienda Boulevard, City of Industry, which property is identified on the LRPMP as Property Nos. 50 and 21, respectively, as a “for sale” property (collectively, the “Property”); and

**WHEREAS**, the Successor Agency intends to combine the two parcels that compose of the Property and sell the Property to the City of Industry (“Purchaser”) for a purchase price of \$3,600,000.00, which represents an amount equal to the current fair market value of the Property, as determined by an appraisal performed by R.P. Laurain & Associates on July 1, 2015, and

**WHEREAS**, the sale of the Property by Successor Agency to the Purchaser in accordance with the terms of a purchase and sale agreement (the “Purchase Agreement”), a copy of which has been made available to the Oversight Board for inspection and is attached hereto as Exhibit A; and

**WHEREAS**, the Oversight Board has determined that the approval of the sale and disposition of the Property pursuant to the Purchase Agreement is consistent with the terms of the approved LRPMP under Health and Safety Code Section 34181(a) and 34191.3, and is consistent with the obligation of the Successor Agency to wind down the affairs of the former redevelopment agency in accordance with California Health and Safety Code Section 34177(h); and

**WHEREAS**, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board as follows:

**Section 1. Approval of Purchase Agreement; Disposition of the Property.** The Oversight Board hereby approves the sale and disposition of the Property in accordance with the terms of the approved LRPMP and the Purchase Agreement.

**Section 2. Authorization of Successor Agency.** Upon approval of this resolution (“Resolution”) by the California Department of Finance, the Oversight Board authorizes and directs the Executive Director and/or Assistant Secretary of the Successor Agency, jointly and severally, to execute and deliver the Purchase Agreement, in substantially the form made available to the Oversight Board for inspection, and any and all other documents which they may deem necessary or advisable in order to effectuate the approval of the Resolution.

**Section 3. Delivery to the California Department of Finance.** The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the California Department of Finance in accordance with California Health and Safety Code Section 34179(h).

**Section 4. Other Actions.** The Oversight Board hereby authorizes and directs the Chairman, Vice Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

**Section 5. Effect.** This Resolution shall take effect in accordance with California Health and Safety Code Section 34179(h).

**PASSED, APPROVED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on March 11, 2016, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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

Santos H. Kreimann, Chairman  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

**ATTEST:**

\_\_\_\_\_  
Diane M. Schlichting, Secretary  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

**RESOLUTION NO. OB 2016-09**  
**ATTACHMENT A**  
**PURCHASE AGREEMENT**  
**[ATTACHED BEHIND THIS PAGE]**

**PURCHASE AND SALE AGREEMENT**  
242 North Hacienda Boulevard, City of Industry

THIS PURCHASE AGREEMENT for the property located at 242 NORTH HACIENDA BOULEVARD, CITY OF INDUSTRY, CA (this "Agreement"), dated as of November 25, 2015 (the "Effective Date") is entered into by and between the SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, a public body corporate and politic, (the "Agency" or "Seller") and the CITY OF INDUSTRY, a municipal corporation (the "City" or "Buyer"). The City and the City are hereinafter sometimes individually referred to as a "party" and collectively referred to as the "parties."

**RECITALS**

A. Agency is the owner of that certain real property located at 242 North Hacienda Boulevard, City of Industry, California, and the reciprocal easement area, as more particularly described on Exhibit A attached hereto together with all right, title and interest in and to all appurtenances and improvements (collectively, the "Property").

B. The Property was previously owned by the Industry Urban-Development Agency ("IUDA"). On June 28, 2011, the Governor signed into law ABX1 26, which provided for the dissolution and winding down of redevelopment agencies throughout the State of California. AB X1 26 was subsequently amended by Assembly Bill 1484 (collectively, as amended, "Dissolution Act").

C. Pursuant to the Dissolution Act, the City of Industry elected to be the Successor Agency to the IUDA to administer the dissolution and winding down of the IUDA. On February 1, 2012, pursuant to the Dissolution Legislation, the Agency was dissolved by operation of law, and, upon dissolution, all assets, properties and contracts of the IUDA, including the Property, were transferred, by operation of law, to the Agency pursuant to the provisions of Health and Safety Code § 34175 (b).

D. Currently the Property is vacant.

E. Buyer desires to purchase the Property from Seller, and Seller desires to sell the Property to Buyer on the terms and conditions contained in this Agreement.

**NOW, THEREFORE**, for valuable consideration, and subject to all terms and conditions hereof, Buyer and Seller agree as follows:

**1. PURCHASE AND SALE.** Pursuant to the terms and conditions contained in this Agreement, Seller hereby agrees to sell the Property to Buyer and, Buyer hereby agrees to purchase the Property from Seller.

**2. PURCHASE PRICE.** The purchase price ("Purchase Price") for the Property shall be Three Million Six Hundred Thousand Dollars (\$3,600,000.00) (the "**Purchase Price**"), payable by Buyer to Seller in cash at the Closing (as defined in Section 7A below). A non-refundable deposit equal to ten percent (10%) of the Purchase Price shall be deposited into escrow by Buyer within five (5) days after execution of this Agreement by Seller and delivery to Buyer ("Deposit"). At the close of

escrow, the Deposit shall be applied to the Purchase Price. Notwithstanding the above, if any of the conditions to closing set forth in Section 4 are not satisfied and escrow fails to close as a result thereof, the Deposit shall be fully refundable to Buyer.

### 3. ESCROW.

A. Opening of Escrow. Buyer has opened an escrow at the offices of 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](mailto:pbeverly@firstam.com). Upon mutual execution of this Agreement, Buyer and Seller shall deliver a fully executed copy of this Agreement to Escrow Holder.

B. Closing Date. Escrow shall close within thirty (30) days, or less, after satisfaction of the Condition to Closing set forth in Section 4 B (i). For purposes of this Agreement, the closing date ("Closing Date") shall mean the date on which a grant deed conveying the Property to Buyer is recorded in the Los Angeles County Recorder's Office.

### 4. CONDITIONS TO CLOSING.

A. Buyer's Conditions to Closing. Close of Escrow and Buyer's obligation to purchase the Property pursuant to this Agreement are subject to the satisfaction of the following conditions at or prior to Closing:

(i) Title. Buyer acknowledges receipt of a preliminary title report prepared by Escrow Holder for the Property ("Title Report"). Buyer shall acquire the Property subject to all exceptions described in the Title Report, together with all non-delinquent real property taxes and assessments to be assessed against the Property, and the One West Bank Lease ("Approved Exceptions"). At the Closing, Seller shall deliver title to the Property to Buyer subject only to the Approved Exceptions.

(ii) Delivery of Deed. Seller shall have executed and deposited into Escrow, for delivery to Buyer, the Grant Deed attached hereto as Exhibit B.

(iii) Delivery of Assignment. Seller shall have executed and deposited into Escrow, for delivery to Buyer, an Assignment in the form attached hereto as Exhibit D, assigning the One West Bank Lease to Buyer ("Assignment"). If any of the conditions to Buyer's obligations set forth above fail to occur at or before the Closing Date through no fault of Buyer, then Buyer may cancel the Escrow, terminate this Agreement, and recover any amounts paid by Buyer to the Escrow Holder toward the Purchase Price.

B. Seller's Condition to Closing. Close of Escrow and Seller's obligation to sell the Property to Buyer pursuant to this Agreement, are subject to the satisfaction of the following conditions at or prior to Closing:

(i) Authorization to Sell. Prior to the Closing, Seller shall have obtained any and all authorizations and approvals necessary to sell the Property pursuant to the Dissolution Legislation, including

California Department of Finance approval of the Oversight Board resolution approving the sale of the Property to Buyer on the terms and conditions set forth herein.

(ii) No Default. Buyer shall not be in material default of Buyer's obligations under this Agreement, including, but not limited to, Buyer's obligation to deliver the Purchase Price into escrow on or before the Closing Date. If the conditions above have not been satisfied or waived by Seller at or before the Closing Date through no fault of Seller, then Seller may, upon written notice to Buyer, cancel the Escrow, terminate this Agreement, and recover any documents delivered to the Escrow Holder pursuant to this Agreement.

## 5. REPRESENTATIONS AND WARRANTIES.

A. Buyer hereby represents and warrants to Seller that (i) it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby; (ii) all requisite action (corporate, trust, partnership or otherwise) has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby; and (iii) no consent of any other party is required.

B. Except as provided in Section 4 B (i) above, Seller hereby represents and warrants to Buyer that (i) it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby; (ii) all requisite action (corporate, trust, partnership or otherwise) has been taken by Seller in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby; and (iii) no consent of any other party is required.

C. Except as disclosed on those reports set forth on Exhibit C attached hereto (collectively, "Environmental Reports"), Seller hereby represents and warrants that (i) Seller has not released any Hazardous Materials on the Property, (ii) Seller has no actual knowledge of any release of Hazardous Materials (as defined below) on the Property, and (iii) Seller has not received any notice of any violation of any law, ordinance, rule, regulation or order of any governmental authority pertaining to the Property. For purposes of this Agreement, the term "Hazardous Materials" shall mean any and all of those materials, substances, wastes, pollutants, contaminants, byproducts, or constituents which have been determined to be injurious to health or the environment, including without limitation those designated as hazardous or toxic by any federal, state or local law, ordinance, rule, regulation or policy, and any other materials, substances, wastes, pollutants, contaminants, by-products or constituents requiring remediation under federal, state or local laws, ordinances, rules, regulations or policies.

D. Seller hereby represents and warrants to Buyer that (i) except for the One West Bank Lease, there are no other leases, options to purchase, rights of first refusal or contracts for lease or sale of the Property; and (ii) there are no liens or claims against the Property other than the Approved Exceptions.

E. Seller hereby represents and warrants to Buyer that during the term of this Agreement Seller shall not, without Buyer's prior written approval, modify the One West Bank Lease or enter into any other contracts which will not be terminated on or before Closing.



## 6. CONDITION OF PROPERTY

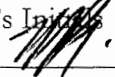
The Property shall be conveyed from the Agency to the City on an "AS IS" condition and basis with all faults and the City agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the City and anyone claiming by, through or under the City hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the 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 City 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 City is presently unaware or which the City does not presently suspect to exist which, if known by the City, would materially affect the City'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 City 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 CITY FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE CITY 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 CITY 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, CITY HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

City's Initials  
  
\_\_\_\_\_

The waivers and releases by the City 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.

## 7. CLOSING OF ESCROW.

A. Delivery of Documents and Payment. At or prior to Closing, Seller shall deposit into Escrow the executed Assignment, and a Grant Deed in the form attached hereto as Exhibit B, properly executed and acknowledged by Seller, in favor of Buyer, containing the legal description of the Property and subject only to the Approved Exceptions. At or prior to Closing, Buyer and Seller shall have each deposited into Escrow any supplemental escrow instructions necessary to close this Escrow. Escrow Holder shall deliver to Seller the Purchase Price, when (1) Escrow Holder holds, and is able to record, the Grant Deed, (2) Escrow Holder is prepared to issue to Buyer the Title Policy as provided in Section 7 B below, (3) the conditions specified in Section 4 have been satisfied or waived and (4) Escrow Holder holds, and is able to deliver to Buyer, the executed Assignment.

B Title Insurance. At the Close of Escrow, Buyer shall obtain from Escrow Holder a standard coverage American Land Title Association (“ALTA”) owner’s form policy of title insurance in the amount of the Purchase Price insuring title to the Property in the name of Buyer subject only to the Approved Exceptions and the standard printed exclusions from coverage of an ALTA standard title policy (“Title Policy”).

C Recordation and Delivery. At the Closing, Escrow Holder shall (1) forward the Grant Deed to the recorder for recordation, and (2) deliver the Title Policy as provided in Section 7B, above and the Assignment to Buyer at the address set forth in Section 13.

D. Obligation to Refrain from Discrimination. The City covenants and agrees for itself, its successors and assigns, and for every successor in interest to the Property or any part thereof, 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 City (itself or any person claiming under or through the City) 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 City conveys the Property to a third party after completion of the Improvements thereon in

accordance with the Agreement, the City shall be relieved of any further responsibility under this Section 5.3 as to the Property so conveyed.

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

(i) 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.”

(ii) 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.”

(iii) 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.”

F. Restrictive Covenant. In order to insure the City’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 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.

G. Effect and Duration of Covenants. The following covenants shall be binding upon the Property and City 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 City:

(1) The 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.

(4) The use requirement regarding using the Property only for the construction of the Improvements set forth in Section 5.1 shall remain in effect until the earlier of the completion of the Improvements, or one (1) year after Close of Escrow if the reason for the failure to complete the Improvements is not due to a default by City. The use requirement regarding using the Property for any lawful purpose shall remain in effect in perpetuity.

8. **BROKERS.** Seller and Buyer hereby represent to each other that there are no brokers, finders, or other persons entitled to a commission, finder's fee or other payment in connection with this Agreement. Buyer and Seller hereby agree to indemnify, defend, protect, and hold the other harmless from and against any claims, liabilities, or damages for commissions or finder's fees brought by any third party who has dealt or claims to have dealt with the indemnifying party pertaining to the Property.

9. **FIRPTA.** Seller warrants that it is not a foreign person or entity as defined in the Foreign Investors Real Property Tax Act and prior to the close of escrow Seller will deposit an affidavit certifying same. Escrow Holder's duties pertaining to these provisions are limited to the receipt from Seller of such affidavit prior to the close of escrow and delivery to Buyer of such affidavit at the close of escrow.

10. **GOVERNING LAW.** This Agreement shall be construed and enforced in accordance with the applicable laws of the State of California.

11. **PROPERTY TAXES.** Buyer shall be responsible for any property or other taxes assessed against the Property to the extent attributable to the period on or after the Closing. Seller shall be responsible for any property or other taxes assessed against the Property to the extent attributable to the period prior to the Close of Escrow.

12. **CLOSING COSTS.** Buyer and Seller shall split equally the documentary transfer taxes, customary escrow fee and charges and recordation fees and the cost of the Title Policy. Any endorsements to the Title Policy requested by Buyer shall be paid for by Buyer. Tenant rental payments, real property taxes and assessments (if any), utility and other operating costs of the Property shall be prorated at Closing.

13. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by national overnight courier service, sent by facsimile transmission, if also sent by one of the other methods provided in this Section, or sent by registered or certified mail, first class postage prepaid, return receipt requested, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice, (ii) the date of the facsimile transmission, or (iii) three (3) business days after the date of posting with the United States Postal Service at the following addresses:

To Buyer: Paul J. Philips, City Manager  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744

To Seller: Successor Agency to the Industry Urban-Development Agency  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Paul J. Philips, Executive Director

with a copy to: James M. Casso  
Casso & Sparks, LLP  
P.O. Box 4131  
West Covina, CA 91791

Any party to this Agreement may change its address for receipt of notices by giving notice of such change to the other party in the manner set forth in this Section. Neither the rejection of a notice by the addressee or the inability to deliver a notice because of a change of address for which no change of address notice was received, shall affect the date on which such notice is deemed received.

**14. RECEIPT OF PROPERTY DOCUMENTS.** Buyer acknowledges that it has received and had the opportunity to review the following documents:

- (i) The Title Report; and
- (ii) The Environmental Reports, if any.

**15. MISCELLANEOUS.**

A. Time. Time is of the essence of this Agreement with respect to each and every provision hereof in which time is a factor.

B. Entire Agreement. This Agreement, including the Exhibits attached hereto, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes any and all prior agreements and understandings between the parties. No change in, modification of or amendment to this Agreement shall be valid unless set forth in writing and signed by all of the parties subsequent to the execution of this Agreement.

C. Further Assurances. Each of the parties agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Closing Date, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement.

D. Successors. Subject to the provisions of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, executors, representatives, successors and assigns.

E. Severability. In the event any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall be effective only to the extent of such determination and shall not prohibit or otherwise render ineffective any other provision of this Agreement.

F. Exhibits. References herein to exhibits are to Exhibit A, Exhibit B, Exhibit C, and Exhibit D attached hereto, which exhibits are hereby incorporated by reference.

G. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature pages

may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

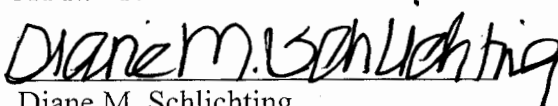
*SIGNATURES ON NEXT PAGE*

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the date first written above.

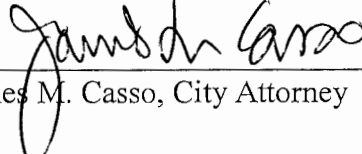
**CITY OF INDUSTRY**

By:   
Mark D. Radecki, Mayor

ATTEST:

  
Diane M. Schlichting,  
Acting Deputy City Clerk

APPROVED AS TO FORM:

By:   
James M. Casso, City Attorney

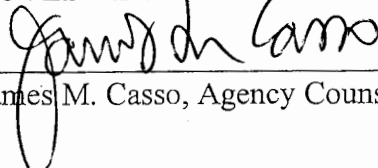
**SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY**

By:   
Mark D. Radecki, Chairman

ATTEST:

  
Diane M. Schlichting, Assistant Secretary

APPROVED AS TO FORM:

By:   
James M. Casso, Agency Counsel



*OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT AGENCY*

ITEM NO. 5.7

**RESOLUTION NO. OB 2016-10**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, APPROVING THE INDUSTRY BUSINESS CENTER PHASE 2 MASS GRADING, WEST SIDE CONTRACT BY AND BETWEEN THE SUCCESSOR AGENCY AND SUKUT CONSTRUCTION LLC**

**WHEREAS**, the Successor Agency to the Industry Urban-Development Agency was formed in accordance with California Health and Safety Code Section 34173 (“Successor Agency”); and

**WHEREAS**, the Oversight Board (“Oversight Board”) of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

**WHEREAS**, the former Industry Urban-Development Agency (“Former Agency”) and Industry East Land, LLC entered into that certain Lease Agreement, dated April 28, 2005 (“2005 Lease Agreement”), for the development of the 600-acre parcel of land owned by the Former Agency and located on either side of Grand Avenue and adjacent to State Route 60; and

**WHEREAS**, the 2005 Lease Agreement contemplates the development of over 2,500,000 square feet of industrial and commercial buildings, with the project known as the “Industry Business Center”; and

**WHEREAS**, the 2005 Lease Agreement required the Former Agency to pay for certain public improvements and certain California Environmental Quality Act (“CEQA”) mitigation measures imposed pursuant to the Mitigation Monitoring Program for the Industry Business Center under the Environmental Impact Report for such project, including mass grading, infrastructure and landscaping; and

**WHEREAS**, the mass grading will be accomplished in two separate contracts planned for the west side of Grand Avenue and one for the east side of Grand Avenue; and

**WHEREAS**, the Recognized Obligation Payment Schedule (“ROPS”) for January 1, 2013 through June 30, 2013 period (“ROPS III”) included a line item No. 217 for the mass grading, infrastructure, and landscaping of the Industry Business Center, with a total outstanding obligation of \$110,955,239; and

**WHEREAS**, the California Department of Finance (“DOF”), in a letter dated October 13, 2012, determined that line item No. 217 was not an enforceable obligation and not presently eligible for funding until the Successor Agency entered into a contract to fulfill an enforceable obligation existing prior to June 27, 2011; and

**WHEREAS**, the DOF, in a letter dated February 20, 2013, stated that the 2005 Lease Agreement is an enforceable obligation of the Successor Agency and the Successor Agency may

enter into contracts for obligations under line item No. 217 in connection with the 2005 Lease Agreement; and

**WHEREAS**, the Successor Agency received bids for the final site mass grading on the west side of Grand Avenue, and now desires to execute a contract with Sukut Construction LLC, in the form attached hereto as Attachment A (“Contract”), subject to the approval of the Oversight Board and the DOF, in the amount of \$30,237,655.00 and

**WHEREAS**, funding for the Contract will be derived from proceeds from the sale of the Successor Agency’s real property assets and rental proceeds, provided, however, that no work will commence until such time the Successor Agency receives sufficient proceeds therefrom to pay the entire Contract price; and

**WHEREAS**, the Successor Agency requests funding for the Contract for the ROPS 16-17 period, identified as ROPS 16-17 line item 289, which represents a component of line item No. 217; and

**WHEREAS**, the Oversight Board has determined that the approval of the Contract is proper, provided that no work shall commence until such time that the Successor Agency has accumulated the full Contract price, and that the Contract is consistent with the requirements of the Successor Agency to perform obligations required pursuant to any enforceable obligation in accordance with California Health and Safety Code Section 34177(c) and to wind down the affairs of the Former Agency in accordance with California Health and Safety Code Section 34177(h); and

**WHEREAS**, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board as follows:

**Section 1. Approval of Contract.** Upon the full and complete execution by the Successor Agency and Sukut Construction LLC, the Oversight Board hereby approves the Contract, attached hereto as Attachment A, subject to the condition that no work shall commence under the Contract until such time that the Successor Agency has accumulated the full Contract price. The Oversight Board further approves including the Contract and source of funding set forth in line item No. 289 of ROPS 16-17.

**Section 2. Authorization of Successor Agency.** Upon approval of this resolution (“Resolution”) by the DOF, the Oversight Board hereby authorizes and directs the Executive Director and/or Assistant Secretary of the Successor Agency, jointly and severally, to execute and deliver any and all other documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution.

**Section 3. Delivery to the California Department of Finance.** The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the DOF in accordance with California Health and Safety Code Section 34179(h).

**Section 4. Other Actions.** The Oversight Board hereby authorizes and directs the Chairman, Vice Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

**Section 5. Effect.** This Resolution shall take effect in accordance with California Health and Safety Code Section 34179(h).

**PASSED, APPROVED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on March 11, 2016, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

By: \_\_\_\_\_  
Santos H. Kreimann, Chairman  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

ATTEST:

\_\_\_\_\_  
Diane M. Schlichting, Secretary  
Oversight Board of the Successor Agency to the  
Industry Urban-Development Agency

**RESOLUTION NO. OB 2016-10**  
**ATTACHMENT A**  
**CONTRACT**  
**[ATTACHED BEHIND THIS PAGE]**



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

**MEMORANDUM**

To: Honorable Chairman and Members of the Successor Agency to the Industry Urban-Development Agency Board

From: Paul J. Philips, Executive Director *Paul J. Philips*

Staff: Clement N. Calvillo, Agency Engineer, CNC Engineering *CNC*  
Joshua Nelson, Deputy Agency Engineer, CNC Engineering *JN*

Date: March 4, 2016 **Revised March 9, 2016**

**SUBJECT:** Industry Business Center Phase 2 Mass Grading, West Side – IBC-0381R

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Line item No. 217 on the Successor Agency's Recognized Obligation Payment Schedule "ROPS" is for the "mass grading, infrastructure and landscaping" of the 600 acre Industry Business Center property. The mass grading will be accomplished in multiple phases with three separate grading contracts planned for the west side of Grand Avenue and one for the east side of Grand Avenue. The initial remedial grading was completed in 2014. The second and third grading projects are now near completion. This project is the fourth and final grading project, located westerly of Grand Avenue. The total outstanding obligation of Line Item No. 217 was initially \$110,955,230. Finance has already approved the first three grading contracts totaling around \$55,000,000.

The remaining portion of Line Item No. 217 is for the construction of the site infrastructure including storm drains, sewers, construction of dry utilities (gas, telephone, street lighting and electrical), roadways, and landscaping and irrigation. The work will be constructed in two separate contracts. One east of Grand Avenue and the second west of Grand Avenue. The second contract for the infrastructure work easterly of Grand Avenue is entitled "Industry Business Center Roadways, Sewer, Dry Utilities & Slope Landscaping and Grand Avenue Widening". This project will widen Grand Avenue to four lanes in each direction, construct a new loop road to the east side of Grand Avenue, landscape all the hillside slopes, construct storm drains, sewers, and all the dry utilities. It has been approved and awarded and will start as soon as funding is available.

The above project was authorized for solicitation of bids by the Successor Agency on January 14, 2016, for an estimated cost of \$35,300,000.00. The Notice Inviting Sealed Bids was advertised in the San Gabriel Valley Tribune on February 10, 2016 and

February 17, 2016. It was also advertised in Construction Bidboard, Inc. and in Mc Graw Hill, on February 5, 2016.

Since ROPS Line Item No. 217 was previously denied by Finance, all related contracts must first be executed by the contractor, approved by both the Successor Agency and Oversight Board and then submitted to the Department of Finance for their review and approval. Such approval or reinstatement by Finance for the Industry Business Center Phase 2 Mass Grading, West Side contract is needed at this time as this contract was placed on the ROPS 16-17 which is currently pending approval with the Department of Finance.

The funds to pay for this contract will be revenue from the sale of Agency properties. Since an executed contract is required for Finance review and the Successor Agency does not presently have sufficient revenue from property sales to pay for the contract, the following protective language below has been included in the contract in Section E of the special provisions on page E-1.

“In the State of California, as of October 2011, all redevelopment agencies have been dissolved. Redevelopment agencies are to wind down their activities and liquidate their assets. However, they are allowed to fulfill their existing obligations and commitments, including related projects. This project is being undertaken by the Successor Agency to the Industry Urban-Development Agency (Successor Agency or Agency). The process of performing projects today with Agency funds is a bit arduous. Among other things, it involves the approval by the State of California, Department of Finance (DOF). The Successor Agency must award this project near the end of September in order to include a signed contract for this project, together with all other proposed expenditures by the Successor Agency for the period from January through June of 2016, to the DOF for its approval. The award of this Contract is expressly contingent upon the subsequent approval of the Contract and the source of funding by the DOF. Approval by the DOF would allow construction to start sometime between July 1, 2016 and January 1, 2017. The Contractor is advised that the award of this project will be contingent on the concurrence by DOF. Notwithstanding anything to the contrary contained in the Contract, the Contractor shall not commence any work or incur any costs or expenses with respect to which the Contractor is entitled to receive payment under the Contract unless and until the Contractor shall have received a Notice to Proceed from the Agency Engineer. If such Notice to Proceed has not been received by the Contractor on or before January 1, 2017, either Contractor or Agency may terminate the Contract upon 30 days written notice to the other. See Section 2 regarding the submission of a cost to defer the start of construction.”

As described above, the contractor will not be entitled to any monies unless a Notice to proceed is issued. The Notice to Proceed will be withheld by the Successor Agency until such time that funding is secured to pay for the entire construction contract.

Eleven (11) contractors obtained plans and specifications for bidding:

All American Asphalt  
Altfillisch Contractors, Inc.  
CA Rasmussen, Inc.  
Covrrubias Bros. Construction  
Griffith Company

Heartland Grading  
Papich Construction  
Sukut Construction  
Sully-Miller Contracting  
USS Cal Builders  
Vance Corporation

Bids were received and opened on March 8, 2016, at 10:00 a.m., in the City Administrative Offices. CNC Engineering has reviewed the bids which appear to be in order. The low bid was submitted by Sukut Construction LLC, Santa Ana, California in the amount of thirty million, two hundred and thirty-seven thousand, six hundred and fifty-five dollars and no cents (\$30,237,655.00).

It is hereby recommended that the Successor Agency Board award the contract to Sukut Construction, LLC for the amount stated above, and that this award be contingent on the approval by both the Oversight Board and the California Department of Finance.

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PP/CC/JN:af



Exhibit 1

**BID RESULTS**

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
CONTRACT NO. IBC-0381R

INDUSTRY BUSINESS CENTER PHASE 2 MASS GRADING, WEST SIDE

BID OPENING: MARCH 8 at 10:00 A.M.  
ESTIMATE: \$35,300,000.00

<b>BIDDER</b>	<b>BID BOND</b>	<b>BID AMOUNT</b>
Papich Construction	10%	\$31,238,273.00*
Sukut Construction	10%	\$30,237,655.00
C.A. Rasmussen	10%	\$32,089,163.00
Griffith Company	10%	\$38,180,421.71*
USS Cal Builders	10%	\$42,128,314.70*

\* This indicates a corrected bid to rectify mathematical or clerical errors.

**SECTION C**  
**AGREEMENT**

THIS AGREEMENT, made and entered into this 10<sup>TH</sup> day of March, 2016, by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** hereinafter designated as "AGENCY", and Sukut Construction, LLC, hereinafter designated as "Contractor".

WITNESSETH: That the parties hereto mutually agree as follows:

**ARTICLE I**

For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the AGENCY, the Contractor agrees with the AGENCY in the matter of:

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 381

INDUSTRY BUSINESS CENTER, PHASE 2 MASS GRADING, MIDDLE WEST SIDE

CONTRACT NO. IBC-0381R

and agrees to perform and complete in a good and workmanlike manner all the work pertaining thereto shown on the drawings and described in the specifications therefore, except such materials as in said specifications are stipulated to be furnished by the , and to do everything required by this Agreement and said Specifications and Drawings.

**ARTICLE II**

For furnishing all said materials and labor, furnishing and removing all plant, temporary works and structures, tools and equipment; and doing all the work contemplated and embraced in this Agreement; also for loss and damage arising out of the nature of the work aforesaid, or from the action of the elements or from any unforeseen difficulties which may arise or be encountered in the prosecution of the work until its acceptance by the AGENCY and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of, the suspension or discontinuance of work, except such as in said Specifications are expressly stipulated to be borne by the AGENCY and for well and faithfully completing the work and whole thereof in the manner shown and described in said drawings and specifications and in accordance with the requirements of the Agency Engineer, the AGENCY will pay and the Contractor shall receive in full compensation therefore the prices for the several items named in the Bid Schedule sheet(s).

### **ARTICLE III**

The AGENCY hereby promises and agrees with said Contractor to employ and does hereby employ said Contractor to provide the materials and do the work according to the terms and conditions herein contained and referred to for the price aforesaid and hereby contracts to pay the same at the time, in the manner and upon the conditions set forth in the specifications; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

### **ARTICLE IV**

Any special conditions, covenants, specifications, drawings, documents or other exhibits not hereinbefore provided and which are deemed to be necessary in order to effectuate the purposes of this Agreement, are attached hereto and by reference incorporated herein as though set forth in full, and the parties hereto consent and agree to be bound thereby.

### **ARTICLE V**

The Specifications, including the following parts thereof, and all addenda issued by the AGENCY with respect to the foregoing before the time of opening of bids, are hereby incorporated in and made a part of this Agreement:

1. *Standard Specifications for Public Works Construction, Latest Edition*, and all supplements
2. General Provisions of the SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY (Section D)
3. Special Provisions
4. Instructions to Bidders
5. Notice Inviting Bids
6. Bid Schedule
7. Addenda
8. City of Industry Standard Drawings
9. Project Drawings
10. Permits with Attachments

**ARTICLE VI**

In the event either party institutes suit to enforce any of the provisions of this Agreement, the prevailing party shall be entitled to recover, in addition to any other sum to which he may be entitled, reasonable attorney's fees and costs of suit.

**ARTICLE VII**

Notwithstanding anything to the contrary contained in this Agreement or any exhibits or documents incorporated herein by reference, this Agreement shall not constitute a binding and enforceable agreement between the Parties unless and until this Agreement has been approved by the State of California Department of Finance and any other entity as may be required by the Community Redevelopment Law (California Health and Safety Code Section 33000, et seq.).

IN WITNESS WHEREOF:

The parties hereto have caused this Agreement to be executed the day and year first above written.

SUCCESSOR AGENCY TO THE INDUSTRY  
URBAN-DEVELOPMENT AGENCY  
OWNER

Sukut Construction, LLC  
CONTRACTOR

BY: Mark D. Radecki

BY: Steve Yurosek

TITLE: Chairman

TITLE: Vice President

SIGNATURE: \_\_\_\_\_

SIGNATURE: 

DATE: \_\_\_\_\_

DATE: March 8, 2016

**SECTION C**

**BID SCHEDULE**

FOR

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 381

INDUSTRY BUSINESS CENTER, PHASE 2 MASS GRADING, MIDDLE WEST SIDE  
CONTRACT NO. IBC-0381R

**Sukut Construction, LLC**

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Hereby proposes to construct the above-named project in accordance with the plans and specifications for the following prices:

**SCHEDULE OF WORK ITEMS**

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
<b>SCHEDULE A – GENERAL CIVIL WORK AND EARTHWORK</b>					
1.	Mobilization	1	LS		2,100,000.-
2.	Clearing & grubbing	110	ACRES	900.-	99,000.-
3.	Remove asphalt pavement by cold milling and place along access roads	32,900	SF	0.50	16,450.-
4.	Remove chain link fence and salvage for owner	720	LF	15.-	10,800.-
5.	Remove concrete curb and gutter	890	LF	10.-	8,900.-
6.	Remove storm drains				
A.	18" CMP	2,000	LF	4.-	8,000.-
B.	24" CMP	3,700	LF	5.-	18,500.-
C.	36" CMP	260	LF	6.-	1,560.-

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
D.	18" HDPE	160	LF	6.00	960.-
E.	36" RCP	50	LF	50.-	2,500.-
7.	Remove splash wall	3	EA	200.-	600.-
8.	Remove debris basin structure	2	EA	7,500.-	15,000.-
9.	Remove concrete slope protection from debris basin	2,160	SF	2.50	5,400.-
10.	Remove flared inlet/outlet	9	EA	1,500.-	13,500.-
11.	Remove outlet/inlet structure	14	EA	1,000.-	14,000.-
12.	Remove CMP riser inlet	11	EA	300.-	3,300.-
13.	Remove concrete down drain	150	LF	5.-	750.-
14.	Unclassified excavation for buttress including placement of this material as unclassified compacted fill	346,500	CY	1.45	502,425.-
15.	Remove concrete gutter	3,510	LF	5.-	17,550.-
16.	Over excavation and recompaction for general areas and building areas – outside of buttress grading limits	2,400,000	CY	1.25	3,000,000.-
17.	Unclassified excavation including placement as unclassified compacted fill (payment for this item will be based on field survey of the excavation areas. This bid item excludes the buttress excavation and over excavation and recompaction areas)	5,814,000	CY	1.45	8,430,300.-
18.	Geogrid material, Tensar BX1100	1	LS		9,000.-
19.	6" solid pipe subdrain (including 500' for extension of existing subdrain)	3,042	LF	13.-	39,546.-
20.	Bore 6" solid pipe subdrain	973	LF	68.-	66,164.-
21.	4" perforated pipe subdrain	2,255	LF	27.-	60,885.-
22.	Finish grading				
A.	Permanent terraced slopes	47	ACRES	6,200.-	291,400.-
B.	Site, roadways, pads, less the permanent terraced slopes	158	ACRES	2,700.-	426,600.-

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
23.	Construct terrace drain - 23' wide per Detail "8" on Details Sheet D1 including AC, PCC pavement & CAB	5,067	LF	98.-	496,566.-
24.	Break unforeseen 36" or larger rock using CAT-350 excavator with breaker or equivalent	15	DAY	3,300.-	49,500.-
25.	Construct downdrain per Detail "2" of Details Sheet D1	3,174	LF	45.-	142,830.-
26.	Construct terrace drain - 10' wide per Detail "3" on Details Sheet D1	24,742	LF	37.-	915,454.-
27.	Construct splash wall	60	LF	28.-	1,680.-
28.	Construct concrete V-gutter Type A	790	LF	22.-	17,380.-
29.	Construct Concrete V-gutter Type A1	10,695	LF	18.-	192,510.-
30.	Construct concrete V-gutter Type B	2,680	LF	26.-	69,680.-
31.	Construct area drain inlet	28	EA	2,250.-	63,000.-
32.	Construct 12 gauge, 18" corrugated metal pipe (CMP) including anchors, joints and fittings	2,293	LF	77.-	176,561.-
33.	Construct 12 gauge, 24" corrugated metal pipe (CMP) including anchors, joints and fittings	859	LF	112.-	96,208.-
34.	Construct 12 gauge, 36" corrugated metal pipe (CMP) including anchors, joints and fittings	1,968	LF	112.-	220,416.-
35.	Construct 24" RCP (2000d)	335	LF	125.-	41,875.-
36.	Construct 54" RCP (D-load per plan)	198	LF	500.-	99,000.-
37.	Construct 54" x 42" velocity control rings	7	EA	4,175.-	29,225.-
38.	Construct pipe anchors for 54" RCP per APWA Standard Plan 221-2	9	EA	1,280.-	11,520.-
39.	Junction Structure - per APWA Standard Plan 332-2 (18"x48")	6	EA	700.-	4,200.-
40.	Junction Structure - per APWA Standard Plan 332-2 (24"x72")	2	EA	700.-	1,400.-
41.	Junction Structure - per APWA Standard Plan 332-2 (18"x60")	5	EA	700.-	3,500.-
42.	Junction Structure - per APWA Standard Plan 332-2 (18"x72")	1	EA	700.-	700.-
43.	Junction Structure - per APWA Standard Plan 331-3 (24"x36")	1	EA	1,540.-	1,540.-
44.	Junction Structure - per APWA Standard Plan 331-3 (36"x72")	1	EA	1,540.-	1,540.-
45.	Junction Structure - per APWA Standard Plan 331-3 (18"x24")	1	EA	1,540.-	1,540.-

**Shading Indicates Items  
Added or Revised in  
Addendum No. 1**

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
46.	Junction Structure – per APWA Standard Plan 331-3 (36"x48")	4	EA	1,540.	6,160.-
47.	Junction Structure – per APWA Standard Plan 331-3 (36"x60")	4	EA	1,540.	6,160.-
48.	Junction Structure – per APWA Standard Plan 331-3 (18"x36")	2	EA	1,540.	3,080.-
49.	Construct driveway per City of Industry Standard Plan 114 including base material	224	SF	25.-	5,600.-
50.	Construct chain link fence per APWA Standard Plan 600-3 including gates	1,796	LF	24.-	43,104.-
51.	Construct 18"/24" concrete collar per APWA Standard Plan 380-4	12	EA	525.	6,300.-
52.	Construct 54" concrete collar per APWA Standard Plan 380-4	3	EA	1,160.	3,480.-
53.	Construct downdrain connection to 10' terrace drain per Detail "1" on Details Sheet D1 including splash wall	66	EA	638.	42,108.-
54.	Construct downdrain connection to 10' Terrace drain per Detail "11" on Details Sheet D2	7	EA	3,460.	24,220.-
55.	Construct downdrain connection to 23' Terrace Drain per Detail "12" on Details Sheet D2 including spillway structure, 24" RCP 2000-D, grate assembly, splash wall and inlet structure	8	EA	3,530.	28,240.-
56.	Construct downdrain inlet per Detail "13" on Details Sheet D2, including RCP stub-out and concrete collar	6	EA	4,290.	25,740.-
57.	Construct asphalt concrete pavement	1,312	TONS	78.-	102,336.-
58.	Construct crushed aggregate base material (or Caltrans Class II aggregate base per special provisions)	2,937	TONS	24.-	70,488.-
59.	Connection downdrain connection to v-gutter connection per Detail "10" on Details Sheet D2, including splash wall	4	EA	400.-	1,600.-
60.	Construct curb per City of Industry Standard Plan 112, Type A1, 6" or 0" CF where shown including base material	2,660	LF	23.-	61,180.-
61.	60" CMP inlet per Detail 9	11	EA	5,300.	58,300.-
62.	48" CMP inlet per Detail 9A	5	EA	3,400.	17,000.-
63.	Construct transition structure per APWA Standard Plan 340-2	5	EA	3,600.	18,000.-

C-7R

**ADDENDUM NO. 1**



NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
64.	Brick mortar water tight plug	5	EA	470.-	2,350.-
65.	Construct 18" CSP flared inlet per APWA Standard Plan 351-2	3	EA	1,175.-	3,525.-
66.	Load, haul, spread and compact AC grindings onto the equipment/access roads from on-site stockpile	7,500	CY	2.-	15,000.-
67.	Storm Water Pollution Prevention Plan, including but not limited to implementation, sampling/testing, and BMPs not included in other bid items	1	LS		700,000.-
68.	Hydroseeding for post construction, per CASQA BMP Fact Sheet EC-4 (excluding permanent terraced slopes)	150	ACRE	1,950.-	292,500.-
69.	Remove, salvage and stockpile AC grindings from existing equipment road	7,500	CY	2.-	15,000.-
70.	Settlement monuments per soils reports	10	EA	3300.-	33,000.-
71.	Construct concrete flared end section per Caltrans Standard Plan D94B	1	EA	1,450.-	1,450.-
SCHEDULE A - SUBTOTAL					19,386,836.-
<b>SCHEDULE B - STORM DRAIN IMPROVEMENTS</b>					
1.	18" RCP, 2000-D	1,983	LF	94.-	186,402.-
2.	24" RCP, 1250-D	182	LF	91.-	16,562.-
3.	36" RCP, 2750-D	1,457	LF	135.-	196,695.-
4.	48" RCP, 1400-D	2,856	LF	200.-	571,200.-
5.	60" RCP, 1900-D	2,509	LF	260.-	652,340.-
6.	72" RCP, 2350-D, including restoration of existing surface improvements where applicable	1,779	LF	565.-	1,005,135.-
7.	Manhole per APWA Standard Plan 321-2	2	EA	6,000.-	12,000.-
8.	Manhole per APWA Standard Plan 320-2	21	EA	5,900.-	123,900.-
9.	Manhole per APWA Standard Plan 322-2	1	EA	12,560.-	12,560.-
10.	Junction structure - per APWA Standard Plan 332-2 (60"X18")	4	EA	700.-	2,800.-
11.	Junction structure - per APWA Standard Plan 332-2 (48"X18")	4	EA	700.-	2,800.-

**Shading/Bolding Indicates  
Items Added or Revised in  
Addendum No. 6**

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
12.	Junction structure – per APWA Standard Plan 332-2 (36"X18")	2	EA	700.-	1,400.-
13.	Concrete collar (18") per APWA Standard Plan 380-4	7	EA	525.-	3,675.-
14.	Concrete brick and mortar plug	25	EA	470.-	11,750.-
15.	Flared end section (18" Pipe) Type B per Caltrans Standard Plan D94A	1	EA	1,650.-	1,650.-
16.	Concrete pipe slope anchor (18" Pipe) per APWA Standard Plan 221-2	6	EA	750.-	4,500.-
17.	Energy dissipator per APWA Standard Plan 384-3 on Sheet 3, L=27, W=22	1	EA	186,000.-	186,000.-
18.	Energy dissipator per APWA Standard Plan 384-3 on Sheet 12, L=20, W=12	1	EA	74,500.-	74,500.-
19.	Construct manhole shaft safety ledges per APWA Standard Plan 330-2	3	EA	10,000.-	30,000.-
<b>SCHEDULE B – SUBTOTAL</b>					<b>3,095,869.-</b>
<b>SCHEDULE C – SURCHARGE/STOCKPILE HANDLING (EAST OF GRAND AVENUE)</b>					
1.	Clearing & grubbing	19	AC	1750.-	33,250.-
2.	Remove existing terrace drain	540	LF	5.-	2,700.-
3.	Remove existing toe ditch	293	LF	5.-	1,465.-
4.	NPDES				
A.	SWPPP preparation, NOI, implementation, sampling/testing, and BMP's during construction	1	LS		125,510. <sup>50</sup>
B.	Hydroseeding for post construction, per CASQA BMP Fact Sheet EC-4 <b>DELETED</b>				
C.	3" mulch for post construction	7,840	CY	44.-	344,960.-
5.	Grading				
A.	Over-excavation and re-compaction outside of original remedial grading limits	17,150	CY	1.65	28,297. <sup>50</sup>
B.	<b>Unclassified excavation including placement as unclassified compacted fill (payment for this item will be based on field survey of the excavation areas. This bid item excludes the over excavation and recompaction areas)</b>	700,000	CY	1.55	<del>1,085,000.-</del> <b>1,085,000.-</b> (16)
C.	Unclassified fill (volume in place) <b>DELETED</b>				
D.	Buttress excavation and fill placement (including subdrains) <b>DELETED</b>				
6.	Finish Grading				
A.	Permanent terraced slopes (10.7 acres)	1	LS		75,000.-

C-9R2

**ADDENDUM NO. 6**

**Shading/Bolding Indicates  
Items Added or Revised in  
Addendum No. 5**

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
B.	Site, less permanent terraced slopes	1	LS		130,000.-
C.	<del>Remove and salvage existing rip-rap in detention basin DELETED</del>				
D.	<del>Place select fill over sub-drain system in detention basin - see SD Sheet 13 for specifications of select fill DELETED</del>				
7.	Construct downdrain per Construction Note 1	1,128	LF	45.-	50,760.-
8.	Construct terrace drain per Construction Note 2	4,785	LF	37.-	177,045.-
9.	Construct terrace/down drain intersection per Construction Note 3	21	EA	618.-	12,978.-
10.	Construct concrete ditch per Construction Note 4	2,308	LF	27.-	62,316.-
11.	Construct concrete V-ditch per Construction Note 5	846	LF	21.-	17,766.-
12.	Construct splash wall per Construction Note 6	36	LF	25.-	900.-
SCHEDULE C - SUBTOTAL					2,147,948.-
<b>SCHEDULE D - STORM DRAIN (EAST TO GRAND AVENUE)</b>					
1.	Construct 18" RCP	210	LF	104.-	21,840.-
2.	Construct 24" RCP	124	LF	91.-	11,284.-
3.	Construct 36" RCP	11	LF	233.-	2,563.-
4.	Construct junction structure per Construction Note 37	1	EA	5,900.-	5,900.-
5.	<b>Construct junction structure per Construction Note 38</b>	2	EA	1,545.-	3,090.-
6.	Construct concrete collar per Construction Note 40	1	EA	525.-	525.-
7.	Construct grated catch basin per Construction Note 41	2	EA	6,350.-	12,700.-
8.	Construct flared inlet section per Construction Note 45	1	EA	1,650.-	1,650.-
9.	Construct No. 2424 Brooks Box per Construction Note 50	1	EA	3,400.-	3,400.-
10.	Construct catch basin per Construction Note 51	5	EA	7,750	38,750.-
11.	<del>Construct 12" perforated sub-drain per Construction Note 52 DELETED</del>				

C-10R2

**ADDENDUM NO. 5**

Shading/Bolding Indicates  
Items Added or Revised in  
Addendum No. 5

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
13.	Construct basin outlet structure per Construction Note 55 DELETED				
14.	Construct 18" perforated sub-drain per Construction Note 56 DELETED				
15.	Remove existing temporary riser	1	EA	500.-	500.-
16.	Remove existing 36" cmp pipe	13	LF	100.-	1,300.-
17.	Construct brick and mortar plug in existing cmp	1	EA	500.-	500.-
SCHEDULE D - SUBTOTAL					104,002.-
<b>SCHEDULE E - COST TO DEFER THE START OF CONSTRUCTION</b>					
1.	Monthly cost to defer the start of construction beyond July 1, 2016	6	MO	500.-	3,000.-
SCHEDULE E - SUBTOTAL					3,000.-
<b>SCHEDULE F - CONTINGENCY ITEM</b>					
1.	Contingency for unforeseen conditions (20%)	1	LS		\$5,500,000.00
SCHEDULE F - SUBTOTAL					\$5,500,000.00

SCHEDULE A - SUBTOTAL	19,386,836.-
SCHEDULE B - SUBTOTAL	3,095,869.-
SCHEDULE C - SUBTOTAL	2,147,948.-
SCHEDULE D - SUBTOTAL	104,002.-
SCHEDULE <del>D</del> <sup>E</sup> - SUBTOTAL	3,000.-
SCHEDULE F - SUBTOTAL	\$5,500,000.00
<b>GRAND TOTAL (INCLUDING CONTINGENCY)</b>	<b>30,237,655.-</b>

C-11R1

**ADDENDUM NO. 5**

I hereby certify that on **February 17**, 201**16**, **Bryan Nesthus**  
(Print Name)

examined the site of the proposed work, and the undersigned, fully understands the scope of work and has checked carefully all words and figures inserted in this Bid Schedule.


By:

**Sukut Construction, LLC**  
CONTRACTOR NAME

**estimating@sukut.com**  
EMAIL ADDRESS

**1000001133**  
DIR #

**Michael Greenlee, V.P./Chief Estimator**  
PRINT NAME

  
SIGNATURE

**BIDDER'S INFORMATION SHEET**

Receipt of the following addenda is hereby acknowledged. (If none so, state.)

<b>One</b>	<b>Four</b>
_____	_____
<b>Two</b>	<b>Five</b>
_____	_____
<b>Three</b>	<b>Six</b>
_____	_____

RETENTION MONEY OPTION: Please initial one of the following options.

- MGH 1. I will provide securities in lieu of monies to be withheld to ensure performance under the contract as per Paragraph 65, General Provisions.  
Initials
- \_\_\_\_\_ 2. I will not provide securities in lieu of monies to ensure performance under the contract.  
Initials

**Sukut Construction, LLC**

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Bidder  
**4010 W. Chandler Avenue**

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Mailing Address  
**Santa Ana, CA 92704**

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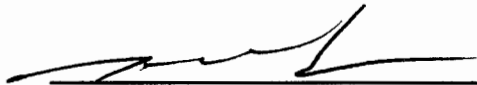
City/State/Zip  
**(714) 540-5351**

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Telephone  
**(714) 545-2003**

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Fax




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Signature  
**Michael Greenlee**

---

Print Name  
**V.P./Chief Estimator**

---

Title  
**985106 A, B, HAZ**

---

License No./Class  
**7/31/17**

---

Expiration Date

Underline one of the following: The Bidder is a (Partnership) (LLC) (Corporation) (Individual).

The names of all persons, firms or corporations interested in this sealed bid are: (See Section B, Page B-2, Item 4 - Signature of Sealed Bid).

**AFFIX CORPORATE SEAL**

- Sukut Construction, LLC**
- 
- Michael Crawford, President & CEO**
- 
- Paul Kuliev, CFO & Company Secretary**
- 
- Michael Greenlee, V.P./Chief Estimator**
- 
- Michael Zanaboni, V.P./Operations**
- 
- Steve Yurosek, V.P.**
- 
- David Grattan, V.P.**
- 
- Eric Mauldin, V.P.**

**CONTRACTORS LICENSE AFFIDAVIT**

STATE OF CALIFORNIA       )  
  )  
COUNTY OF LOS ANGELES   )

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 381

INDUSTRY BUSINESS CENTER, PHASE 2 MASS GRADING, MIDDLE WEST SIDE

CONTRACT NO. IBC-0381R

**Michael Greenlee** \_\_\_\_\_, being first duly sworn, deposes and says that  
Name

he or she is **V.P./Chief Estimator** \_\_\_\_\_, of **Sukut Construction, LLC** \_\_\_\_\_,  
Title Name of Firm

**985106** \_\_\_\_\_ **A, B, HAZ** \_\_\_\_\_  
License Number Classification

**7/31/17** \_\_\_\_\_  
Expiration Date

The party making the foregoing bid, is a licensed contractor and understands the information shown above shall be included with the bid, and understands that any bid not containing this information, or if this information is subsequently proven to be false, shall be considered non-responsive and shall be rejected by the SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

**3/7/16** \_\_\_\_\_  
DATE

  
SIGNATURE

**BIDDER'S LIST OF CONSTRUCTION TRADES**

In submitting this bid for the following project:

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 381

INDUSTRY BUSINESS CENTER, PHASE 2 MASS GRADING, MIDDLE WEST SIDE  
CONTRACT NO. IBC-0381R

**Sukut Construction, LLC**

certifies that:

Bidder

The following listed construction trades will be used in the work.

**Operators, Laborers, Ironworkers**

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Signature of Authorized **Michael Greenlee**  
Representative of Bidder **V.P./Chief Estimator**



**NON-COLLUSION DECLARATION**

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 381

INDUSTRY BUSINESS CENTER, PHASE 2 MASS GRADING, MIDDLE WEST SIDE  
CONTRACT NO. IBC-0381R

CONTRACTOR:

**Sukut Construction, LLC**

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BUSINESS ADDRESS:

**4010 W. Chandler Avenue**

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**Santa Ana, CA 92704**

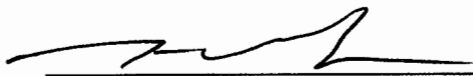
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In submitting this bid for the project:

I, **Michael Greenlee**, state that I have not directly or indirectly,  
(Name)  
entered into any agreement, participated in any collusion or otherwise taken any action in  
restraint of free competitive bidding in connection with the project.

I do hereby certify under penalty of perjury under the laws of the State of California that the  
foregoing is true and correct. Executed at **Santa Ana**

California, this **7th** day of **March**, 201**6**.



---

SIGNATURE

**SUBCONTRACTORS LISTING - PAGE 1**

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY  
PROJECT NO. 381

INDUSTRY BUSINESS CENTER, PHASE 2 MASS GRADING, MIDDLE WEST SIDE  
CONTRACT NO. IBC-0381R

(See Paragraph 13 - Instructions to Bidders)

1. Name: MARINA LANDSCAPE  
Address: 1900 S. LEWIS ST, ANAHEIM, CA 92805  
Email: \_\_\_\_\_  
Telephone #: 714-939-6600 Fax #: 714-935-1199  
License #: 492862 DIR# 100000079  
Portion of Work: EROSION CONTROL 2.35%<sup>800</sup> Hydroseed - wood mulch 4%
2. Name: SUPERIOR GUNITE  
Address: 12306 VAN NUYS BLVD. LAKE VIEW TERRACE, CA 91342  
Email: \_\_\_\_\_  
Telephone #: 818-896-9199 Fax #: 818-896-6699  
License #: 370034 DIR# 100001969  
Portion of Work: V-DITCH 5.82%
3. Name: WESTERN PAVING  
Address: 15533 E. ARROW HAY TERRAVILLE, CA 91706  
Email: RENEISENHART@WESTERNPAVING.COM  
Telephone #: 626-338-7889 Fax #: 626-338-3799  
License #: 639093 DIR# 100003855  
Portion of Work: AC PAVING 1.3%

# Document A310™ – 2010

Conforms with The American Institute of Architects AIA Document 310

## Bid Bond

### CONTRACTOR:

(Name, legal status and address)

Sukut Construction, LLC  
4010 West Chandler Avenue  
Santa Ana, CA 92704-5202

### SURETY:

(Name, legal status and principal place of business)

Liberty Mutual Insurance Company  
790 The City Drive South, Suite 200  
Orange, CA 92868

### Mailing Address for Notices

790 The City Drive South, Suite 200  
Orange, CA 92868

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

### OWNER:

(Name, legal status and address)

Successor Agency to the Industry Urban-Development Agency  
15625 East Stafford Street  
City of Industry, CA 91744

**BOND AMOUNT:** \$ 10% Ten Percent of Amount Bid

### PROJECT:

(Name, location or address, and Project number, if any)


Industry Business Center, Phase 2 Mass Grading, Middle West Side, Contract No. IBC-0381R

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.


If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

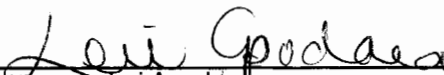
When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 24th day of February, 2016.

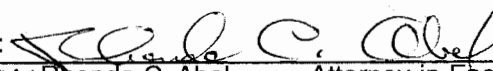
  
\_\_\_\_\_  
(Witness)

Sukut Construction, LLC  
(Principal) \_\_\_\_\_ (Seal)

By:   
\_\_\_\_\_  
(Title) Michael Greenlee, V.P. / Chief Estimator

  
\_\_\_\_\_  
(Witness) Jeri Apodaca

Liberty Mutual Insurance Company  
(Surety) \_\_\_\_\_ (Seal)

By:   
\_\_\_\_\_  
(Title) Rhonda C. Abel, Attorney-in-Fact



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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.

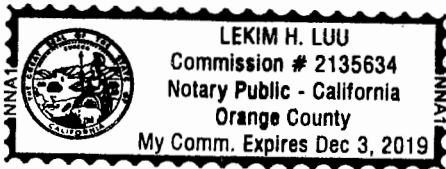
State of California )  
County of Orange )

On FEB 24 2016 before me, Lekim H. Luu, Notary Public  
*Date Here Insert Name and Title of the Officer*  
personally appeared Rhonda C. Abel  
*Name(s) of Signer(s)*

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 [Handwritten Signature]  
*Signature of Notary Public*

*Place Notary Seal Above*

**OPTIONAL**

*Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

**THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.**

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 7216067

American Fire and Casualty Company  
The Ohio Casualty Insurance Company

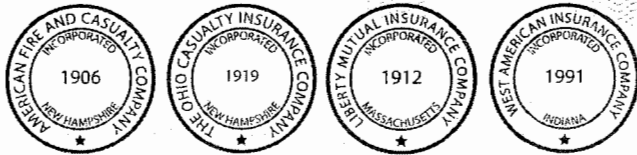
Liberty Mutual Insurance Company  
West American Insurance Company

**POWER OF ATTORNEY**

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Heather Saltarelli; James A. Schaller; Jeri Apodaca; Kim Luu; Michael D. Parizino; Rachelle Rheault; Rhonda C. Abel

all of the city of Newport Beach, state of CA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 24th day of December, 2015.



American Fire and Casualty Company  
The Ohio Casualty Insurance Company  
Liberty Mutual Insurance Company  
West American Insurance Company

By: David M. Carey  
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss  
COUNTY OF MONTGOMERY

On this 24th day of December, 2015, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Insurance Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Teresa Pastella, Notary Public  
Plymouth Twp., Montgomery County  
My Commission Expires March 28, 2017  
Member, Pennsylvania Association of Notaries

By: Teresa Pastella  
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

**ARTICLE IV – OFFICERS** – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

**ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings.** Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

**Certificate of Designation** – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

**Authorization** – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this FEB 24 2016 day of \_\_\_\_\_, 2016.



By: Gregory W. Davenport  
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-800-829-8939 between 9:00 am and 4:00 pm EST on our business days.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

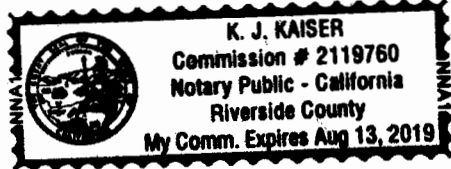
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Orange )  
On March 7, 2016 before me, K.J. Kaiser, Notary Public,  
Date Here Insert Name and Title of the Officer  
personally appeared Michael Greenlee  
Name(s) of Signer(s)

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 [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

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Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_



# CONTRACTORS STATE LICENSE BOARD



## Contractor's License Detail for License # 985106

**DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.**

CSLB complaint disclosure is restricted by law (B&P 7124.6) If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.

Per B&P 7071.17 , only construction related civil judgments reported to the CSLB are disclosed.

Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.

Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

Data current as of 3/9/2016 8:48:51 AM

### Business Information

SUKUT CONSTRUCTION LLC  
4010 WEST CHANDLER AVENUE  
SANTA ANA, CA 92704-5202  
Business Phone Number:(714) 540-5351

**Entity** Ltd Liability  
**Issue Date** 07/10/2013  
**Expire Date** **07/31/2017**

### License Status

**This license is current and active.**

**All information below should be reviewed.**

### Classifications

A - GENERAL ENGINEERING CONTRACTOR  
B - GENERAL BUILDING CONTRACTOR

### Certifications

HAZ - HAZARDOUS SUBSTANCES REMOVAL

### Bonding Information

This license filed a Contractor's Bond with LIBERTY MUTUAL INSURANCE COMPANY.

**Bond Number:** 24049917

**Bond Amount:** \$15,000

**Effective Date:** 01/01/2016

Contractor's Bond History

#### **LLC EMPLOYEE/WORKER BOND**

This license filed a LLC Employee/Worker Bond with LIBERTY MUTUAL INSURANCE COMPANY.

**Bond Number:** 24051634

**Bond Amount:** \$100,000

**Effective Date:** 03/27/2013

#### **Bond of Qualifying Individual**

The Responsible Managing Officer (RMO) CRAWFORD MICHAEL HOWARD certified that he/she owns 10 percent or more of the voting stock/equity of the corporation. A bond of qualifying individual is **not** required.

**Effective Date:** 07/10/2013

#### **Workers' Compensation**

This license has workers compensation insurance with the ACIG INSURANCE COMPANY

**Policy Number:** WCA0000181

**Effective Date:** 06/01/2015

**Expire Date:** 06/01/2016

Workers' Compensation History

#### **Liability Insurance Information**

This license has liability insurance with ZURICH AMERICAN INSURANCE COMPANY

**Policy Number:** GLO4353477

**Amount:** \$5,000,000

**Effective Date:** 06/01/2013

**Expiration Date:** 06/01/2016

#### **Other**

Personnel listed on this license (current or disassociated) are listed on other licenses.