



**SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY
SPECIAL MEETING AGENDA
JANUARY 9, 2019 9:00 A.M.**

Chair Cory C. Moss
Vice Chair Cathy Marcucci
Board Member Abraham Cruz
Board Member Mark D. Radecki
Board Member Newell Ruggles

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

Addressing the Agency:

- **Agenda Items:** *Members of the public may address the Successor Agency on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Successor Agency is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the Secretary prior to the Agenda item being called and prior to the individual being heard by the Successor Agency.*
- **Public Comments (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 Successor Agency (626) 333-2211. Notification of at least 72 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.*

Agendas and other writings:

In compliance with Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the Secretary of the Successor Agency during regular business hours, Monday through Thursday, 8:00 a.m. to 5:00 p.m., Friday, 8:00 a.m. to 4:00 p.m.

1. Call to Order
2. Flag Salute
3. Roll Call
4. Public Comments

5. **CONSENT ITEMS**

- 5.1 Consideration of the Register of Demands for January 9, 2020

RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate City Officials to pay the bills.

- 5.2 Consideration of the minutes of December 12, 2019 special meeting and the December 12, 2019 special meeting

RECOMMENDED ACTION: Approve as submitted.

6. **BOARD MATTERS**

- 6.1 Consideration of the Assignment and Assumption of Interest of the Purchase and Sale Agreement between P.T. Enterprises, LLC and the Successor Agency to the Industry Urban-Development Agency for the Property Located at 17647 Gale Avenue

Recommended Action: The Successor Agency approve the Assignment and Assumption of Interest related to the Purchase and Sale Agreement for the property located at 17647 Gale Avenue.

7. Adjournment. Next regular Successor Agency meeting will be on Thursday, January 23, 2020 at 8:30 a.m.

SUCCESSOR AGENCY

ITEM NO. 5.1

**Successor Agency To The
Industry Urban-Development Agency
Authorization For Payment of Bills
January 9, 2020**

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
	IUDA ADMIN	0.00
221	IUDA PROJECT 1	56,000.00
222	IUDA PROJECT 2	180,685.27
	IUDA PROJECT 3	2,690.89
	TOTAL ALL FUNDS	239,376.16

<u>BANK</u>	<u>NAME</u>	<u>DISBURSEMENTS</u>
WFBK	WELLS FARGO BANK	180,685.27
BOFA	BANK OF AMERICA	58,690.89
	TOTAL ALL BANKS	239,376.16

**Successor Agency To The
Industry Urban Development Agency
Wells Fargo Bank
January 9, 2020**

Check	Date				Payee Name	Check Amount
IUDAADM.WF.CHK - IUDA Admin WF Checking						
32544	12/16/2019				SCS ENGINEERS	\$59,082.61
	Invoice	Date	Description		Amount	
	0357387	07/31/2019	ENGINEERING SVC-IBC PROJ		\$12,402.25	
	0354702	06/30/2019	ENGINEERING SVC-IBC PROJ		\$29,431.86	
	0364219	10/31/2019	ENGINEERING SVC-IBC PROJ		\$17,248.50	
32545	12/17/2019				CNC ENGINEERING	\$44,305.00
	Invoice	Date	Description		Amount	
	459829	12/11/2019	BAKER PKY SLOPE MAINT		\$270.00	
	459831	12/11/2019	IBC-EAST SIDE ROADWAYS		\$21,407.50	
	459832	12/11/2019	IBC-WEST SIDE ROADWAYS		\$17,992.50	
	459834	12/11/2019	IBC-FUTURE PHASES AND STUDIES		\$4,635.00	
32546	12/17/2019				CNC ENGINEERING	\$2,327.50
	Invoice	Date	Description		Amount	
	459830	12/11/2019	GRAND AVE/GOLDEN SPRINGS DR		\$1,685.00	
	459833	12/11/2019	LEMON AVE/60 FWY INTERCHANGE		\$642.50	
32547	01/09/2020				CNC ENGINEERING	\$88,447.86
	Invoice	Date	Description		Amount	
	12302022	12/31/2019	IBC-EAST SIDE ROADWAYS		\$34,275.08	
	12302023	12/31/2019	IBC-WEST SIDE ROADWAYS		\$41,665.28	
	12302025	12/31/2019	IBC-FUTURE PHASES AND STUDIES		\$10,282.50	
	12302020	12/31/2019	BAKER PKY SLOPE MAINT		\$510.00	
	12302026	12/31/2019	DIAMOND BAR CREEK		\$1,715.00	

**Successor Agency To The
Industry Urban Development Agency**

Wells Fargo Bank

January 9, 2020

Check	Date		Payee Name	Check Amount
IUDAADM.WF.CHK - IUDA Admin WF Checking				
32548	01/09/2020		CNC ENGINEERING	\$3,376.25
	Invoice	Date	Description	Amount
	12302021	12/31/2019	GRAND AVE/GOLDEN SPRINGS DR INTERSECTION	\$3,162.50
	12302024	12/31/2019	LEMON AVE/60FWY INTERCHANGE	\$213.75
32549	01/09/2020		KIMLEY-HORN & ASSOCIATES, INC.	\$3,718.32
	Invoice	Date	Description	Amount
	15472139	11/30/2019	TRAFFIC SIGNAL DESIGN-IBC PROJECT	\$3,718.32
32550	01/09/2020		LEIGHTON CONSULTING INC	\$26,675.46
	Invoice	Date	Description	Amount
	38120	12/09/2019	GEOTECHNICAL SVC-IBC PROJECT	\$17,979.98
	38121	12/09/2019	GEOTECHNICAL SVC-IBC PROJECT	\$8,695.48
32551	01/09/2020		SCS ENGINEERS	\$11,834.88
	Invoice	Date	Description	Amount
	0366852	11/30/2019	ENGINEERING SVC-IBC PROJECT	\$11,834.88

Checks	Status	Count	Transaction Amount
	Total	8	\$239,767.88

**Successor Agency To The
Industry Urban Development Agency**

Wells Fargo Voided Check

January 9, 2020

Check	Date	Payee Name	Check Amount
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IUDAADM.WF.CHK - IUDA Admin WF Checking

Check	Date	Description	Amount
32529	11/28/2019	12/16/2019 SCS ENGINEERS	(\$59,082.61)
	Invoice		
	0357387	07/31/2019 ENGINEERING SVC-IBC PROJ	(\$12,402.25)
	0354702	06/30/2019 ENGINEERING SVC-IBC PROJ	(\$29,431.86)
	0364219	10/31/2019 ENGINEERING SVC-IBC PROJ	(\$17,248.50)

Check	Status	Count	Transaction Amount
	Total	1	(\$59,082.61)

**Successor Agency To The
Industry Urban Development Agency**

Bank of America

January 9, 2020

Check	Date	Payee Name	Check Amount
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08PJ3REVLOAN - 2008 PJ3 Revol Loan - Restricted

121	12/11/2019	IUDA-ADMINISTRATIVE ACCOUNT	\$2,690.89
	Invoice	Description	Amount

PJ1.BOFA.CHK - Project 1 BofA Checking

1158	12/10/2019	IUDA-ADMINISTRATIVE ACCOUNT	\$56,000.00
	Invoice	Description	Amount
	AE REG 12/12/19	TRANSFER OF FUNDS REGISTER 12/12/19	\$56,000.00

Checks	Status	Count	Transaction Amount
	Total	2	\$58,690.89

**Successor Agency To The
Industry Urban-Development Agency
Authorization For Payment of Bills
January 9, 2020**

Reviewed By: _____ Date _____

Approved By: _____ Date _____

SUCCESSOR AGENCY

ITEM NO. 5.2

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
SPECIAL MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
DECEMBER 12, 2019
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CALL TO ORDER

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

FLAG SALUTE

The flag salute was led by Chair Moss

ROLL CALL

PRESENT: Cory C. Moss, Chair
Cathy Marcucci, Vice Chair
Mark D. Radecki, Board Member
Newell Ruggles, Board Member

ABSENT: Abraham Cruz, Board Member

STAFF PRESENT: Bing Hyun, Assistant City Manager; Josh Nelson, Director of Public Works/City Engineer; James M. Casso, Legal Counsel; Bianca Sparks, Assistant Legal Counsel; and Julie Robles, Secretary.

PUBLIC COMMENTS

There were no public comments.

CONSENT ITEMS

5.1 CONSIDERATION OF THE REGISTER OF DEMANDS FOR NOVEMBER 14, 2019 AND NOVEMBER 28, 2019

RECOMMENDED ACTION: Ratify the Register of Demands for November 14, 2019 and November 28, 2019.

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
SPECIAL MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
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5.2 CONSIDERATION OF THE REGISTER OF DEMANDS FOR DECEMBER 12, 2019

RECOMMENDED ACTION: *Approve the Register of Demands and authorize the appropriate Agency Officials to pay the bills.*

5.3 CONSIDERATION OF THE MINUTES OF OCTOBER 24, 2019 SPECIAL MEETING

RECOMMENDED ACTION: *Approve as submitted.*

5.4 CONSIDERATION OF RESOLUTION SA 2019-07 - A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER INDUSTRY URBAN-DEVELOPMENT AGENCY ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2020 THROUGH JUNE 30, 2021 (ROPS 20-21) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177

RECOMMENDED ACTION: *Adopt Resolution No. SA 2019-07.*

5.5 CONSIDERATION OF RESOLUTION SA 2019-08 - A RESOLUTION OF THE SUCCESSOR AGENCY OF THE FORMER INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING AN ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2020 TO JUNE 30, 2021

RECOMMENDED ACTION: *Adopt Resolution No. SA 2019-08*

5.6 CONSIDERATION OF THE ASSIGNMENT AND ASSUMPTION OF INTEREST OF THE PURCHASE AND SALE AGREEMENT BETWEEN P.T. ENTERPRISES, LLC AND THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY FOR THE PROPERTY LOCATED AT 17647 GALE AVENUE

RECOMMENDED ACTION: *Approve the Assignment and Assumption of Interest of the Purchase and Sale Agreement to the City of Industry, and authorize the Executive Director to do all things necessary to effectuate the assignment.*

This item was pulled from the agenda by City Attorney Casso, until the January 9, 2020 meeting.

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
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CITY OF INDUSTRY, CALIFORNIA
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MOTION BY VICE CHAIR MARCUCCI, AND SECOND BY BOARD MEMBER RUGGLES TO APPROVE THE CONSENT CALENDAR EXCEPT FOR ITEM 5.6, WHICH WAS PULLED. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	RADECKI,	RUGGLES,	VC/MARCUCCI, C/MOSS
NOES:	BOARD MEMBERS:	NONE		
ABSENT:	BOARD MEMBERS:	CRUZ		
ABSTAIN:	BOARD MEMBERS:	NONE		

BOARD MATTERS

6.1 CONSIDERATION OF AMENDMENT NO. 6 TO THE AGREEMENT FOR CONSULTING SERVICES WITH JACOBS ENGINEERING GROUP, INC. FOR THE STATE ROUTE 60 INTERCHANGE AND LEMON AVENUE PROJECT, EXTENDING THE TERM THROUGH JUNE 30, 2020 (MP 03-10)

RECOMMENDED ACTION: *Approve the Amendment.*

Director of Public Works/City Engineer Josh Nelson, provided a staff report and was available to answer any questions.

MOTION BY BOARD MEMBER RUGGLES, AND SECOND BY VICE CHAIR MARCUCCI TO APPROVE THE AMENDMENT. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	RADECKI,	RUGGLES,	VC/MARCUCCI, C/MOSS
NOES:	BOARD MEMBERS:	NONE		
ABSENT:	BOARD MEMBERS:	CRUZ		
ABSTAIN:	BOARD MEMBERS:	NONE		

6.2 CONSIDERATION OF AMENDMENT NO. 2 TO THE AGREEMENT FOR CONSULTING SERVICES WITH ADVANCED AVANT-GARDE, INC., DBA AVANT-GARDE FOR THE LEMON AVENUE INTERCHANGE PROJECT, EXTENDING THE TERM THROUGH JUNE 30, 2020 (MP 03-10)

RECOMMENDED ACTION: *Approve the Amendment.*

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
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Director of Public Works/City Engineer Josh Nelson, provided a staff report and was available to answer any questions.

MOTION BY BOARD MEMBER RADECKI, AND SECOND BY BOARD MEMBER RUGGLES TO APPROVE THE AMENDMENT. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	RADECKI,	RUGGLES,	VC/MARCUCCI, C/MOSS
NOES:	BOARD MEMBERS:	NONE		
ABSENT:	BOARD MEMBERS:	CRUZ		
ABSTAIN:	BOARD MEMBERS:	NONE		

ADJOURNMENT

There being no further business, the Successor Agency to the Industry Urban-Development Agency adjourned at 10:26 a.m.

Cory C. Moss, Chair

Julie Robles, Secretary

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

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FLAG SALUTE

The flag salute was led by Chair Moss

ROLL CALL

PRESENT: Cory C. Moss, Chair
Cathy Marcucci, Vice Chair
Mark D. Radecki, Board Member
Newell Ruggles, Board Member

ABSENT: Abraham Cruz, Board Member

STAFF PRESENT: Bing Hyun, Assistant City Manager; Josh Nelson, Director of Public Works/City Engineer; James M. Casso, Legal Counsel; Bianca Sparks, Assistant Legal Counsel; and Julie Robles, Secretary.

CLOSED SESSION

Secretary Robles announced there was a need for Closed Session as follows

5.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code Section
54956.9(d)(4): One case

Chair Moss recessed the meeting into Closed Session at 9:50 a.m.

RECONVENE CITY COUNCIL MEETING

Chair Moss reconvened the meeting at 10:25 a.m. All members of the Successor Agency were present except for Board Member Cruz.

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
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CITY OF INDUSTRY, CALIFORNIA
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City Attorney Casso reported out of Closed Session.

With regard to Closed Session items 5.1, direction was given to the City Attorney's office. No final action was taken.

ADJOURNMENT

There being no further business, the Successor Agency to the Industry Urban-Development Agency adjourned at 10:26 a.m.

Cory C. Moss, Chair

Julie Robles, Secretary

SUCCESSOR AGENCY

ITEM NO. 6.1

ASSIGNMENT AND ASSUMPTION OF INTEREST

by and between

CITY OF INDUSTRY

and

P.T. ENTERPRISES, LLC

THIS ASSIGNMENT AND ASSUMPTION OF INTEREST (this “**Assignment**”) is entered into as of this ___ day of January, 2020 by and between the CITY OF INDUSTRY, a California municipal corporation (“**City**”), and P.T. ENTERPRISES, LLC., a California limited liability company (“PT”). PT and City are hereinafter collectively referred to as the “**Parties**” and individually as “**Party.**”

RECITALS

A. PT, as “Developer”, entered into a Purchase Agreement (approved by the Successor Agency and the Los Angeles County First District Consolidated Oversight Board in or about December 2018) dated January __, 2020 (the “**Purchase Agreement**”), attached hereto as Exhibit A, with the Successor Agency to the Industry Urban-Development Agency, a public body, corporate and politic (the “**Agency**”). Capitalized terms used in this Assignment without definition shall have the same meanings ascribed to them in the Purchase Agreement.

B. The Purchase Agreement was executed with respect to certain real property located at 17647 Gale Avenue, Industry, California 91748 (the “**Property**”), as more particularly described in Exhibit B.

C. Section 4.1 of the Purchase Agreement allows, upon approval by the Agency, PT to assign its interest in the Property to a third party.

D. Subject to the terms and conditions of this Assignment and with the approval of the Agency, PT wishes to exercise its rights under Section 4.1 and assign its interest in the Purchase Agreement to the City and the City wishes to accept PT’s rights and obligations under the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants and agreements contained in this Assignment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Recitals and Exhibits. The introductory paragraph, Recitals and Exhibits A and B, inclusive, above are incorporated into this Assignment by this reference as if fully set forth herein.
2. Assignment. Subject to the terms and conditions of this Assignment (including, without limitation, the conditions precedent set forth in Section 3 of this Assignment), PT hereby assigns, transfers, and conveys its rights and obligations under the Purchase Agreement to City. City hereby assumes all of PT’s rights and obligations under the Purchase Agreement and agrees to diligently and timely perform all such obligations. Notwithstanding the foregoing, PT shall be deemed a third-party beneficiary in connection with and with respect to enforcing the covenants, representations and warranties of Agency made in the Purchase Agreement.
3. Agency’s Acknowledgement. This Assignment shall be effective upon the Agency’s execution and delivery to PT and City of the attached “Agency’s Acknowledgement”.
4. Option to Purchase. As material consideration for PT’s agreement to enter into this Assignment with City, and for the additional consideration of One Hundred Dollars (\$100.00), the receipt and

sufficiency of which is hereby acknowledged, City hereby grants to PT an option (the “**Option**”) to purchase the Leased Premises (as defined in the Lease) and including all improvements thereon for the total purchase price of Six Million Three Hundred Forty-Eight Thousand Nine Hundred Three and 8/100 Dollars (\$6,348,903.08) (“**Option Purchase Price**”). The Option shall become effective and exercisable immediately upon City’s leasing of the Property to PT as set forth in Exhibit D, attached hereto and incorporated herein (the “**Lease**”). PT may exercise the Option at any time within ten (10) years of the effective date of the Lease (“**Option Period**”), by delivering a written notice of exercise to City at least 180 days prior to the expiration of said ten-year period. Within thirty (30) days after PT exercises the Option, PT and City shall open an escrow with First American Title Company (“**FATCO**”) to consummate PT’s purchase of the Property by executing FATCO’s standard sale escrow instructions (provided that in the event of any conflict between the terms thereof and the terms of any written agreement between the Parties, the terms of the written agreement between the Parties shall control), which shall be consistent with the provisions of this Section 4 and in accordance with the Purchase and Sale Agreement attached to the Lease as its Exhibit B (“**Lease PSA**”) and the close of escrow shall occur on or before the expiration of the Option Period. The City also agrees at PT’s cost to make any modifications as reasonably requested by FATCO in connection with FATCO’s issuance of a title insurance policy to PT insuring its interest under the Option and the issuance of said policy is a condition to this assignment for the benefit of PT, which PT may waive. In the event of a breach of the Option, PT shall have all remedies available to it at law and equity, including, without limitation, the remedy of specific performance.

The property to be conveyed to PT by the City shall exclude a portion of the Property, approximately 2,192 square feet in size to be created by the City in and around the Electronic Sign on the Property and shall include a portion of the cul-de-sac currently located at the Southeast corner of the Property and shall be conveyed to PT at the close of escrow by grant deed in fee simple, free and clear of any monetary liens or encumbrances other than the Permitted Exceptions (as defined in the Lease) . PT shall be given sole and exclusive possession of the Leased Premises at the close of escrow. The Parties hereby agree that the total purchase price for the property to be sold by the City to PT, as described in this paragraph, shall be the Option Purchase Price and shall be payable by PT in cash at the close of escrow of the Lease PSA. Concurrently with the execution of this Assignment, City shall execute, acknowledge and deliver to PT a memorandum of the Option in the form attached hereto as Exhibit D (the “**Memorandum**”). Upon City’s acquisition of ownership of the Property, PT shall cause the Memorandum to be recorded in the Official Records of Los Angeles County, California. The fee to record the Memorandum shall be paid by PT. The Option will automatically terminate if PT fails to exercise the Option as set forth in the Lease.

The Parties agree to promptly execute the Lease and the Lease PSA upon the City’s acquisition of the Property.

5. Reimbursement of Deposit. Upon the execution of this Assignment and Agency’s execution of the Agency’s Acknowledgement, the Agency shall refund to PT its entire One Hundred Thousand Dollars (\$100,000.00) Deposit paid under Section 2.2.1 of the Purchase Agreement on or before ten (10) days after execution of the Agency’s Acknowledgement, less an amount not to exceed Fifteen Thousand Dollars (\$15,000.00) to partially reimburse the Agency for its Disposition Costs (as defined and set forth in Section 2.1 of the Purchase Agreement). If for any reason the Agency does not timely refund such amount to PT, City shall immediately refund such amount to PT on behalf of Agency.

6. No Assignment by City. City may not assign its rights or obligations under the Purchase

Agreement or this Assignment without the prior written consent of PT, which consent shall be in PT's sole and absolute discretion. Any attempted assignment by City in violation of this Section 6 shall be null and void. City shall close Escrow under the Purchase Agreement and acquire ownership of the Property on or before February 28, 2020.

7. Notice. Except as otherwise specified in this Assignment, all notices and demands shall be in writing and sent to the Parties at their respective addresses specified below; provided that if any Party gives notice in writing of a change of name or address, notices to such Party shall thereafter be given as demanded in that notice:

City: Troy Helling, City Manager
City of Industry
15625 East Stafford Street
Suite 100
City of Industry, California 91744
(626) 333-2211
thelling@cityofindustry.org

with a copy to: James M. Casso, City Attorney
Casso & Sparks, LLP
13300 Crossroads Parkway North
Suite 410
City of Industry, California 91746
(626) 269-2980
jcasso@cassosparks.com

PT: Roger S. Penske, Jr., Manager
P.T. Enterprises, LLC
9136 E. Firestone Blvd.
Downey, CA 92041
Phone: (626) 859-1241
Email: penske@socalpenske.com

with copies to: SoCal Penske Dealer Group General Counsel
Attn: Cynthia Thomas, Esq.
9136 E. Firestone Blvd.
Downey, CA 92041
Phone: 562-904-5693
Email: cthomas@socalpenske.com

and

Manning, Leaver, Bruder & Berberich, LLP
Attention: Wade R. Kackstetter, Esq.
801 South Figueroa Street, Suite 1150
Los Angeles, CA 90017
Phone: (323) 937-4730
Email: wkackstetter@manningleaver.com

8. Waiver; Extension; Amendment. No waiver of any claimed breach of any covenant or provision of this Assignment shall be deemed a waiver of any other covenant or provision hereof, and no waiver shall be valid unless in writing and executed by the waiving Party. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act, and no extension shall be valid unless in writing and executed by the waiving Party. This Assignment may only be amended by the written consent of the Parties.

9. Governing Law and Venue. This Assignment shall be construed in accordance with the laws of the State of California without regard to principles of conflict of laws. The exclusive venue for any action or proceeding arising from or relating to this Assignment shall be in the County of Los Angeles, State of California.

10. Entire Agreement. This Assignment, including Exhibits A - D 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 Assignment shall be valid unless set forth in writing and signed by all of the Parties subsequent to the execution of this Assignment.

11. Severability. If any term or provision of this Assignment or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Assignment, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Assignment shall be valid and be enforced to the fullest extent permitted by law.

12. Successors and Assigns. Subject to the restriction on assignment set forth in Section 6, above, this Assignment shall be binding upon and shall inure to the benefit of the successors (including, without limitation, successors-in-interest) and permitted assigns of the Parties.

13. Attorneys' Fees. If any Party brings an action to enforce the terms hereof or declare its rights hereunder or as a consequence of any breach by the other party of its obligations under, the prevailing Party in any such action shall be entitled to its reasonable attorneys' fees and reasonable out-of-pocket expenditures to be paid by the non-prevailing Party as fixed by the court.

14. Counterparts; Facsimile/Email Signatures. This Assignment may be executed in any number of counterparts, each of which shall be an original, but all of such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of this Assignment by facsimile or email shall be equally effective as delivery of an original executed counterpart of this Assignment.

15. Exhibit A. Exhibit A is attached to this Assignment for identification purposes only.

16. Time of the Essence. The Parties hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision of this Assignment.

17. City Efforts. The City agrees to use its best efforts to promptly close the transaction contemplated by the Purchase Agreement in accordance with the terms thereof, to cause the conditions

to the Effective Date (as defined in the Lease) to be met, and, if and when PT exercises the Option, to close the transaction contemplated by the Option and the Lease PSA in accordance with the applicable terms of thereof.

18. Indemnification. City agrees to indemnify, defend and hold PT harmless from and against any and all actions, causes of action, claims, damages, losses, liens, liabilities, injuries, charges, penalties, cost and expenses, including, without limitation, reasonable attorneys' fees and costs, arising (1) under the Purchase Agreement, including without limitation, as a result of a breach of City's assumed obligations thereunder, on or after the date of this Assignment, except to the extent arising from the gross negligence or willful misconduct of PT or PT's breach of the Lease, or (2) from the waiver of any conditions to close of escrow for the benefit of the "Developer" (as defined in the Purchase Agreement, and as such conditions are set forth in the Purchase Agreement as of the date hereof) to be satisfied as of the close of escrow of the transaction contemplated by the Purchase Agreement.

19. Certificate of Completion. The Parties agree that the "Certificate of Completion" (as defined in section 7.6 of the Lease) pursuant to the Lease shall be conclusively deemed to also be the Certificate of Completion pursuant to Section 3.7 of the Purchase Agreement, and that it shall be in the form of the form of Certificate of Completion attached as an exhibit to the Purchase Agreement, except that it shall (i) be given by the City as the successor and assign to the Agency, (ii) shall state that the right of the City to purchase the Site as provided in Section 5.7 of the Purchase Agreement and as referenced in that certain grant deed dated [to be inserted] and recorded as document number [to be inserted] in the official records of Los Angeles County, is terminated and of no further force and effect (with the blanks filled in to reflect the appropriate information regarding the grant deed recorded to consummate the sale of the Property pursuant to the Purchase Agreement), and (iii) shall contain such other revisions as reasonably necessary to also reflect that it is also the Certificate of Completion pursuant to the Lease. City accepts the assignment by Agency regarding the Certificate of Completion set forth in the Agency Acknowledgment below.

20. Authority. The person or persons executing this Assignment represents and warrants that he/she has the authority to execute this Assignment and has the authority to bind his/her respective Party to the performance of its obligations hereunder.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this Assignment as of the date first above written.

CITY OF INDUSTRY,
a California municipal corporation

P.T. ENTERPIRSES, LLC.,
a California limited liability company

By: _____
Cory Moss, Mayor

By: _____
Roger S. Penske, Jr., Member

ATTEST:

By: _____
Julie Gutierrez-Robles, City Clerk

APPROVED AS TO FORM:

By: _____
James M. Casso, City Attorney

AGENCY'S ACKNOWLEDGMENT

In accordance with Section 4.1 of the Purchase Agreement (as that term is defined above), the Successor Agency to the Industry Urban-Development Agency, a public body, corporate and politic (“**Agency**”) hereby acknowledges, accepts and consents to the foregoing Assignment between P.T. Enterprises, LLC., (“**PT**”), as assignor, and the City of Industry (“**City**”), as assignee. Agency further consents to the Lease (as that term is defined above) and the transactions, rights, and obligations contemplated thereby, including, without limitations, PT’s rights to assign the Lease and sublease the premises thereunder as set forth therein, the Option (as that term is defined above) and the Lease PSA (as that term is defined above). Agency further acknowledges and agrees that it shall refund to PT its entire One Hundred Thousand Dollars (\$100,000.00) Deposit paid under Section 2.2.1 of the Purchase Agreement on or before ten (10) days after the date of this acknowledgment (less an amount not to exceed Fifteen Thousand Dollars (\$15,000.00) to partially reimburse the Agency for its Disposition Costs, as defined in Section 2.2.1 of the Purchase Agreement), as required under Section 5 of the foregoing Assignment. Agency hereby forever releases and discharges PT from all of its obligations under, and from all liability under, the Purchase Agreement, and Agency acknowledges that PT is relying on such release and discharge in entering into the Assignment.

Agency acknowledges and that agrees that the “Certificate of Completion” (as defined in section 7.6 of the Lease) shall be conclusively deemed to be the Certificate of Completion pursuant to section 3.7 of the Purchase Agreement and that Agency agrees that Tenant’s satisfaction of its construction obligations under section 7.1 of the Lease shall be deemed satisfaction of all of the obligations of “Developer” to complete and construct the “Improvements” pursuant to the Purchase Agreement. Accordingly, Agency assigns to City its rights and obligations with respect to issuance of the Certificate of Completion pursuant to section 3.7 of the Purchase Agreement.

Dated: _____, 2020

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: _____
Troy Helling, Executive Director

EXHIBIT A

PURCHASE AGREEMENT DATED _____, 2020

[Attached]

EXHIBIT B
LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT C

MEMORANDUM OF PURCHASE OPTION

[Attached]

EXHIBIT D

**DRAFT GROUND LEASE BY AND BETWEEN CITY OF INDUSTRY
AND PT ENTERPRISES, LLC**

[Attached]