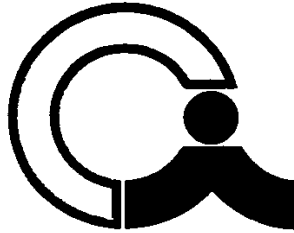


CITY OF INDUSTRY

CITY COUNCIL
REGULAR MEETING AGENDA

AUGUST 11, 2016
9:00 AM



Mayor Mark Radecki
Mayor Pro Tem Cory Moss
Council Member Abraham Cruz
Council Member Roy Haber, III
Council Member Newell Ruggles

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California 91744

Addressing the City Council:

- ▶ **Agenda Items:** Members of the public may address the City Council 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 City Council 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 City Clerk prior to the Agenda item being called and prior to the individual being heard by the City Council.
- ▶ **Public Comments (Non-Agenda Items):** Anyone wishing to address the City Council on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the City Council from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the City Council 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 City Clerk prior to the Agenda item being called by the City Clerk and prior to the individual being heard by the City Council.

Americans with Disabilities Act:

- ▶ In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 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 SB 343, 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 City Clerk during regular business hours, Monday through Friday 9:00 a.m. to 5:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.

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

- 4.1 Presentation from the California Department of Toxic Substances Control (DTSC) Staff to provide an update on the Quemetco Battery Recycling Facility located at 720 S. 7th Avenue, City of Industry

5. **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the City Council, the public, or staff request specific items be removed from the Consent Calendar for separate action.

- 5.1 Consideration of the Register of Demands

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

- 5.2 Consideration of Resolution No. CC 2016-50 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, REQUESTING THAT THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF LOS ANGELES APPROVE THE WITHDRAWAL OF THE CITY'S ANNEXATION APPLICATION FOR THE RIGHT OF WAY LOCATED ON THE SOUTH SIDE OF VALLEY BOULEVARD BETWEEN MORNINGSIDE DRIVE AND 460 FEET EAST OF FAURE AVENUE (Continued from July 28, 2016)

RECOMMENDED ACTION: Adopt Resolution No. CC 2016-50.

6. **ACTION ITEMS**

- 6.1 Consideration of a Betterment Agreement between the Cities of Industry and Diamond Bar, and the Alameda Corridor-East Construction Authority for the Lemon Avenue Improvements in conjunction with the Fairway Drive Grade Separation Project

RECOMMENDED ACTION: Approve the Betterment Agreement.

- 6.2 Consideration of a Professional Services Agreement with Emerson Consulting Group, Inc., for Economic Analysis Services in the amount not to exceed \$15,000.00

RECOMMENDED ACTION: Approve the Professional Services Agreement.

- 6.3 Consideration of Resolution No. CC 2016-52 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, RESCINDING RESOLUTIONS NO. 1900, 2226, CC 2012-17, CC 2013-09, CC 2015-12 AND CC 2016-21, AND ADOPTING SALARY RANGE

SCHEDULES FOR CITY EMPLOYEES AND OFFICERS FROM FISCAL YEAR 2000-2001 THROUGH FISCAL YEAR 2016-2017

RECOMMENDED ACTION: Adopt Resolution No. CC 2016-52.

- 6.4 Introduction and Consideration of Ordinance No. 795 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, AMENDING SECTION 2.20.010 (AUTHORIZATION FOR HEALTH AND DENTAL BENEFITS) OF CHAPTER 2.20 (EMPLOYEE BENEFIT PLANS) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE CITY OF INDUSTRY MUNICIPAL CODE TO ACHIEVE COMPLIANCE WITH THE AFFORDABLE CARE ACT AND STATE LAW (FIRST READING)

RECOMMENDED ACTION: Waive further reading, read by title only, and introduce Ordinance No. 795.

- 6.5 Introduction and Consideration of Ordinance No. 796 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, ADDING SECTION 3.52.160 (EXCEPTIONS FOR DESIGN-BUILD PROJECT DELIVERY) TO CHAPTER 3.52 (PUBLIC PROJECTS-BIDDING AND PROCEDURES) OF TITLE 3 (REVENUE AND FINANCE) OF THE CITY OF INDUSTRY MUNICIPAL CODE TO AUTHORIZE DESIGN – BUILD AS A METHOD OF DELIVERY FOR PROJECT CONSTRUCTION (FIRST READING)

RECOMMENDED ACTION: Waive further reading, read by title only and introduce Ordinance No. 796.

- 6.6 Consideration of Resolution No. CC 2016-53 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY APPROVING THE ASSIGNMENT AND ASSUMPTION OF INTEREST IN THE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY AND R.Y. PROPERTIES, INC. FOR THE PROPERTY LOCATED AT 17201 & 17301 GALE AVENUE AND MAKING THE REQUISITE CEQA FINDINGS

RECOMMENDED ACTION: Adopt Resolution No. CC 2016-53.

7. **CITY COUNCIL COMMITTEE REPORTS**

8. **AB 1234 REPORTS**

9. **CITY COUNCIL COMMUNICATIONS**

10. **CLOSED SESSION**

10.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): Two Potential Cases

10.2 Conference with real property negotiators pursuant to Government Code Section 54956.8

Property: Tres Hermanos Property
City Negotiators: Paul J. Philips, City Manager and
James M. Casso, City Attorney
Negotiating Parties: Paul J. Philips, Executive Director and
James M. Casso, Agency Legal Counsel
Under Negotiation: Price and Terms of Payment

11. Adjournment. Next regular meeting: Thursday, August 25, 2016 at 9:00 a.m.

CITY COUNCIL

ITEM NO. 5.1

**CITY OF INDUSTRY
AUTHORIZATION FOR PAYMENT OF BILLS
CITY COUNCIL MEETING OF AUGUST 11, 2016**

FUND RECAP:

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
100	GENERAL FUND	2,468,140.30
103	PROP A FUND	8,914.18
120	CAPITAL IMPROVEMENT FUND	78,979.91
161	IPUC - ELECTRIC	325,012.66
TOTAL ALL FUNDS		2,881,047.05

BANK RECAP:

<u>BANK</u>	<u>NAME</u>	<u>DISBURSEMENTS</u>
BOFA	BANK OF AMERICA - CKING ACCOUNTS	486,887.31
PROP A	PROP A - CKING ACCOUNT	8,914.18
REF	REFUSE - CKING ACCOUNT	537,408.57
WFBK	WELLS FARGO - CKING ACCOUNT	1,847,836.99
TOTAL ALL BANKS		2,881,047.05

**CITY OF INDUSTRY
BANK OF AMERICA
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITYELEC.CHK - City Electric				
1385	07/27/2016		VOIDED- PAPER JAM	\$0.00
1386	07/26/2016		CITY OF INDUSTRY	\$290,202.64
	Invoice	Date	Description	Amount
	07/26/16	07/27/2016	TRANSFER FUNDS-ELECTRIC	\$290,202.64
CITYGEN.CHK - City General				
WT1001	07/07/2016		MIDAMERICA ADMINISTRATIVE &	\$137,000.00
	Invoice	Date	Description	Amount
	7/7/16-WT1001	07/07/2016	MEDICAL PREMIUMS FOR JUL-DEC 2016	\$137,000.00
24320	07/22/2016		CITY OF INDUSTRY	\$44,855.34
	Invoice	Date	Description	Amount
	07/22/16-A	07/22/2016	TRANSFER FUNDS-SAVINGS	\$44,855.34
24321	07/22/2016		CITY OF INDUSTRY	\$92.61
	Invoice	Date	Description	Amount
	07/22/16-B	07/22/2016	TRANSFER FUNDS 91-1 ADMIN	\$92.61
24322	07/22/2016		CITY OF INDUSTRY	\$9,260.58
	Invoice	Date	Description	Amount
	07/22/16-C	07/22/2016	TRANSFER FUNDS 91-1 REDEMPTION	\$9,260.58

**CITY OF INDUSTRY
BANK OF AMERICA
August 11, 2016**

Check	Date		Payee Name	Check Amount
PARKCIT.CHK - Parking Citation Checking				
573	07/28/2016		SUPERIOR COURT OF CALIFORNIA,	\$4,926.80
	Invoice	Date	Description	Amount
	JUNE 2016	07/12/2016	PARKING CITATIONS REPORT-JUN 2016	\$4,926.80
574	07/28/2016		TURBO DATA SYSTEMS, INC	\$484.34
	Invoice	Date	Description	Amount
	24600	06/30/2016	CITATION PROCESSING-MAY/JUN 2016	\$484.34
575	07/28/2016		GARCIA BUENA MALABANAN	\$65.00
	Invoice	Date	Description	Amount
	07/28/16	07/28/2016	REFUND-CITATION #133954	\$65.00

Checks	Status	Count	Transaction Amount
	Total	9	\$486,887.31

**CITY OF INDUSTRY
PROP A
August 11, 2016**

Check	Date		Payee Name	Check Amount
PROPA.CHK - Prop A Checking				
11649	07/28/2016		CITY OF INDUSTRY-REFUSE	\$78.80
	Invoice	Date	Description	Amount
	2575573	07/01/2016	DISP SVC-METROLINK	\$78.80
11650	07/28/2016		INDUSTRY SECURITY SERVICES	\$8,312.17
	Invoice	Date	Description	Amount
	14-17888	06/17/2016	SECURITY SVC-METROLINK	\$1,729.73
	14-17952	06/24/2016	SECURITY SVC-METROLINK	\$1,729.73
	14-18024	07/01/2016	SECURITY SVC-METROLINK	\$1,729.73
	14-18101	07/08/2016	SECURITY SVC-METROLINK	\$1,393.25
	14-18140	07/15/2016	SECURITY SVC-METROLINK	\$1,729.73
11651	07/28/2016		SO CAL INDUSTRIES	\$93.87
	Invoice	Date	Description	Amount
	230629	06/21/2016	RR RENTAL-METROLINK	\$93.87
11652	07/28/2016		SO CALIFORNIA EDISON COMPANY	\$218.14
	Invoice	Date	Description	Amount
	2017-00000044	07/20/2016	5/23-6/22/16 SVC-600 S BREA CYN B	\$218.14
11653	07/28/2016		WALNUT VALLEY WATER DISTRICT	\$211.20
	Invoice	Date	Description	Amount
	2354294	07/13/2016	6/8-7/5/16 SVC-PLATFORM METROLINK	\$18.87
	2353316	07/07/2016	6/1-6/30/16 SVC-IRR METROLINK STN SPANISH LN	\$192.33

Checks	Status	Count	Transaction Amount
	Total	5	\$8,914.18

**CITY OF INDUSTRY
WELLS FARGO REFUSE
August 11, 2016**

Check	Date		Payee Name	Check Amount
REFUSE - Refuse Account				
WT203	07/29/2016		CITY OF INDUSTRY DISPOSAL CO.	\$537,408.57
	Invoice	Date	Description	Amount
	2577745	07/29/2016	REFUSE SVC 7/1-7/23/16	\$537,408.57

Check	Status	Count	Transaction Amount
	Total	1	\$537,408.57

**CITY OF INDUSTRY
WELLS FARGO VOIDED CHECKS
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
64392	07/28/2016		GATEWAY CITIES COUNCIL OF	(\$16,962.70)
	Invoice	Date	Description	Amount
	#HT-TMDL-26	07/07/2016	COST OF SHARING-HARBOR TOXIC POLLUTANTS	(\$2,962.70)
	FY 2016-2017	06/23/2016	MEMBERSHIP DUES FOR FY 2016-2017	(\$14,000.00)
			VOIDED-SHOULD BE SEPARATE CHECKS	
64432	07/22/2016		VOIDED- PAPER JAM	\$0.00
64433	07/22/2016		VOIDED- PAPER JAM	\$0.00

Checks	Status	Count	Transaction Amount
	Total	3	(\$16,962.70)

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date	Payee Name		Check Amount
CITY.WF.CHK - City General Wells Fargo				
64429	07/21/2016	SO CALIFORNIA EDISON COMPANY		\$30,332.39
	Invoice	Date	Description	Amount
	2017-00000023	07/06/2016	06/01-07/01/16 SVC - VARIOUS SITES	\$1,855.44
	2017-00000024	07/06/2016	06/01-07/01/16 SVC - 600 BREA CYN RD	\$475.78
	2017-00000025	07/07/2016	06/03-07/05/16 SVC - 15625 STAFFORD ST	\$6,774.73
	15660STAFF-JUL16	07/07/2016	05/27-06/28/16 SVC - 15660 STAFFORD ST	\$2,671.45
	2017-00000026	07/08/2016	01/29-07/01/16 SVC - NOGALES ST/SAN JOSE AVE	\$373.46
	1135HATCHR-JUL16	07/08/2016	06/07-07/07/16 SVC - 1135 HATCHER AVE	\$360.78
	1123AHATCH-JUL16	07/08/2016	06/07-07/07/16 SVC - 1123 HATCHER AVE STE A	\$246.15
	2017-00000028	07/11/2016	06/07-07/07/16 SVC - VARIOUS SITES	\$95.42
	2017-00000029	07/11/2016	06/01-07/01/16 SVC - 208 S. WADDINGHAM WAY	\$16,826.40
	2017-00000030	07/13/2016	05/13-07/08/16 SVC - VALLEY BLVD U-VARIOUS SITES	\$482.55
	2017-00000031	07/12/2016	06/01-07/01/16 SVC - GALE AVE/L ST	\$33.95
	2017-00000032	07/14/2016	06/13-07/13/16 SVC - 490 7TH U	\$72.59
	2017-00000033	07/14/2016	06/10-07/12/16 SVC - 575 BALDWIN PARK AVE U	\$63.69
64430	07/21/2016	SUBURBAN WATER SYSTEMS		\$607.68
	Invoice	Date	Description	Amount
	180060710765	07/05/2016	06/03-07/05/16 SVC - NE CNR VALLEY/STIMS	\$607.68
64431	07/21/2016	WALNUT VALLEY WATER DISTRICT		\$5,277.15
	Invoice	Date	Description	Amount
	2353345	07/07/2016	06/01-06/30/16 SVC - IRR 820 FAIRWAY DR	\$83.88
	2353397	07/07/2016	06/01-06/30/16 SVC - LEMON AVE N OF CURRIER RD	\$72.67
	2353431	07/07/2016	06/01-06/30/16 SVC - BREA CYN RD & OLD RANCH RD	\$43.33
	2353447	07/07/2016	06/01-06/30/16 SVC - FERRERO & GRAND EAST	\$567.99
	2353464	07/07/2016	06/01-06/30/16 SVC - BAKER PKWY METER #1	\$504.17
	2353465	07/07/2016	06/01-06/30/16 SVC - BAKER PKWY METER #2	\$553.47
	2353471	07/07/2016	06/01-06/30/16 SVC - GRAND AVE CROSSING	\$424.86
	2353472	07/07/2016	06/01-06/30/16 SVC - GRAND AVE CROSSING	\$73.34
	2353474	07/07/2016	06/01-06/30/16 SVC - 22002 VALLEY BLVD	\$384.00

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	2353491	07/07/2016	06/01-07/06/16 SVC - 21350 VALLEY-MEDIAN	\$124.83
	2353492	07/07/2016	06/01-07/06/16 SVC - GRAND CROSSING EAST	\$53.11
	2353493	07/07/2016	06/01-07/06/16 SVC - GRAND CROSSING WEST	\$58.00
	2353494	07/07/2016	06/01-07/06/16 SVC - BAKER PKWY & GRAND N/W	\$1,521.54
	2353501	07/07/2016	06/01-07/06/16 SVC - E/S GRAND S/O BAKER	\$142.56
	2353507	07/07/2016	06/01-06/30/16 SVC - BREA CYN N OF RR TRKS	\$165.57
	2353508	07/07/2016	06/01-06/30/16 SVC - BREA CYN N OF CURRIER	\$35.17
	2353510	07/07/2016	06/01-06/30/16 SVC - 60 FWY INTERCHANGE	\$18.87
	2353527	07/07/2016	06/01-07/06/16 SVC - END OF BAKER PKWY-TEMP	\$449.79
64432	07/22/2016		07/22/2016	\$0.00
64433	07/22/2016		07/22/2016	\$0.00
64434	07/22/2016		L A COUNTY TAX COLLECTOR	\$3,906.73
	Invoice	Date	Description	Amount
	09-49986019	07/22/2016	7/1-8/4/09 PARCEL 8208 025 009-242 HACIENDA BLVD	\$3,906.73
64435	07/22/2016		L A COUNTY TAX COLLECTOR	\$100.84
	Invoice	Date	Description	Amount
	09-49986020	07/22/2016	7/1-8/4/09 PARCEL 8208 025 009-242 HACIENDA BLVD	\$100.84
64436	07/25/2016		GATEWAY CITIES COUNCIL OF	\$14,000.00
	Invoice	Date	Description	Amount
	FY 2016-2017-A	06/23/2016	MEMBERSHIP DUES FOR FY 2016-2017	\$14,000.00
64437	07/25/2016		GATEWAY CITIES COUNCIL OF	\$2,962.70
	Invoice	Date	Description	Amount
	#HT-TMDL-26-A	07/01/2016	COST OF SHARING-HARBOR TOXIC POLLUTANTS	\$2,962.70
64438	07/25/2016		STATE COMPENSATION INS. FUND	\$9,613.89

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	Invoice	Date	Description	Amount
	219396-16	07/13/2016	DEPOSIT PREMIUM	\$4,482.56
	JULY 2016	07/13/2016	PREMIUM FOR 7/1-8/1/16	\$5,131.33
64439	07/25/2016		STATE COMPENSATION INS. FUND	\$600.20
	Invoice	Date	Description	Amount
	1861195-16	07/13/2016	DEPOSIT PREMIUM-HOMESTEAD	\$600.20
64440	07/26/2016		FRONTIER	\$935.71
	Invoice	Date	Description	Amount
	2017-00000035	07/04/2016	07/04-08/03/16 SVC - EM-21858 GARCIA LN-ALARM	\$62.35
	2017-00000036	07/04/2016	07/04-08/03/16 SVC - GS-21620 VALLEY BLVD	\$54.00
	2017-00000037	07/07/2016	07/07-08/06/16 SVC - GENERATOR SITE-TELEMETRY	\$26.74
	841 7TH-JUL16	07/10/2016	07/10-08/09/16 SVC - 841 S. SEVENTH	\$97.72
	2017-00000038	07/10/2016	07/10-08/09/16 SVC - EM-21508 BAKER PKWY BLDG	\$51.29
	2017-00000039	07/10/2016	07/10-08/09/16 SVC - EM-21808 GARCIA LN-ALARM	\$62.35
	2017-00000040	07/10/2016	07/10-08/09/16 SVC - 600 BREA CYN RD	\$219.80
	2017-00000041	07/10/2016	07/10-08/09/16 SVC - GENERATOR SITE-TELEMETRY	\$51.29
	2017-00000042	07/10/2016	07/10-08/09/16 SVC - GENERATOR SITE-TELEMETRY	\$146.39
	2017-00000043	07/16/2016	07/16-08/15/16 SVC - PH AUTO PLAZA	\$163.78
64441	07/26/2016		GAS COMPANY, THE	\$57.06
	Invoice	Date	Description	Amount
	2017-00000034	07/13/2016	06/01-07/01/16 SVC - 1 INDUSTRY HILLS PKWY UNIT	\$57.06
64442	07/26/2016		SO CALIFORNIA EDISON COMPANY	\$61.14
	Invoice	Date	Description	Amount
	19835WAL-JUL16	07/16/2016	06/14-07/14/16 SVC - 19835 E WALNUT DR	\$61.14
64443	07/26/2016		VERIZON BUSINESS	\$161.01
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	07623987	07/10/2016	06/01-06/30/16 SVC - VARIOUS SITES	\$31.44
	HATCHER-07623987	07/10/2016	06/01-06/30/16 SVC - HATCHER WAREHOUSE	\$5.19
	07623988	07/10/2016	06/01-06/30/16 SVC - VARIOUS SITES	\$124.38
64444	07/26/2016		WALNUT VALLEY WATER DISTRICT	\$203.86
	Invoice	Date	Description	Amount
	2354275	07/13/2016	06/08-07/05/16 SVC - PUMP STN N/W CHERYL	\$23.77
	2354295	07/13/2016	06/08-07/05/16 SVC - PUMP STN BREA CYN	\$22.08
	19835WAL-2354431	07/13/2016	06/08-07/05/16 SVC - 19835 WALNUT DR	\$101.84
	2354519	07/13/2016	06/08-07/05/16 SVC - NOGALES PUMP STN	\$56.17
64445	07/27/2016		LAWROOM	\$1,483.00
	Invoice	Date	Description	Amount
	40676	07/07/2016	FIRST INSTALLMENT-ONLINE TRAINING LICENCES	\$1,483.00
64446	07/28/2016		STATE COMPENSATION INS. FUND	\$1,102.00
	Invoice	Date	Description	Amount
	JULY 2016-H	07/18/2016	PREMIUM FOR JUL 2016-HOMESTEAD	\$1,102.00
64447	08/02/2016		BANK OF AMERICA - VISA	\$301.59
	Invoice	Date	Description	Amount
	2017-00000045	07/06/2016	06/07-07/06/16 CREDIT CARD EXPENSES-PHILIPS	\$301.59
64448	08/02/2016		AT & T	\$247.06
	Invoice	Date	Description	Amount
	2016-00001659	06/17/2016	07/17-08/16/16 SVC - 15000 TONNER CYN-GUARD	\$110.33
	2016-00001660	06/17/2016	07/17-08/16/16 SVC - 17001 CARBON CYN - TONNER	\$136.73
64449	08/02/2016		CITY OF CHINO HILL UTILITY	\$461.22
	Invoice	Date	Description	Amount
	2017-00000056	07/20/2016	06/15-07/18/16 SVC - 1550 RANCHO HILLS DR	\$461.22

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date	Payee Name		Check	Amount
CITY.WF.CHK - City General Wells Fargo					
64450	08/02/2016	FRONTIER			\$321.82
	Invoice	Date	Description		Amount
	2017-00000060	07/16/2016	07/16-08/15/16 SVC - BREA CYN PUMP STN		\$65.06
	2017-00000061	07/16/2016	07/16-08/15/16 SVC - GENERATOR SITE-TELEMETRY		\$48.66
	2017-00000062	07/19/2016	07/19-08/18/16 SVC - ELECTRIC MODEM		\$51.29
	2017-00000063	07/19/2016	07/19-08/18/16 SVC - EM-21415 BAKER PKWY		\$51.29
	2017-00000064	07/19/2016	07/19-08/18/16 SVC - GENERATOR SITE-TELEMETRY		\$43.45
	2017-00000065	07/19/2016	07/19-08/18/16 SVC - FOLLOW'S CAMP GUARD		\$62.07
64451	08/02/2016	GAS COMPANY, THE			\$28.13
	Invoice	Date	Description		Amount
	2017-00000057	07/20/2016	06/15-07/18/16 SVC - 610 S BREA CYN RD		\$28.13
64452	08/02/2016	SAN GABRIEL VALLEY WATER CO.			\$736.56
	Invoice	Date	Description		Amount
	2017-00000058	07/19/2016	06/15-07/18/16 SVC - 14329 VALLEY		\$538.22
	2017-00000059	07/20/2016	06/16-07/19/16 SVC - 336 EL ENCANTO		\$40.43
	841 7TH-JUL16	07/21/2016	06/17-07/20/16 SVC - 841 SEVENTH		\$157.91
64453	08/02/2016	SO CALIFORNIA EDISON COMPANY			\$58,299.97
	Invoice	Date	Description		Amount
	2017-00000046	07/20/2016	06/01-07/01/16 SVC - VARIOUS SITES		\$3,821.91
	2017-00000047	07/20/2016	11/22/14-07/01/16 SVC - VARIOUS SITES		\$36,281.09
	2017-00000048	07/19/2016	06/16-07/18/16 SVC - 1341 FULLERTON RD		\$36.88
	2017-00000049	07/19/2016	06/16-07/18/16 SVC - 17635 GALE		\$1,992.26
	2017-00000050	07/20/2016	06/16-07/18/16 SVC - VARIOUS SITES		\$1,849.95
	2017-00000051	07/20/2016	06/16-07/18/16 SVC - PECK RD S/O PELLISSIER		\$36.36
	841 7TH-JUL16	07/20/2016	06/16-07/18/16 SVC - 841 7TH AVE		\$1,041.51
	2017-00000052	07/20/2016	06/16-07/18/16 SVC - VARIOUS SITES		\$7,170.70
	2017-00000053	07/20/2016	06/16-07/18/16 SVC - VARIOUS SITES		\$73.34

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	2017-00000054	07/20/2016	05/17-07/18/16 SVC - VARIOUS SITES	\$3,107.69
	2017-00000055	07/20/2016	06/16-07/18/16 SVC - VARIOUS SITES	\$2,888.28
64454	08/03/2016		HISTORICAL RESOURCES, INC.	\$29,430.60
	Invoice	Date	Description	Amount
	07/01-07/15/16	07/27/2016	AGREEMENT REIMBURSEMENT-JUL 2016	\$29,430.60
64455	08/03/2016		CARLSON, CALLADINE &	\$14,830.80
	Invoice	Date	Description	Amount
	18827	06/15/2016	LEGAL SVC-MAY 2016	\$5,065.00
	18913	07/20/2016	LEGAL SVC-JUN 2016	\$9,765.80
64456	08/03/2016		SCOTT HALL, INC.	\$1,900.00
	Invoice	Date	Description	Amount
	S.H.16-9005	07/26/2016	APPRAISAL FEE-15206 E. VALLEY BLVD.	\$1,900.00
64457	08/11/2016		ADMIN SURE	\$1,900.00
	Invoice	Date	Description	Amount
	9470	07/15/2016	CLAIM ADMIN-AUG 2016	\$1,900.00
64458	08/11/2016		ALVAKA NETWORKS	\$28,960.17
	Invoice	Date	Description	Amount
	157077NP	06/30/2016	TRIP CHARGE	\$440.00
	156920	05/31/2016	ADD'L HOURS FOR MAY 2016	\$4,480.00
	157101	06/30/2016	ADD'L HOURS FOR JUN 2016	\$5,440.00
	157136	07/26/2016	ADD'L HOURS FOR JUL 2016	\$5,440.00
	157145	08/01/2016	NETWORK MAINT-SEP 2016	\$6,620.00
	157171	08/01/2016	NETWORK MAINT-SEP 2016	\$6,540.17
64459	08/11/2016		APPLIED METERING	\$860.23
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	5491	07/14/2016	METER MAINT-JUN 2016	\$860.23
64460	08/11/2016		AVANT-GARDE, INC	\$1,845.00
	Invoice	Date	Description	Amount
	4069	07/20/2016	PROJECT MGMT-CITY BRIDGES	\$1,845.00
64461	08/11/2016		B AND T CATTLE	\$14,580.00
	Invoice	Date	Description	Amount
	56	08/01/2016	MAINT SVC-AUG 2016	\$14,580.00
64462	08/11/2016		BANK OF AMERICA-ACCOUNT	\$4,650.39
	Invoice	Date	Description	Amount
	0012306407	07/15/2016	ACCOUNT ANALYSIS	\$4,650.39
64463	08/11/2016		BLAKE AIR CONDITIONING	\$1,019.00
	Invoice	Date	Description	Amount
	M35794	07/26/2016	QTRLY A/C MAINT-CITY HALL	\$1,019.00
64464	08/11/2016		BROWN RUDNICK, LLP	\$25,062.05
	Invoice	Date	Description	Amount
	700687	07/01/2016	PROF SVC-JUN 2016	\$25,062.05
64465	08/11/2016		CALVO, ELISE	\$2,499.96
	Invoice	Date	Description	Amount
	JUNE 2016	07/19/2016	CHILD CARE 01/01/16-06/30/16	\$2,499.96
64466	08/11/2016		CASC ENGINEERING AND	\$10,875.00
	Invoice	Date	Description	Amount
	35884	06/30/2016	NPDES ENG SVC-COI	\$10,875.00
64467	08/11/2016		CHEM PRO LABORATORY, INC	\$269.00

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	Invoice	Date	Description	Amount
	605956	06/23/2016	WATER TREATMENT-JUN 2016	\$269.00
64468	08/11/2016		CITY OF INDUSTRY	\$1,262.07
	Invoice	Date	Description	Amount
	2016-00000093	06/30/2016	IH FUEL PUMP-CITY HALL VEHICLES	\$338.65
	2016-00000091	06/30/2016	IH FUEL PUMP-SECURITY VEHICLES	\$923.42
64469	08/11/2016		CITY OF INDUSTRY DISPOSAL CO.	\$2,380.37
	Invoice	Date	Description	Amount
	2575248	06/30/2016	DISP SVC-15710 NELSON AVE	\$28.17
	2575252	06/30/2016	DISP SVC-15644 NELSON AVE	\$28.17
	2575253	06/30/2016	DISP SVC-15626 NELSON AVE	\$28.17
	2575287	06/30/2016	DISP SVC-16200 TEMPLE AVE	\$84.51
	2575245	06/30/2016	DISP SVC-3226 GILMAN RD	\$84.51
	2575247	06/30/2016	DISP SVC-14362 PROCTOR	\$84.51
	2575250	06/30/2016	DISP SVC-507 TURNBULL CYN RD	\$56.34
	2575254	06/30/2016	DISP SVC-629 GIANO AVE	\$56.34
	2575255	06/30/2016	DISP SVC-754 S 5TH AVE	\$56.34
	2575257	06/30/2016	DISP SVC-16020 HILL ST	\$84.51
	2575256	06/30/2016	DISP SVC-210 S 9TH AVE	\$56.34
	2575260	06/30/2016	DISP SVC-257 TURNBULL CYN RD	\$42.26
	2575259	06/30/2016	DISP SVC-15634 NELSON AVE	\$28.17
	2575261	06/30/2016	DISP SVC-643 GIANO AVE	\$56.34
	2575262	06/30/2016	DISP SVC-15151 PROCTOR AVE	\$84.51
	2575263	06/30/2016	DISP SVC-15157 WALBROOK DR	\$28.17
	2575264	06/30/2016	DISP SVC-16000 HILL ST	\$28.17
	2575265	06/30/2016	DISP SVC-16010 HILL ST	\$56.34
	2575266	06/30/2016	DISP SVC-16014 HILL ST	\$28.17
	2575277	06/30/2016	DISP SVC-134 TURNBULL CYN RD	\$28.17
	2575283	06/30/2016	DISP SVC-130 TURNBULL CYN RD	\$28.17

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
2575284	06/30/2016		DISP SVC-132 TURNBULL CYN RD	\$28.17
2575285	06/30/2016		DISP SVC-138 TURNBULL CYN RD	\$28.17
2575286	06/30/2016		DISP SVC-15236 VALLEY BLVD	\$169.02
2575288	06/30/2016		DISP SVC-14310 PROCTOR AVE	\$84.51
2575282	06/30/2016		DISP SVC-17229 CHESTNUT ST	\$84.51
2575281	06/30/2016		DISP SVC-15722 NELSON AVE	\$28.17
2575280	06/30/2016		DISP SVC-20137 E WALNUT DR	\$28.17
2575279	06/30/2016		DISP SVC-22036 VALLEY BLVD	\$84.51
2575275	06/30/2016		DISP SVC-15714 NELSON AVE	\$28.17
2575274	06/30/2016		DISP SVC-16224 BV HANDORF RD	\$28.17
2575273	06/30/2016		DISP SVC-16238 BV HANDORF RD	\$28.17
2575272	06/30/2016		DISP SVC-16227 BV HANDORF RD	\$28.17
2575271	06/30/2016		DISP SVC-16217 BV HANDORF RD	\$56.34
2575270	06/30/2016		DISP SVC-16218 BV HANDORF RD	\$28.17
2575269	06/30/2016		DISP SVC-16220 BV HANDORF RD	\$84.51
2575268	06/30/2016		DISP SVC-16242 BV HANDORF RD	\$56.34
2575267	06/30/2016		DISP SVC-16229 BV HANDORF RD	\$28.17
2575258	06/30/2016		DISP SVC-15736 NELSON AVE	\$28.17
2575251	06/30/2016		DISP SVC-15730 NELSON AVE	\$28.17
2575249	06/30/2016		DISP SVC-15702 NELSON AVE	\$28.17
2575246	06/30/2016		DISP SVC-16000 TEMPLE AVE	\$225.36
2575278	06/30/2016		DISP SVC-14063 PROCTOR AVE	\$84.51
2575276	06/30/2016		DISP SVC-15652 NELSON AVE	\$28.17
64470	08/11/2016		CITY OF INDUSTRY-MEDICAL	\$212,000.00
	Invoice	Date	Description	Amount
	REG 8/11/16	08/03/2016	TRANSFER FUNDS-MEDICAL	\$212,000.00
64471	08/11/2016		CITY OF INDUSTRY-PAYROLL ACCT	\$140,000.00
	Invoice	Date	Description	Amount
	P/R 7/31/16	07/28/2016	PAYROLL REIMBURSEMENT 7/31/16	\$140,000.00

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date	Payee Name		Check Amount
CITY.WF.CHK - City General Wells Fargo				
64472	08/11/2016	CITY OF INDUSTRY-REFUSE		\$7,968.93
	Invoice	Date	Description	Amount
	2577202	06/30/2016	DISP SVC-1123 HATCHER	\$4,496.88
	2577243	06/30/2016	DISP SVC-HADDICKS IMPOUND YD	\$1,509.92
	2575759-A	07/01/2016	DISP SVC-205 HUDSON	\$184.24
	2575759-B	07/01/2016	DISP SVC-841 7TH AVE	\$184.24
	2575506	07/01/2016	DISP SVC-TONNER CYN MAINT YARD	\$690.00
	2575504	07/01/2016	DISP SVC-TRES HERMANOS	\$138.38
	2575505	07/01/2016	DISP SVC-TONNER CYN CAMP COURAGE	\$465.80
	2575503	07/01/2016	DISP SVC-CITY HALL	\$299.47
64473	08/11/2016	CNC ENGINEERING		\$221,389.47
	Invoice	Date	Description	Amount
	45082	07/28/2016	ON-CALL STREET MAINT PROGRAM	\$1,411.92
	45083	07/28/2016	WALNUT DR SOUTH WIDENING	\$78.44
	45084	07/28/2016	VALLEY BLVD PCC PAVEMENT RECONSTRUCTION	\$7,313.74
	45085	07/28/2016	CLARK AVE WIDENING	\$5,247.00
	45086	07/28/2016	CLEANOUT OF STORMWATER TREATMENT SVC	\$506.69
	45087	07/28/2016	GENERAL ENGINEERING SVC-CIP	\$52,677.25
	45088	07/28/2016	GENERAL ENGINEERING-MAINT OF CITY	\$50,502.53
	45089	07/28/2016	INDUSTRY HILLS LEASE	\$63.34
	45090	07/28/2016	TONNER CYN PROPERTY	\$10,683.48
	45091	07/28/2016	PUENTE VALLEY OPERABLE UNIT	\$235.32
	45092	07/28/2016	CITY ELECTRICAL FACILITIES	\$949.23
	45093	07/28/2016	MAINT OF CITY HALL BLDG	\$156.88
	45094	07/28/2016	HOMESTEAD MUSEUM MAINT	\$1,640.88
	45095	07/28/2016	OPERATION AND MAINT OF METRO SOLAR	\$78.44
	45096	07/28/2016	EL ENCANTO HEALTH CARE FACILITY	\$1,192.50
	45097	07/28/2016	TRAFFIC SIGNAL AT DON JULIAN AND SIXTH AVE	\$1,592.12
	45098	07/28/2016	SAN JOSE AVE RECONSTRUCTION	\$3,504.89

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date	Payee Name	Check Amount	
CITY.WF.CHK - City General Wells Fargo				
45099	07/28/2016	TRAFFIC SIGNAL AT NELSON AND SUNSET AVE	\$39.22	
45100	07/28/2016	INDUSTRY HILLS MISC MAINT AND ENGINEERING	\$162.71	
45101	07/28/2016	PACIFIC PALMS LAUNDRY BLDG	\$1,833.80	
45102	07/28/2016	PAINT EVALUATION OF FENCE ALONG TEMPLE	\$760.02	
45103	07/28/2016	PROPERTY MGMGT FOR CITY OWNED PROPERTIES	\$2,538.48	
45104	07/28/2016	AZUSA AVE BRIDGE REPAINTING	\$3,487.23	
45105	07/28/2016	HIGHWAY BRIDGE PROGRAM FUNDING	\$554.91	
45106	07/28/2016	FISCAL YEAR BUDGET	\$21,631.71	
45107	07/28/2016	STORM DRAIN IN AJAX AVE	\$1,882.56	
45108	07/28/2016	VARIOUS ASSIGMENTS-SA TO THE IUDA	\$3,218.83	
45109	07/28/2016	NELSON/PUENTE AVE INTERSECTION WIDENING	\$78.44	
45110	07/28/2016	MAINT OF YARD AT 1123 HATCHER	\$536.89	
45111	07/28/2016	ARENTH AVE RECONSTRUCTION	\$12,924.58	
45112	07/28/2016	2015-2016 TARGET SPEED SURVEY	\$156.88	
45113	07/28/2016	GALE AVE AND STONER CREEK INTERSECTION	\$156.88	
45114	07/28/2016	CARTEGRAPH IMPLEMENTATION/MGMT	\$6,407.44	
45115	07/28/2016	2016-2017 SLURRY SEAL	\$838.46	
45116	07/28/2016	PECK ROAD STORM DRAIN DEBRIS REMOVAL	\$627.52	
45117	07/28/2016	FULLERTON RD GRADE SEPARATION	\$10,379.53	
45118	07/28/2016	ALAMEDA CORRIDOR EAST RELATED PROJECTS	\$325.42	
45119	07/28/2016	FAIRWAY DR GRADE SEPARATION	\$3,402.07	
45120	07/28/2016	NOGALES GRADE SEPARATION	\$4,346.54	
45121	07/28/2016	MISC GRADE SEPARATION STUDIES	\$81.36	
45022	06/30/2016	2016-2017 SLURRY SEAL	\$2,183.34	
082016	08/01/2016	MEALS/WHEELS RENT-AUG 2016	\$5,000.00	
64474	08/11/2016	COMFORT SYSTEMS USA	\$4,718.99	
	Invoice	Date	Description	Amount
	249851	07/20/2016	A/C MAINT-EL ENCANTO	\$1,973.83
	250007	07/22/2016	SERVICE REPAIR-EL ENCANTO	\$771.33
	250006	07/22/2016	A/C MAINT-EL ENCANTO	\$1,973.83

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
64475	08/11/2016		CONSOLIDATED ELECTRICAL DIST.	\$49.41
	Invoice	Date	Description	Amount
	3301-503111	07/18/2016	LIGHTING FOR HOMESTEAD	\$49.41
64476	08/11/2016		CSMFO	\$150.00
	Invoice	Date	Description	Amount
	169668	06/10/2016	SEMINAR-S. AVALOS	\$150.00
64477	08/11/2016		DENEEN POTTERY	\$58.74
	Invoice	Date	Description	Amount
	53850	07/20/2016	OFFICE SUPPLIES-HOMESTEAD	\$58.74
64478	08/11/2016		DEPT OF ANIMAL CARE & CONTROL	\$2,233.57
	Invoice	Date	Description	Amount
	07/15/16	07/15/2016	SHELTER COSTS-JUN 2016	\$2,233.57
64479	08/11/2016		DEPT OF TRANSPORTATION	\$3,747.31
	Invoice	Date	Description	Amount
	SL161086	07/13/2016	MAINT SIGNAL AND LIGHTS-APR THRU JUN 2016	\$3,747.31
64480	08/11/2016		ELECTRA-MEDIA, INC	\$1,763.00
	Invoice	Date	Description	Amount
	4860	07/15/2016	PUENTE HILLS AUTO DISPLAY-AUG 2016	\$1,763.00
64481	08/11/2016		ENCO UTILITY SERVICES	\$5,109.50
	Invoice	Date	Description	Amount
	0113-0042MR	07/14/2016	METER READING-VARIOUS SITES	\$2,263.50
	0612-000399S	07/14/2016	METER SYSTEM MONITORING-METRO SOLAR	\$2,846.00
64482	08/11/2016		FRAZER, LLP	\$37,397.50

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	Invoice	Date	Description	Amount
	144550	06/30/2016	PROF SVC-JUN 2016	\$987.50
	144564	07/15/2016	COI-ACCTG SVC 7/1-7/15/16	\$36,410.00
64483	08/11/2016		FUEL PROS, INC.	\$4,534.02
	Invoice	Date	Description	Amount
	0000025720	06/25/2016	INDUSTRY HILLS FUEL STN MAINT	\$427.75
	0000025693	06/23/2016	INDUSTRY HILLS FUEL STN MAINT	\$262.50
	0000025712	06/23/2016	INDUSTRY HILLS FUEL STN MAINT	\$243.75
	0000025683	06/23/2016	INDUSTRY HILLS FUEL STN MAINT	\$3,037.52
	0000025664	06/20/2016	INDUSTRY HILLS FUEL STN MAINT	\$112.50
	0000025650	06/20/2016	INDUSTRY HILLS FUEL STN MAINT	\$225.00
	0000025474	05/31/2016	INDUSTRY HILLS FUEL STN MAINT	\$225.00
64484	08/11/2016		HADDICK'S AUTO BODY	\$182.39
	Invoice	Date	Description	Amount
	047693	07/28/2016	AUTO MAINT-LIC 1210025	\$182.39
64485	08/11/2016		HDL COREN & CONE	\$2,400.00
	Invoice	Date	Description	Amount
	0022828-IN	07/21/2016	CONTRACT SVC-PROPERTY TAX FOR 3RD QTR	\$2,400.00
64486	08/11/2016		INDUSTRY SECURITY SERVICES	\$37,523.66
	Invoice	Date	Description	Amount
	14-18190	07/22/2016	SECURITY SVC 7/15-7/21/16	\$16,590.48
	14-18201	07/22/2016	SECURITY SVC-TRES HERMANOS	\$2,187.12
	14-18138	07/15/2016	SECURITY SVC-TRES HERMANOS	\$2,155.58
	14-18127	07/15/2016	SECURITY SVC 7/8-7/14/16	\$16,590.48
64487	08/11/2016		INTERTIE	\$8,678.27
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	1700	07/15/2016	ENERGY CONSULTING-TRAVEL EXPENSE	\$540.77
	1701	07/15/2016	ENERGY CONSULTING	\$8,137.50
64488	08/11/2016		JEFF PARRIOTT PHOTOGRAPHIC	\$3,115.00
	Invoice	Date	Description	Amount
	00487	07/27/2016	PROF SVC-HOMESTEAD	\$3,115.00
64489	08/11/2016		KEENAN AND ASSOCIATES	\$165,569.00
	Invoice	Date	Description	Amount
	191500	07/20/2016	COII-AIRPORT LIABILITY	\$5,770.00
	191302	07/18/2016	COI-CRIME COVERAGE	\$6,007.00
	191369	07/19/2016	COI-PROPERTY COVERAGE	\$93,936.00
	191295	07/18/2016	COI-DIFFERENCE IN CONDITIONS	\$41,796.00
	191290	07/18/2016	COI-DIFFERENCE IN CONDITIONS	\$18,060.00
64490	08/11/2016		KLEINFELDER, INC.	\$485.00
	Invoice	Date	Description	Amount
	001114053	07/14/2016	GEO SVC-CLARK AVE WIDENING	\$485.00
64491	08/11/2016		L A COUNTY DEPT OF PUBLIC	\$6,643.12
	Invoice	Date	Description	Amount
	IN160001430	07/13/2016	PILOT ROUTINE MAINT	\$6,643.12
64492	08/11/2016		L A COUNTY REGISTRAR-	\$75.00
	Invoice	Date	Description	Amount
	CUP16-1	07/20/2016	FEE-NOTICE OF EXEMPTION FOR CUP16-1	\$75.00
64493	08/11/2016		L A COUNTY SHERIFF'S	\$22,015.43
	Invoice	Date	Description	Amount
	165078NH	01/07/2013	SPECIAL EVENT-DIRECTED PATROL	\$21,865.05
	165231NH	07/21/2016	HELICOPTER SVC-JUN 2016	\$150.38

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
64494	08/11/2016		LA PUENTE VALLEY COUNTY	\$285.43
	Invoice	Date	Description	Amount
	BS;07/16	07/22/2016	WATER MONITORING-BOY SCOUTS RESERVOIR	\$285.43
64495	08/11/2016		LOCKS PLUS	\$431.60
	Invoice	Date	Description	Amount
	33147	06/30/2016	CODE KEY LOCKS	\$431.60
64496	08/11/2016		LOS ANGELES AREA COUNCIL	\$1,655.52
	Invoice	Date	Description	Amount
	#06/30/2016	06/30/2016	TONNER CYN WATER CHARGES-JUN 2016	\$1,655.52
64497	08/11/2016		MAUREEN KANE & ASSOCIATES,	\$1,550.00
	Invoice	Date	Description	Amount
	09/21-09/24/16	07/21/2016	CONFERENCE-C. DUNLAP	\$1,550.00
64498	08/11/2016		MERRITT'S ACE HARDWARE	\$58.79
	Invoice	Date	Description	Amount
	093218	07/18/2016	LIGHTING-IMC	\$58.79
64499	08/11/2016		METHOD TECHNOLOGIES	\$143.75
	Invoice	Date	Description	Amount
	33038	07/14/2016	UPDATE CITY WEBSITE	\$143.75
64500	08/11/2016		MICHAEL BAKER INTERNATIONAL,	\$57,683.75
	Invoice	Date	Description	Amount
	947757	07/11/2016	PLANNING SUPPORT SVC-JUN 2016	\$57,683.75
64501	08/11/2016		MUNICIPAL INSURANCE	\$163,438.00
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	190851	07/14/2016	COI-GENERAL LIABILITY	\$163,438.00
64502	08/11/2016		MX GRAPHICS, INC.	\$67.58
	Invoice	Date	Description	Amount
	10385	06/28/2016	BLUEPRINT SVC-JN 6201	\$67.58
64503	08/11/2016		NORTON ROSE FULBRIGHT US LLP	\$87,829.47
	Invoice	Date	Description	Amount
	11586865	04/11/2016	LEGAL SVC-OCT 2015 THRU JAN 2016	\$32,279.50
	11599692	05/23/2016	LEGAL SVC-FEB THRU MAR 2016	\$55,549.97
64504	08/11/2016		OLMOS PROFESSIONAL SERVICES	\$8,782.00
	Invoice	Date	Description	Amount
	217	07/31/2016	JANITORIAL SVC-IMC	\$1,467.00
	219	07/31/2016	JANITORIAL SVC-CITY HALL	\$5,500.00
	218	07/31/2016	JANITORIAL SVC-FIRE PREVENTION STN	\$1,815.00
64505	08/11/2016		PAETEC COMMUNICATIONS	\$780.77
	Invoice	Date	Description	Amount
	59562361	07/10/2016	CITY HALL PHONE SVC-JUL 2016	\$780.77
64506	08/11/2016		PITNEY BOWES, INC.	\$106.74
	Invoice	Date	Description	Amount
	3100365190	06/30/2016	POSTAGE MACHINE-JUL 2016	\$106.74
64507	08/11/2016		ProcureIT USA, LLC	\$410.14
	Invoice	Date	Description	Amount
	PIT19070	07/26/2016	COMPUTER SUPPLIES	\$410.14
64508	08/11/2016		R.F. DICKSON CO., INC.	\$16,795.60
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	2508038	06/30/2016	STREET & PARKING LOT SWEEPING	\$16,795.60
64509	08/11/2016		RICOH USA, INC.	\$1,083.53
	Invoice	Date	Description	Amount
	5043377211	07/14/2016	METER READING-HR COPIER	\$43.66
	5043413486	07/17/2016	METER READING	\$1,039.87
64510	08/11/2016		RICOH USA, INC.	\$4,550.34
	Invoice	Date	Description	Amount
	50885457	07/16/2016	PROPERTY TAX FOR COPIERS	\$1,101.47
	50882223	07/16/2016	COPIER LEASE-AUG 2016	\$3,166.14
	50882974	07/16/2016	COPIER LEASE-HR	\$282.73
64511	08/11/2016		SAN GABRIEL VALLEY NEWSPAPER	\$1,433.12
	Invoice	Date	Description	Amount
	0010826383	07/20/2016	SUMMARY OF ORDINANCE #794	\$517.84
	0010826400	07/20/2016	NOTICE OF PUBLIC HEARING	\$915.28
64512	08/11/2016		SAN GABRIEL VALLEY NEWSPAPER	\$535.00
	Invoice	Date	Description	Amount
	900036211-16	07/21/2016	RENEWAL-HOMESTEAD	\$535.00
64513	08/11/2016		SATSUMA LANDSCAPE & MAINT.	\$129,291.31
	Invoice	Date	Description	Amount
	0716TA	07/27/2016	LANDSCAPE SVC-TEMPLE & AZUSA	\$34,560.04
	0716EC	07/27/2016	LANDSCAPE SVC-EXPO CENTER	\$16,124.68
	0716CH-1	07/27/2016	LANDSCAPE SVC-VARIOUS AGENCY SITES	\$23,865.62
	0716XROADS	07/27/2016	LANDSCAPE SVC-CROSSROADS PKY NORTH &	\$25,951.44
	0716CH	07/27/2016	LANDSCAPE SVC-CIVIC FINANCIAL CENTER	\$28,789.53
64514	08/11/2016		SCS FIELD SERVICES	\$21,012.43

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	Invoice	Date	Description	Amount
	0282115	06/30/2016	IH-MAINT LANDFILL GAS SYSTEM	\$16,099.77
	02582113	06/30/2016	TESTING-PACIFIC PALMS LANDFILL	\$4,912.66
64515	08/11/2016		SHERWIN-WILLIAMS	\$473.06
	Invoice	Date	Description	Amount
	7096-7	07/13/2016	PAINT FOR GRAFFITI REMOVAL	\$473.06
64516	08/11/2016		SQUARE ROOT GOLF &	\$172,260.93
	Invoice	Date	Description	Amount
	1234ELHM	07/26/2016	LANDSCAPE SVC-EL ENCANTO	\$6,484.00
	1233ELHM	07/26/2016	LANDSCAPE SVC-VARIOUS CITY SITES	\$8,364.36
	1235ELHM	07/26/2016	LANDSCAPE SVC-HOMESTEAD	\$17,938.97
	1236H	07/26/2016	LANDSCAPE SVC-VARIOUS CITY SITES	\$139,473.60
64517	08/11/2016		STAPLES BUSINESS ADVANTAGE	\$2,520.34
	Invoice	Date	Description	Amount
	8039776945	06/18/2016	OFFICE SUPPLIES	\$1,798.07
	8040058722	07/09/2016	OFFICE SUPPLIES	\$119.89
	8040147046	07/16/2016	OFFICE SUPPLIES	\$530.55
	8040241303	07/23/2016	OFFICE SUPPLIES	\$71.83
64518	08/11/2016		STATE COMPENSATION INS. FUND	\$5,131.33
	Invoice	Date	Description	Amount
	AUGUST 2016	08/01/2016	PREMIUM FOR AUG 2016-COI	\$5,131.33
64519	08/11/2016		STEINKE ELECTRIC, KIRK	\$625.00
	Invoice	Date	Description	Amount
	1415	06/06/2016	INSTALL NEW BALLASTS-HR OFFICE	\$625.00
64520	08/11/2016		VORTEX INDUSTRIES, INC.	\$2,949.00

**CITY OF INDUSTRY
WELLS FARGO BANK
August 11, 2016**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	Invoice	Date	Description	Amount
	08-1005925-1	07/27/2016	REPLACE VEHICLE LOOPS-TONNER CYN	\$2,949.00
64521	08/11/2016		WASTE SYSTEMS TECHNOLOGY,	\$20,817.50
	Invoice	Date	Description	Amount
	16-1013	07/22/2016	COMMERCIAL WASTE PROGRAM	\$20,817.50
64522	08/11/2016		WEATHERITE SERVICE	\$164.00
	Invoice	Date	Description	Amount
	L167498	07/10/2016	A/C MAINT-IMC BLDG	\$164.00

Checks	Status	Count	Transaction Amount
	Total	94	\$1,864,799.69

CITY COUNCIL

ITEM NO. 5.2



CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager *Paul J. Philips*

Staff: Alex Gonzalez, Director of Development Services and Administration *AG*
Troy Helling, Senior Planner *TH*

Date: July 28, 2016

SUBJECT: Consideration of Resolution No. CC 2016-50 - A Resolution of the City Council of the City of Industry, California, Requesting that the Local Agency Formation Commission of the County of Los Angeles Approve the Withdrawal of the City's Annexation Application for the Right of Way Located on the south side of Valley Boulevard between Morningside Drive and 460 feet east of Faure Avenue

BACKGROUND: In May of 2016, staff from the Los Angeles County Local Formation Commission (LAFCO) contacted City staff regarding a pending application that was filed in 2007 to annex the southern half of Valley Boulevard between Morningside Drive and Faure Avenue. LAFCO staff requested that the City indicate their intention to proceed with the annexation, or to withdraw the annexation application through a letter from the City Manager to LAFCO to close out the application.

The pending annexation request to LAFCO consists of the southern section of Valley Boulevard, from the center line median to the curb line, between Morningside Drive and 460 feet east of Faure Avenue. It was originally intended that the City of Walnut would annex the northern section of Valley Boulevard in this area, and the City of Industry would annex the southern section of Valley Boulevard. However, the City of Walnut withdrew its annexation application several years ago, and the City of Industry has not taken any action on its initial application. The annexation of this right-of-way, or an expansion of the annexation area to cover the entire right-of-way, would not benefit the City of Industry, as the City would incur maintenance and repair costs for this section of right-of-way without any additional financial support from the county.

It is recommended that the City Council approve Resolution No. CC 2016-50 withdrawing the City's annexation application.

PJP:AG:TH:mk

EXHIBIT A

Resolution No. CC 2016-50

[Attached]

RESOLUTION NO. CC 2016-50

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, REQUESTING THAT THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF LOS ANGELES APPROVE THE WITHDRAWAL OF THE CITY'S ANNEXATION APPLICATION FOR THE RIGHT OF WAY LOCATED ON THE SOUTH SIDE OF VALLEY BOULEVARD BETWEEN MORNINGSIDE DRIVE AND 460 FEET EAST OF FAURE AVENUE

WHEREAS, on or about December 14, 2006, the City Council adopted Resolution No. 2169, requesting that the Local Agency Formation Commission ("LAFCO") of the County of Los Angeles consider the annexation of territory set forth in Exhibit B, attached hereto, and incorporated herein by reference, more commonly known as the right-of-way located on the south side of Valley Boulevard between Morningside Drive and 460 feet east of Faure Avenue; and

WHEREAS, it was originally intended that the City of Walnut would annex the northern section of Valley Boulevard in the proposed annexation area, and the City would annex the southern section of Valley Boulevard. However, Walnut withdrew its annexation application several years ago, and the City of Industry has not taken any action on its initial application; and

WHEREAS, based on City Staff's analysis, the annexation of this right-of-way, or an expansion of the annexation area to cover the entire right of way, does not benefit the City, as the City would incur maintenance and repair costs for this section of right-of-way without any additional financial support from the County; and

WHEREAS, given that the proposed annexation does not benefit the City, and because the annexation would negatively impact the City's maintenance and capital costs, the City Council desires to request that LAFCO permit the withdrawal of the City's annexation application.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDUSTRY DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:

SECTION 1: The above recitals are true and correct and are incorporated herein by reference.

SECTION 2: That the City desires to withdraw its annexation application for the property set forth in Exhibit B, and hereby requests that LAFCO permit the withdrawal of the application.

SECTION 3: That the City Council hereby directs the City Clerk to immediately transmit a copy of this Resolution to LAFCO.

SECTION 4: The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 5: The City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Industry at a regular meeting held on August 11, 2016, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk

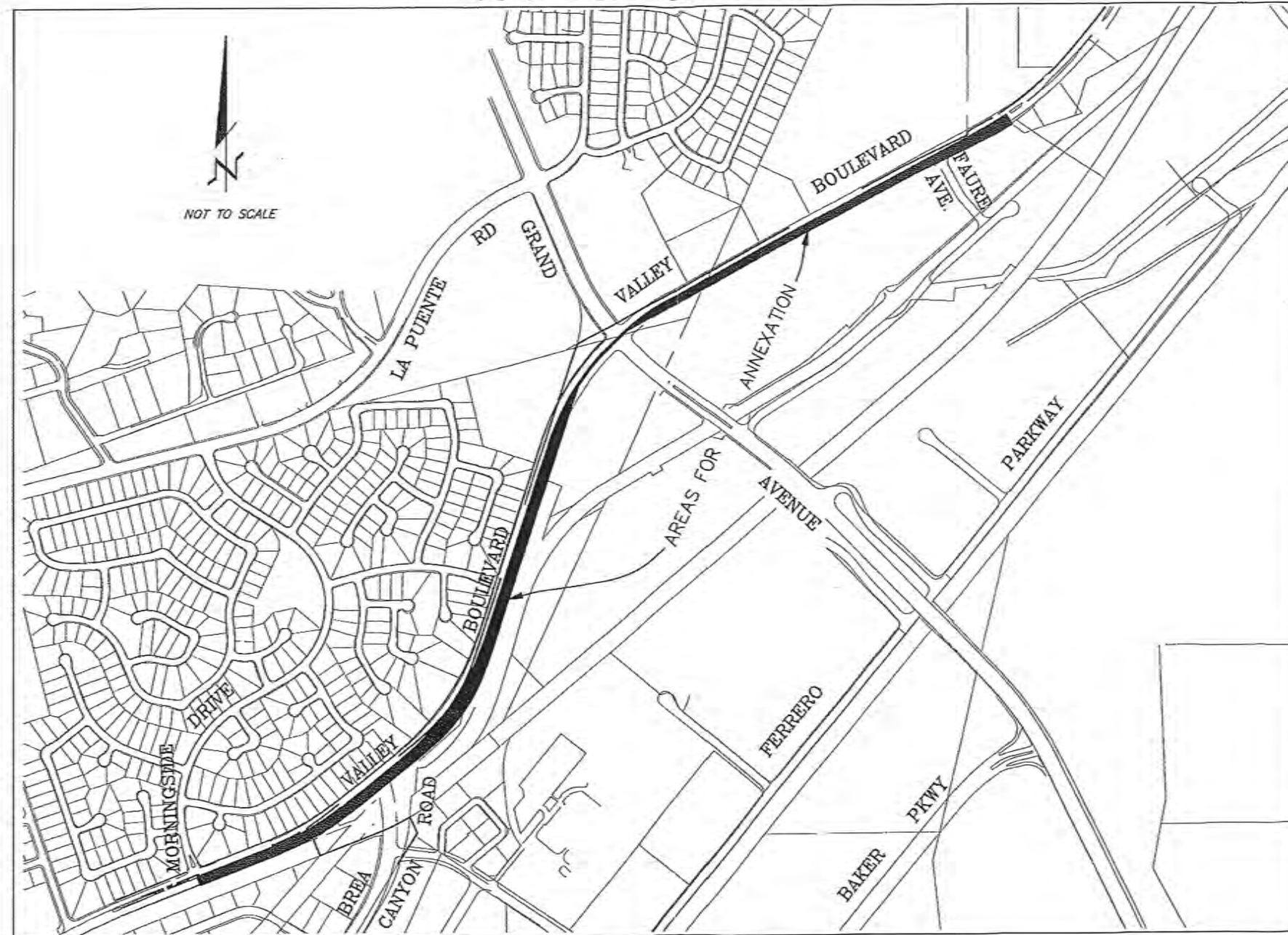
EXHIBIT B

**ANNEXATION NO. 2007-04
VICINITY MAPS**

[Attached]

ANNEXATION No. 2007-04
TO THE CITY OF INDUSTRY

EXHIBIT "B"



VICINITY MAP

ANNEXATION No. 2007-04
TO THE CITY OF INDUSTRY

BEING A PORTION OF VALLEY BLVD. (100-FT WIDE) AND
A PORTION OF LOT 5 IN SECTION 4, TOWNSHIP 2 SOUTH,
RANGE 9 WEST, SAN BERNARDINO MERIDIAN FROM
MORNINGSIDE DRIVE TO 460 FEET EAST OF FAURE AVENUE

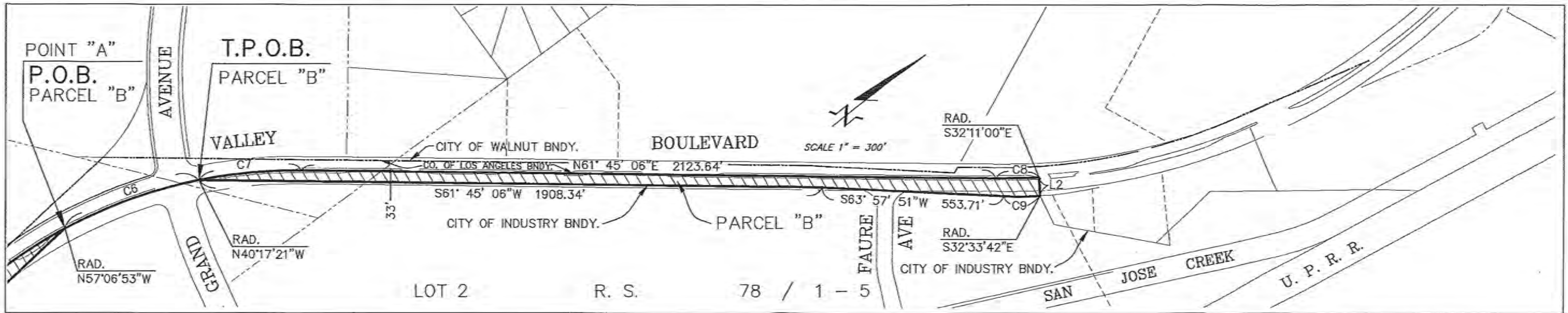
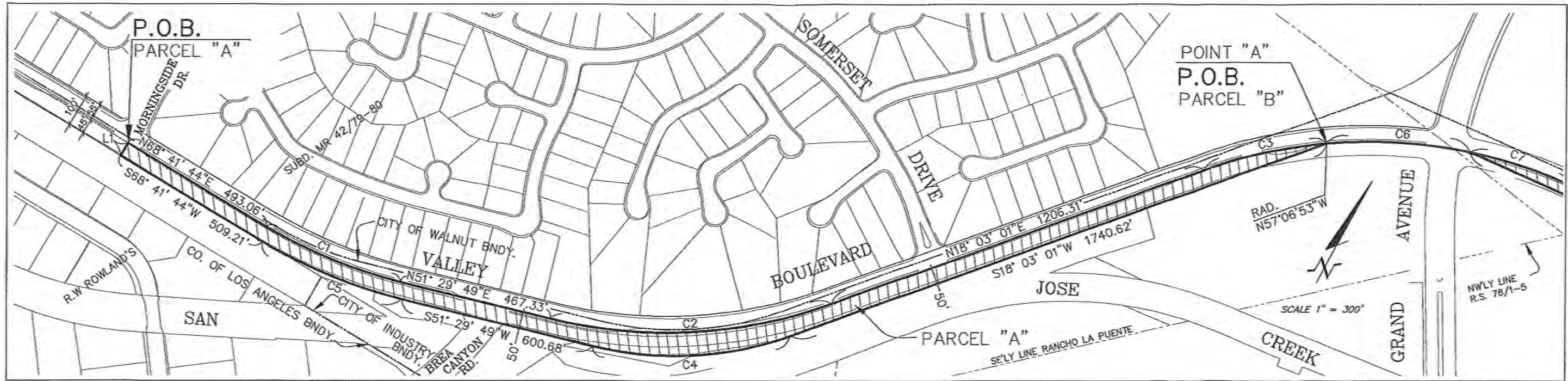
CNC 255 N. Hacienda Blvd. Suite 222
ENGINEERING City of Industry, Ca. 91744
Phone (626) 333-0336
Fax (626) 336-7078
Consulting Civil Engineers - Surveyors

JOB No. MP 99-41986 May 3, 2013

SHEET 1 OF 2

ANNEXATION No. 2007-04
TO THE CITY OF INDUSTRY

EXHIBIT "B"



Line Table		
Line #	Direction	Length
L1	N21° 18' 16"W	45.00
L2	S32° 11' 00"E	57.04

Curve Table			
Curve #	Radius	Delta	Length
C1	1500.00	17°11'55"	450.26
C2	1500.00	33°26'48"	875.63
C3	1500.00	14°50'06"	388.38
C4	1049.91	33°26'48"	612.89
C5	1550.00	17°11'55"	465.27

Curve Table			
Curve #	Radius	Delta	Length
C6	1500.00	16°49'32"	440.49
C7	1500.00	12°02'27"	315.23
C8	1950.00	3°56'06"	133.92
C9	989.71	6°31'33"	112.73

LEGEND



AREA TO BE ANNEXED

ANNEXATION No. 2007-04
TO THE CITY OF INDUSTRY
BEING A PORTION OF VALLEY BLVD. (100-FT WIDE) AND
A PORTION OF LOT 5 IN SECTION 4, TOWNSHIP 2 SOUTH,
RANGE 9 WEST, SAN BERNARDINO MERIDIAN FROM
MORNINGSIDE DRIVE TO 460 FEET EAST OF FAURE AVENUE



255 N. Hacienda Blvd. Suite 222
City of Industry, Ca. 91744
Phone (626) 333-0336
Fax (626) 336-7076

ENGINEERING
Consulting Civil Engineers - Surveyors

JOB No. MP 99-41986 May 3, 2013

CITY COUNCIL

ITEM NO. 6.1

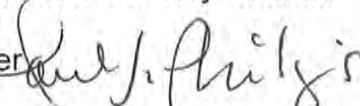





CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager 

Staff: Clement N. Calvillo, City Engineer, CNC Engineering 
Joshua Nelson, Deputy City Engineer, CNC Engineering 
Eduardo Pereira, Sr. Project Engineer, CNC Engineering 

Date: August 11, 2016

SUBJECT: Approval of a Betterment Agreement with the Alameda Corridor East Construction Authority and the City of Diamond Bar for Lemon Avenue Improvements to be done in Conjunction with the Fairway Drive Grade Separation Project (MP 03-10)

To help mitigate traffic detour impacts resulting from the construction of the Fairway Drive grade separation project by Alameda Corridor East Construction Authority ("ACE"), the Cities of Industry ("Industry") and Diamond Bar ("Diamond Bar") desire to have ACE construct new ramps at Lemon Avenue and State Route 60 in conjunction with the ongoing Fairway Drive grade separation construction. These requested improvements are currently estimated at \$19,000,000 million including construction management and we are proposing that it be jointly paid for by Industry and Diamond Bar. The Successor Agency was also responsible for a portion of this project and have contributed to the design in the amount of \$4,600,000.

In order for this work to be included in ACE's Fairway Drive grade separation project, the two cities and ACE must enter into a formal Betterment Agreement ("Betterment"). The Betterment defines the improvements to be constructed by ACE on behalf of the two cities, and the obligations of the cities to reimburse ACE for costs associated with these requested improvements. The attached Betterment is based on a boilerplate previously approved by the City of Industry, modified to reflect specific project issues.

The work will be incorporated into ACE's existing construction contract for the Fairway Drive grade separation project as a construction contract amendment. All required plans and permits to construct the ramps are being provided by the two cities and Caltrans.

Phase 1 of the project is fully funded. Currently, Diamond Bar has a \$1,500,000 shortfall for Phase 2. Staff and ACE will work together over the next ten (10) months to close that funding gap. If the funding gap cannot be closed, Diamond Bar, Industry or ACE can submit a written request to terminate Phase 2 per the provisions included in the

Betterment Agreement. If terminated, Phase 2 of the project may be completed at a later date.

The City of Industry's contribution for the construction of the project is \$951,724 with the Successor Agency providing \$7,258,526 for a total project contribution of \$8,210,250.00. Staff recommends that the City Council approve the joint Betterment Agreement with ACE and the City of Diamond Bar in the amount of \$19,000,000.

PJP/CC/JN/EP:af

BETTERMENT AGREEMENT
REGARDING THE INSTALLATION OF NEW RAMPS AT LEMON AVENUE AND STATE
ROUTE 60 IN CONJUNCTION WITH THE FAIRWAY DRIVE GRADE SEPARATION
PROJECT BY THE ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY ON
BEHALF OF THE CITY OF INDUSTRY AND CITY OF DIAMOND BAR

THIS AGREEMENT effective this 11th day of August, 2016, by and between the CITY OF INDUSTRY, a municipal corporation, hereinafter referred to as "INDUSTRY" AND the CITY OF DIAMOND BAR, a municipal corporation, hereinafter referred to as "DIAMOND BAR", and the ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY OF THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS, a California Joint Powers Authority, hereinafter referred to as "ACE", with INDUSTRY, DIAMOND BAR and ACE also each individually referred to herein as "PARTY" and collectively as "PARTIES".

WITNESSETH

WHEREAS, ACE has designed and is constructing a highway/railroad grade separation on Fairway Drive at the Los Angeles Subdivision of the Union Pacific Railroad, hereinafter referred to as "PROJECT"; and

WHEREAS, to help mitigate traffic detour impacts resulting from the construction of the PROJECT by ACE, INDUSTRY and DIAMOND BAR desire to have ACE construct new on and off ramps at Lemon Avenue and State Route 60 in conjunction with PROJECT as described in Exhibit "A", attached hereto and incorporated herein by reference, hereinafter referred to as "BETTERMENT"; and

WHEREAS, INDUSTRY and DIAMOND BAR propose to reimburse ACE for the actual costs ACE incurs for the construction of BETTERMENT performed in conjunction with this AGREEMENT.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, the Parties hereby agree as follows:

SECTION I

ACE AGREES:

1. To execute a contract amendment on ACE's existing PROJECT construction agreement to construct the BETTERMENT in accordance with Caltrans permit No. 716.AOP.1261 in the amount of \$18,200,000.
2. Require the contractor for the BETTERMENT to add INDUSTRY and DIAMOND BAR (INDEMNITEES) on all policies of insurance required by ACE for the PROJECT as additional insureds to the same extent that ACE is an additional insured and prior to commencement of PROJECT construction, provide INDUSTRY and DIAMOND BAR with endorsements and certificates of insurance evidencing the amount of coverage and the addition of the cities as additional insureds.

3. To construct the BETTERMENT in accordance with best practices, and pursuant to the requirements of all permits issued therefor.
4. To provide all required construction management, traffic management, material testing and inspection, and other necessary professional services contracts to complete the BETTERMENT in accordance with the approved plans and specifications and Caltrans permit No. 716.AOP.1261 provided by INDUSTRY and DIAMOND BAR, which plans and specifications and permits are incorporated herein by this reference.
5. To ensure compliance with the approved environmental document for the BETTERMENT, including the mitigation and monitoring reporting program
6. To track all construction, and construction management costs for BETTERMENT separately from PROJECT.
7. To invoice the INDUSTRY and DIAMOND BAR in adequate detail describing the work completed for the actual costs associated with construction of the BETTERMENT upon the completion of individual phases of the BETTERMENT as shown in Exhibit A.
8. To furnish an accounting of final actual costs for BETTERMENT and provide INDUSTRY and DIAMOND BAR an invoice of the same within one hundred twenty (120) days after acceptance of BETTERMENT by INDUSTRY and DIAMOND BAR.
9. Upon completion of PROJECT, to furnish INDUSTRY and DIAMOND BAR with as-built plans of BETTERMENT.
10. To provide INDUSTRY and DIAMOND BAR an estimated completion date for Phase 1 of the BETTERMENT, at least 90 days prior to the estimated date of completion.

SECTION II

INDUSTRY AND DIAMOND BAR AGREE:

1. To provide ACE with all approved plans and required Caltrans, INDUSTRY or DIAMOND BAR permits to construct BETTERMENT at no cost to ACE and to collaborate and cooperate with ACE during construction of the BETTERMENT.
2. To assist with the transfer to ACE of all third party permits obtained, or to be obtained, necessary to construct the BETTERMENT at no cost to ACE.
3. To assist with the transfer of currently allocated federal funds for BETTERMENT in the amount of \$7,521,427 to another ACE project.
4. To pay One Hundred Percent (100%) of BETTERMENT environmental documentation, construction, and construction management costs up to a not to exceed amount of \$19,000,000 as shown in Exhibit A. The not to exceed amount specified herein may be

adjusted to account for changes in the scope of work due to change orders during the BETTERMENT construction if prior to such change in scope of work the PARTIES mutually agree in writing. ACE costs will be calculated based on the Caltrans-approved indirect cost rate applied to direct expenses. INDUSTRY and DIAMOND BAR will make all necessary efforts to pay properly documented ACE invoices within 30 days of receipt.

SECTION III

IT IS MUTUALLY AGREED AS FOLLOWS:

1. Should any portion of PROJECT be financed with funds with specific expenditure requirements or limitations, all applicable laws, regulations and policies relating to the use of such funds shall apply notwithstanding other provisions of this Agreement.
2. INDUSTRY and DIAMOND BAR assigned ACE as its agent to enforce any rights under applicable State or local franchises, laws or encroachment permits to cause the protection, rearrangement or relocation of any existing public or private utility facilities. If such utility fails to cooperate in such protection, rearrange or relocation, ACE shall identify such facilities and INDUSTRY or DIAMOND BAR, as applicable, shall enforce available rights under existing State or local franchises, laws or encroachment permits held by INDUSTRY and DIAMOND BAR for the protection in place, relocation, or removal of such facilities at no cost to ACE. ACE shall, or cause its contractor on the BETTERMENT to coordinate and inspect such protection, relocation, or removal work. Nothing in this Agreement shall restrict or affect INDUSTRY and DIAMOND BAR 's or ACE's ability to enter into separate agreements with utilities for any purpose, including for reimbursements of utility costs for protection, relocation, maintenance, or removal of their facilities; provided that no PARTY shall be liable for any costs thereof unless a signatory to such separate agreement.
3. That in the construction of BETTERMENT, ACE will furnish a properly licensed resident engineer to oversee BETTERMENT construction and INDUSTRY and DIAMOND BAR may furnish their own representatives. Said representatives and resident engineer will cooperate and consult with each other, but the decisions of ACE's resident engineer shall remain the sole and primary directive for all BETTERMENT work. If material changes to the approved plans and specifications will impact BETTERMENT, the ACE resident engineer will obtain INDUSTRY and DIAMOND BAR's representative's written approval before authorizing said changes.
4. Prior to ACE acceptance of BETTERMENT, as completed, under the terms of the PROJECT's construction contract, ACE will confer with INDUSTRY and DIAMOND BAR in good faith to obtain INDUSTRY and DIAMOND BAR's written concurrence that the BETTERMENT has been completed in substantial conformance with the approved plans and specifications, which shall not be reasonably withheld.
5. Except as otherwise specifically provided in this AGREEMENT ACE and its respective elected and appointed boards, officials, officers, agents, employees, and volunteers (individually and collectively, "ACE INDEMNITEES") shall have no liability to INDUSTRY and DIAMOND BAR for the BETTERMENT, and INDUSTRY and DIAMOND BAR,

pursuant to Government Code Section 895.4, shall indemnify, defend (using legal counsel of INDUSTRY and DIAMOND BAR 's own choosing), protect and hold harmless ACE INDEMNITEES, from and against any liabilities, as defined in Section III, Paragraph 8, or legal challenges to the BETTERMENT arising out of any act or omission by INDUSTRY and DIAMOND BAR or any person acting on behalf of INDUSTRY and DIAMOND BAR under or in connection with any work, authority, or breach of any obligation under this Agreement or work activities associated with the BETTERMENT and delegated to INDUSTRY and DIAMOND BAR under this AGREEMENT. Any rights of INDUSTRY and DIAMOND BAR to inspect, review, and/or approve of BETTERMENT design or construction shall not signify that ACE relinquishes management or control over such design or construction.

6. Except as otherwise specifically provided in this AGREEMENT, INDUSTRY and DIAMOND BAR, their special districts and respective elected and appointed boards, officials, officers, agents, employees, and volunteers (individually and collectively, "INDUSTRY and DIAMOND BAR INDEMNITEES") shall have no liability to ACE for BETTERMENT, and ACE, pursuant to Government Code Section 895.4, shall indemnify, defend (using legal counsel of ACE's own choosing), protect and hold harmless INDUSTRY and DIAMOND BAR INDEMNITEES from and against, any liabilities, as defined in Section III, Paragraph 8, or legal challenges to the BETTERMENT arising out of any act or omission by ACE or any person acting on behalf of ACE under or in connection with any work, authority, or breach of any obligation under the Agreement or work activities associated with the BETTERMENT and delegated to ACE under this AGREEMENT.
7. Except as otherwise specifically provided in this AGREEMENT INDUSTRY and its respective elected and appointed boards, officials, officers, agents, employees, and volunteers (individually and collectively, "INDUSTRY INDEMNITEES") shall have no liability to DIAMOND BAR for the BETTERMENT, and DIAMOND BAR, pursuant to Government Code Section 895.4, shall indemnify, defend (using legal counsel of INDUSTRY's own choosing), protect and hold harmless INDUSTRY INDEMNITEES, from and against any liabilities, as defined in Section III, Paragraph 8, or legal challenges to the BETTERMENT arising out of any act or omission by INDUSTRY or any person acting on behalf of INDUSTRY under or in connection with any work, authority, or breach of any obligation under this Agreement or work activities associated with the BETTERMENT and delegated to INDUSTRY under this Agreement.
8. Except as otherwise specifically provided in this AGREEMENT DIAMOND BAR and its respective elected and appointed boards, officials, officers, agents, employees, and volunteers (individually and collectively, "DIAMOND BAR INDEMNITEES") shall have no liability to INDUSTRY for the BETTERMENT, and INDUSTRY, pursuant to Government Code Section 895.4, shall indemnify, defend (using legal counsel of INDUSTRY's own choosing), protect and hold harmless DIAMOND BAR INDEMNITEES, from and against any liabilities, as defined in Section III, Paragraph 8, or legal challenges to the BETTERMENT arising out of any act or omission by DIAMOND BAR or any person acting on behalf of DIAMOND BAR under or in connection with any work, authority, or breach of any obligation under this Agreement or work activities associated with the BETTERMENT and delegated to DIAMOND BAR under this Agreement.

9. The term "liabilities" used in Section III, Paragraphs 5, 6, 7 and 8 shall mean any and all judgments, awards, claims, demands, liabilities, injury (as defined by Government Code Section 810.8), obligations, litigation, fines, penalties, fees (including, without limitation, expert witness fees, engineering and defense costs, and legal fees), costs (including, without limitation, any and all costs involved in instituting a direct condemnation proceeding, and any and all costs involved in defending an inverse condemnation proceeding, and any and all cost involved in an environmental cleanup or archaeological discovery), expenses (including, without limitation, attorneys' fees and court costs), proceedings, suits, and actions of whatever kind, and damages of any nature whatsoever (including, without limitation, bodily injury, death, personal injury, or property damage).
10. No PARTY shall be liable to any other PARTY for any damages, delay costs, or termination costs of any type or a failure to perform any part of this AGREEMENT due to causes beyond the control of any of the PARTIES. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts or inactions of federal state or local governments including funding reductions or eliminations, fires, floods, and severe weather.
11. If any PARTY fails to perform a material part of this AGREEMENT, the non-breaching PARTY shall notify the breaching PARTY in writing. Within thirty (30) days of such written notification, the breaching PARTY shall commence curing such breach and shall diligently pursue such cure to completion. If the breaching PARTY fails to pursue such cure to completion, the breaching PARTY shall be in default under the terms of this AGREEMENT. In the event of a default, the non-breaching PARTY may pursue any legal or equitable remedies available to it including specific performance and the non-breaching PARTY shall have no obligation to make any payments to or undertake any work for the breaching PARTY until and unless the default is cured.
12. Within 30 days of receipt of the notice set forth in Section I.9, any PARTY may propose a termination of this Agreement and all associated BETTERMENT work for Phase 2 by sending a written termination request to the other PARTIES. ACE shall respond to the written termination request by tabulating and presenting to both INDUSTRY and DIAMOND BAR, within thirty days of the written termination request, all outstanding costs already incurred by ACE for Phase 2 ("FINAL INVOICE"). Upon receipt of the termination request, ACE shall cease any further work related to Phase 2. INDUSTRY and DIAMOND BAR shall, within 30 days, remit all sums due and owing under the FINAL INVOICE to ACE. Upon ACE's receipt of all outstanding payments from INDUSTRY and DIAMOND BAR, this Agreement shall terminate.
13. Every notice, demand, request, or other document or instrument delivered pursuant to this Agreement shall be in writing, and shall be either personally delivered, by Federal Express or other reputable overnight courier, or sent by certified United States mail, postage prepaid return receipt requested, to the addresses set forth below, or to such other address as a party may designate from time to time.

To INDUSTRY: City of Industry
15651 E. Stafford Street
City of Industry, CA 91744
Attention: Paul J. Philips, City Manager

To DIAMOND BAR: City of Diamond Bar
21810 Copley Drive
Diamond Bar, CA 91765
Attention: James DeStefano, City Manager

To ACE: ACE Construction Authority
4900 Rivergrade Road, Suite A120
Irwindale, CA 91706
Attention: Mr. Mark Christoffels, Chief Executive Officer

14. This AGREEMENT constitutes the entire understanding and agreement of the PARTIES and integrates all of the terms and conditions mentioned herein or incidental hereto with respect to the subject matter hereof, and supersedes all negotiations or previous agreements between the PARTIES with respect to all or part of the subject matter hereof.
15. This AGREEMENT may be amended in writing at any time by the mutual consent of the PARTIES. No amendment shall have any force or effect unless executed in writing by the PARTIES.
16. If any term, provision, covenant, or condition of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of the AGREEMENT shall continue in full force and effect, unless one or both of the PARTIES would be materially affected or abridged by such interpretation.
17. This AGREEMENT shall be construed and enforced in accordance with the laws of the State of California.
18. No assignment of this AGREEMENT shall relieve the assigning PARTY of its obligations under this AGREEMENT until such obligations have been assumed in writing by the assignee. When duly assigned in accordance with the forgoing, this AGREEMENT shall be binding upon and inure to the benefit of the assignee.
19. Any waiver, modification, consent or acquiescence with respect to any term of this AGREEMENT will be set forth in writing and duly executed by the PARTY to be bound thereby. No waiver of any breach hereunder will be deemed a waiver of any other or subsequent breach.
20. Neither ACE, INDUSTRY or DIAMOND BAR intends that there be a third-party beneficiary to this AGREEMENT.
21. ACE, INDUSTRY, and DIAMOND BAR will act in good faith in their individual

performances under the terms of this AGREEMENT, including taking reasonable steps to mitigate costs.

22. The PARTIES shall comply with all applicable federal, state and local laws, statutes, ordinances and regulations of any governmental authority having jurisdiction over the BETTERMENT.

23. This AGREEMENT may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same AGREEMENT. Facsimile signatures will be permitted.

IN WITNESS WHEREOF, the PARTIES hereto have caused this AGREEMENT to be executed by their respective officers as of the date first written above.

CITY OF INDUSTRY

ACE

Mark Radecki, Mayor

Chief Executive Officer

ATTEST:

ATTEST:

Cecelia Dunlap, Deputy City Clerk

Secretary

APPROVED AS TO FORM:

APPROVED AS TO FORM:

James M. Casso, City Attorney

ACE General Counsel

CITY OF DIAMOND BAR

Nancy A. Lyons, Mayor

ATTEST:

Tommye Cribbins, City Clerk

APPROVED AS TO FORM:

David DeBerry, City Attorney

Exhibit A

The proposed INDUSTRY and DIAMOND BAR requested improvements (BETTERMENT) consist of the construction of new on and off ramps from State Route 60 to Lemon Avenue as put forth in Caltrans Permit No. 716.AOP.1261 and all the plans and specifications associated with said permit.

The estimated cost for construction of these improvements including all required construction oversight is:

Phase 1: Construction of the westbound on ramp and eastbound off ramp including all required signalization, striping and signage \$14,250,000.

Phase 2: Construction of the eastbound on ramp and westbound off ramp including all required signalization, striping and signage and associated improvements and ramp removals at Brea Canyon Road \$4,750,000.

Upon completion of each Phase, ACE shall invoice the City of Industry and the City of Diamond Bar as follows:

City	Phase 1	Phase 2	TOTAL
Industry	\$7,258,526	\$951,724	\$8,210,250
Diamond Bar	\$6,991,474	\$3,798,276	\$10,789,750
TOTAL	\$14,250,000	\$4,750,000	\$19,000,000

All amounts to be billed and paid will be based on actual costs. ACE shall not exceed the costs shown above without written consent of the City of Diamond Bar and the City of Industry.

CITY COUNCIL

ITEM NO. 6.2



CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager *Paul J. Philips*

Staff: Alex Gonzalez, Director of Development Services and Administration *AG*
Kristen Weger, Administrative Analyst

Date: August 11, 2016

SUBJECT: Consideration of a Professional Services Agreement with Emerson Consulting Group, Inc., for Economic Analysis Services in an amount not to exceed \$15,000

The City of Industry ("City") incorporates an area of 12.5 square miles in the San Gabriel Valley, a division of Los Angeles County. The City is zoned for commercial and industrial use and serves as a substantial base for regional employment and economic activity. Firms within the City are primarily engaged in light manufacturing, importation, warehousing, and distribution services.

As an incorporated Charter City, the City of Industry is responsible for establishing procedures for enacting local ordinances and for adopting, amending and/or repealing resolutions. The City is responsible for preparing and implementing an annual budget and periodically reporting on its expenditures and the state of the City to the City Council. To meet this obligation the City requires reliable, accurate and authoritative data regarding its economic activity, growth and estimated economic impact or spillover into the region.

To assist the City, Emerson Consulting Group, Inc., will employ a team consisting of both Dr. Sandra M. Emerson, Professor and Master of Public Administration Program Director and Dr. Carsten Lange, Economics Professor and Graduate Coordinator from Cal Poly Pomona to lead these efforts. The data and analysis will focus on estimating the City's current economic profile, its growth and its impact on the region. The data and its analysis will also enable the City to report on its activities and economic consequences and to assess probable impacts of policy options, ordinances, and/or resolutions under consideration by the City Council, as necessary.

The information to be provided as part of this economic analysis report include:

- Number of businesses and jobs in the City as compared with the County of Los Angeles;
- Industrial market segmentation using the North American Industry Classification System ("NAICS") code in the City including estimated sales and employment;

- Economic growth as compared with the County of Los Angeles;
- Estimated level of wages generated as compared with the County of Los Angeles;
- Multipliers to estimate the impact of economic activity in the City of Industry on the San Gabriel Valley and County of Los Angeles;
- Applications of the use of multipliers to assess the impact of economic activity in the City;
- The contributions and challenges that the jurisdiction has on the County of Los Angeles economy, trade and long term economic development;
- Providing ArcGIS compatible data files and maps to visualize information about the City; and
- Provide interactive maps on the Internet to visualize the analytical results, integration of the maps into the City's ArcGIS online environment.

Staff recommends that the City Manager be authorized to execute the Professional Services Agreement with Emerson Consulting Group, Inc. A report shall be submitted and presented to City Council within 160 days from the date of execution.

Exhibit

A. Professional Services Agreement with Emerson Consulting Group, Inc. in an amount not to exceed \$15,000

PJP:AG:KW:mk

EXHIBIT A

Professional Services Agreement with Emerson Consulting Group, Inc. in an amount not to exceed \$15,000

[Attached]

CITY OF INDUSTRY

PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT ("Agreement"), is made and effective as of August 11, 2016 ("Effective Date"), between the City of Industry, a municipal corporation ("City") and Emerson Consulting Group, Inc., a California Corporation ("Consultant"). The City and Consultant are hereinafter collectively referred to as the "Parties".

RECITALS

WHEREAS, City desires to engage Consultant to perform the services described herein, and Consultant desires to perform such services in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than July 31, 2017, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

(a) Consultant shall perform the tasks ("Services") described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. ("Scope of Services"). Tasks other than those specifically described in the Scope of Services shall not be performed without prior written approval of the City. The Services shall be performed by Consultant, unless prior written approval is first obtained from the City. In the event of conflict or inconsistency between the terms of this Agreement and Exhibit A, the terms of this Agreement shall prevail.

(b) City shall have the right to request, in writing, changes to the Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

(c) Consultant shall perform all Services in a manner reasonably satisfactory to the City and in a first-class manner in conformance with the standards of quality normally observed by an entity providing economic analysis services, serving a municipal agency.

(d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not limited to, the conflict of interest provisions of Government Code Section 1090 and the

Political Reform Act (Government Code Section 81000 *et seq.*). During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working on the Effective Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute or law; and (ii) City has not consented in writing to Consultant's performance of such work. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.* Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve (12) months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et. seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for Services performed pursuant to this Agreement, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code §1090 and, if applicable, will be disqualified from holding public office in the State of California.

(e) Consultant represents that it has, or will secure at its own expense, all licensed personnel required to perform the Services. All Services shall be performed by Consultant or under its supervision, and all personnel engaged in the Services shall be qualified and licensed to perform such services.

3. MANAGEMENT

City's City Manager or his designee shall represent the City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but shall have no authority to modify the Services or the compensation due to Consultant.

4. PAYMENT

(a) The City agrees to pay Consultant in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed fifteen thousand dollars (\$15,000.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City and Consultant at the time City's written authorization is given to Consultant for the performance of said services.



(c) Upon completion of the Services and delivery of the Report, Consultant shall submit an invoice for actual services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefore.

5. SUSPENSION OR TERMINATION OF AGREEMENT

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant shall submit an invoice to the City pursuant to Section 5 of this Agreement.

6. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to review such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office, and upon reasonable written request by the City, access to the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to City all right, title, and interest, including any copyright, in and to the documents, designs, drawings,

maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the services under this Agreement. All reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of the City. All software applications used by Consultant and data from third parties or that is in the public domain shall remain the property of Consultant and/or third parties and/or in the public domain.

7. INDEMNIFICATION

(a) Indemnity for professional liability

When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless the City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or Subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) Indemnity for other than professional liability

Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

(c) DUTY TO DEFEND. In the event the City, its officers, employees, agents and/or volunteers are made a party to any action, claim, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this Agreement, and upon demand by City, Consultant shall have an immediate duty to defend the City at Consultant's cost or at City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters.

Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Consultant and City, as to whether liability arises from the sole negligence of the City or its officers, employees, or agents, Consultant will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely negligent. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

8. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and incorporated herein by reference.

9. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultants exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

10. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

11. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

12. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during



his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

13. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not, without written authorization from the City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City, unless otherwise required by law or court order.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City, unless Consultant is prohibited by law from informing the City of such Discovery, court order or subpoena. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

14. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City: City of Industry
15625 E. Stafford, Suite 100
City of Industry, CA 91744

Attention: City Manager

With a Copy To: James M. Casso, City Attorney
Casso & Sparks, LLP
13200 Crossroads Parkway North, Suite 345
City of Industry, CA 91746

Tel (626) 269-2980
jcasso@cassosparks.com

To Consultant:

Mr. Parker G. Emerson, President
Emerson Consulting Group, Inc.
140 N. Harvard Avenue, #1952
Claremont CA 91711-8952
Tel (909) 447-9439
parker@emersonenterprises.com

15. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City.

Before retaining or contracting with any subconsultant for any services under this Agreement, Consultant shall provide City with the identity of the proposed subconsultant, a copy of the proposed written contract between Consultant and such subconsultant which shall include an indemnity provision similar to the one provided herein and identifying City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

Notwithstanding Consultant's use of any subconsultant, Consultant shall be responsible to the City for the performance of its subconsultant as it would be if Consultant had performed the Services itself. Nothing in this Agreement shall be deemed or construed to create a contractual relationship between the City and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall indemnify, defend and hold harmless the Indemnified Parties for any claims arising from, or related to, the services performed by a subconsultant under this Agreement.

16. WARRANTY

Consultant provides no warranty or guarantee that any economic or other projections or predictions set forth in the Report will in fact occur.

17. GOVERNING LAW/ATTORNEYS' FEES

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.



18. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

19. SEVERABILITY

If any term or provision of this Agreement 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 Agreement, 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 Agreement shall be valid and be enforced to the fullest extent permitted by law.

20. COUNTERPARTS

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

21. CAPTIONS

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and shall have no significance in the interpretation of this Agreement.

22. WAIVER

The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.

23. REMEDIES

Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or



the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies.

24. AUTHORITY TO EXECUTE THIS AGREEMENT


The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

“CITY”
City of Industry

“CONSULTANT”
Emerson Consulting Group, Inc.

By: _____
Paul Philips, City Manager

By:  _____
Parker G. Emerson, President

Attest:

By: _____
Cecelia Dunlap, Deputy City Clerk

Approved as to form:

By: _____
James M. Casso, City Attorney

- | | | |
|--------------|-----------|------------------------|
| Attachments: | Exhibit A | Scope of Services |
| | Exhibit B | Rate Schedule |
| | Exhibit C | Insurance Requirements |



EXHIBIT A

SCOPE OF SERVICES

Consultant shall employ faculty from California State Polytechnic University, Pomona, Dr. Sandra M. Emerson, MPA Director, and Dr. Carsten Lange, Professor and Graduate Coordinator, as Principal Investigators to conduct a study to prepare a report ("Report") on the economic impact of the City on the San Gabriel Valley ("SGV") in which the City is located and the larger Los Angeles County ("LA County") which surrounds this political jurisdiction. The Report shall provide a balanced representation of the City's role and comparative analysis, its contribution and challenges, and shall provide accurate, verifiable data of the City's economic contribution to the SGV and Los Angeles County.

REPORT CONTENT

The information to be provided in the Report shall include the following:

- Number of business and jobs in the City as compared with Los Angeles County;
- Industrial market segmentation (NAICS code based) in the City including estimated sales and employment;
- Economic growth as compared with LA County;
- Estimated level of wages generated as compared with LA County;
- *Multipliers* to estimate the impact of economic activity in the City of Industry on the SGV and LA County;
- Applications of the use of multipliers to assess the impact of economic activity in the city;
- The contributions and challenges that the jurisdiction has on the LA County economy, trade, and long term economic development;
- ArcGis compatible data files and maps to visualize information about the city; and
- Interactive maps to visualize the analytical results. The City will integrate the maps into the City's ArcGIS Online environment, and restrict access to city staff where needed.

DEFINITION OF SAN GABRIEL VALLEY

The San Gabriel Valley ("SGV"), as used in this Agreement, shall consist of those forty-seven (47) cities, neighborhoods, and unincorporated portions of Los Angeles County listed by the Los Angeles Times on its website <http://maps.latimes.com/neighborhoods/region/san-gabriel-valley>; to wit: Alhambra, Arcadia, Avocado Heights, Azusa, Baldwin Park, Bradbury,

Charter Oak, Citrus, Covina, Diamond Bar, Duarte, East Pasadena, East San Gabriel, El Monte, Glendora, Hacienda Heights, Industry, Irwindale, La Habra Heights, La Puente, Mayflower Village, Monrovia, Monterey Park, North El Monte, North Whittier, Ramona, Rosemead, Rowland Heights, San Dimas, San Gabriel, San Marino, San Pasqual, Sierra Madre, South Diamond Bar, South El Monte, South Pasadena, South San Gabriel, South San Jose Hills, Temple City, Valinda, Vincent, Walnut, West Covina, West Puente Valley, West San Dimas, Whittier, and Whittier Narrows.

PROJECT TASKS AND TIMELINE

The Report shall be completed as follows:

Task	Provided by	Timing	Reported
Environmental scan of source data	Emerson/Lange	first month	Appendix of final report
Evaluation of data sources and utility	Emerson/Lange	first month	Final report Presentation
Preparing ArcGIS compatible data files	Lange	second month	
Develop interactive Internet maps	Lange	third month	ArcGIS Online
Incorporation of data into City GIS system	City of Industry	fourth month	
Identification of scholarly models for applying multipliers locally and regionally	Emerson	fourth month	Final report
Application of models to data and explanation of how data may be interpreted and used.	Lange	fourth month	Final report / presentation

The Report shall be submitted to the City Manager within 160 days of the Effective Date of this Agreement. Consultant shall provide one (1) preview of the Report to designated City staff followed by one (1) preview by the City Manager or designee and shall participate in providing one (1) presentation to City Council within thirty (30) days of submitting the Report to the City Manager. Consultant’s presentation to the City Council shall serve as the completion of the Report described in Section 4(c) of the Agreement.

DELIVERABLES

The deliverables under this Agreement shall include:

- One (1) copy of ArcGIS-compatible data files on a USB flash drive
- Interactive internet map on ArcGIS Online
- Six (6) printed spiral- or comb-bound copies of the Report with Appendices.
- One (1) presentation of Report to City Council to include application of models to data and explanation of how data may be interpreted and used.

A handwritten signature in black ink, appearing to be 'ASO', located at the bottom right of the page.

EXHIBIT B

RATE SCHEDULE

Consultant shall be compensated fifteen thousand dollars (\$15,000.00) for the Services set forth herein.

The City shall pay Five Thousand Dollars (\$5,000.00) to the Consultant upon execution of this Agreement. The balance of Ten Thousand Dollars (\$10,000.00) shall be paid to Consultant upon completion of the Services and delivery of the Report, as set forth in Section 4(c).

A handwritten signature in black ink, appearing to be initials or a stylized name, located at the bottom right of the page.

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of City, and prior to commencement of the Services, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to Agency.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000.00 per occurrence, \$2,000,000.00 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000.00 combined single limit for each accident.

Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.

Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000.00).

Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of Agency, its officers, agents, employees and volunteers.

Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may



arise from or in connection with the performance of the Services hereunder by Consultant, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant, or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the Agency nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.



Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against who claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass Through Clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

City's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.



CITY COUNCIL

ITEM NO. 6.3

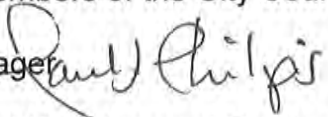


CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager 

Staff: Alex Gonzalez, Director of Development Services and Administration *ag*
Susan Paragas, City Controller
Tiffany Bose, RGS, Human Resources Advisor

Date: August 11, 2016

SUBJECT: Consideration of Resolution No. CC 2016-52 - A Resolution of the City Council of the City of Industry Repealing Resolutions No. 1900, 2226, CC 2012-17, CC 2013-09, CC 2015-12 and CC 2016-21, and Adopting Salary Range Schedules for City Employees and Officers from Fiscal Year 2000-2001 through Fiscal Year 2016-2017

BACKGROUND:

The City has not consistently adopted position titles and salary ranges over time as a part of the annual budget process. Although the City has consistently adopted budget line items to approve salary expenditures, it did not begin to adopt salary ranges and position titles consistently until 2012.

DISCUSSION AND ANALYSIS:

In order to clarify retiree benefit levels, CalPERS has requested that City staff research and determine compensation levels prior to 2012, and that the City Council adopt salary ranges for prior years. City staff used prior year budget documents, payroll records, adopted resolutions, and personnel files to develop salary ranges from Fiscal Year 2000-2001 to Fiscal Year 2016-2017; these salary schedules are included in Exhibit A. As adopted salary schedules exist from 2012 forward, CalPERS requested that the effective dates of each salary schedule be clarified, and that the salary schedules reflect the existing personnel. Moving forward, the City is working on a class and compensation study that will develop a master salary schedule with ranges that will be updated as a part of the annual budget process.

The proposed resolution will not change existing compensation and benefits. Rather, it will formally document how employees and officials have been compensated since July 1, 2000 in order to clearly document the method of compensation to outside agencies, especially to CalPERS. CalPERS requires cities to comply with various government codes and regulations in order to contract with them, and through this contract each agency agrees to be bound by the terms of the contract and the Public Employee's Retirement Law (PERL). The purpose of this new Resolution is to meet these conditions.

FISCAL IMPACT

None, as existing salaries remain unchanged. Salaries have been provided for in the 2016/2017 budget.

PJP:AG:SP:TB:mk

Resolution No. CC 2016-52

[Attached]

RESOLUTION NO. CC 2016-52

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, RESCINDING RESOLUTIONS NO. 1900, 2226, CC 2012-17, CC 2013-09, CC 2015-12 AND CC 2016-21, AND ADOPTING SALARY RANGE SCHEDULES FOR CITY EMPLOYEES AND OFFICERS FROM FISCAL YEAR 2000-2001 THROUGH FISCAL YEAR 2016-2017

WHEREAS, the City Council desires to clarify and formally adopt salary schedules from Fiscal Year 2000-01 through Fiscal Year 2016-17, for the benefit of current employees, officers and retirees to CalPERS; and

WHEREAS, the City Council desires to rescind Resolution No. 1900, Resolution No. 2226, Resolution No. CC 2012-17, Resolution No. CC 2013-09, Resolution No. CC 2015-12 and Resolution No. CC 2016-21 in their entirety; and

WHEREAS, the City Council, to reflect current and future personnel needs, has directed City staff to complete a class and compensation study for review and approval no later than March of 2017.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDUSTRY DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:

SECTION 1: The above recitals are true and correct and are incorporated herein by reference.

SECTION 2: The City Council hereby rescinds Resolution Nos. 1900, 2226, CC 2012-17, CC 2013-09, CC 2015-12, and CC 2016-21, and all prior salary range resolutions are superseded by this Resolution.

SECTION 3: Adoption of Salary Schedules. The City Council hereby adopts the City of Industry Salary Range Schedules for Fiscal Years 2000-2001 through Fiscal Year 2016-2017 attached hereto as Exhibit A, and incorporated herein by reference.

SECTION 4: The City Council hereby directs City Staff to complete a class and compensation study for review and approval no later than March of 2017

SECTION 5: Severability. The provisions of this Resolution are severable, and if any provision, clause, sentence, word or part thereof is held illegal, invalid, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 6: Certification. The City Clerk is directed to certify the passage and adoption of this resolution, and shall hereafter be in full force and effect.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Industry at a regular meeting held on August 11, 2016 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk

EXHIBIT A

CITY OF INDUSTRY

SALARY RANGE SCHEDULE

FY 2000-2001

Dates Effective: July 1, 2000 to June 30, 2001

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$27,852 - \$38,192
Account Clerk II	\$38,000 - \$47,000
Accountant	\$39,972 - \$60,000
Administrative Aide	\$34,368 - \$45,204
Assistant City Manager	\$75,000 - \$90,000
Chief Financial Officer	\$79,956 - \$106,188
City Clerk	\$64,836 - \$77,592
City Council/IPUC Board	\$1,200 - \$1,250 month
City Engineer / Public Works Director	\$82,932 - \$110,000
City Manager	\$120,000 - \$131,544
City Manager Secretary	\$47,574 - \$59,535
City Treasurer/IUDA Treasurer	\$79,956 - \$120,188
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$51,000 - \$65,000
IUDA Board Member	\$450 - \$550 month
IUDA Executive Director	\$115,000 - \$130,000
Planning Assistant	\$32,000 - \$41,721
Planning Commissioner	\$300 - \$350 month
Planning Director	\$75,492 - \$100,212
Project Manager	\$83,000 - \$87,000
Property Manager	\$45,000 - \$65,000
Receptionist	\$26,459 - \$36,282
Secretary	\$35,000 - \$49,897
Senior Account Clerk	\$30,637 - \$42,011

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2001-2002

Dates Effective: July 1, 2001 to June 30, 2002

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$29,000 - \$42,000
Account Clerk II	\$38,000 - \$47,000
Accountant	\$39,972 - \$60,000
Administrative Aide	\$34,368 - \$45,204
Assistant City Manager/IUDA Executive Director	\$115,000 - \$130,000
Chief Financial Officer	\$79,956 - \$106,188
City Clerk	\$64,836 - \$77,592
City Council/IPUC Board	\$1,400 - \$2,000 month
City Engineer / Public Works Director	\$85,000 - \$115,000
City Manager	\$120,000 - \$132,000
City Manager Secretary	\$47,574 - \$59,535
City Treasurer/IUDA Treasurer	\$79,956 - \$120,188
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$51,000 - \$65,000
IUDA Board Member	\$450 - \$550 month
Planning Assistant	\$32,000 - \$41,721
Planning Commissioner	\$300 - \$350 month
Planning Director	\$75,492 - \$100,212
Project Manager	\$83,000 - \$87,000
Property Manager	\$45,000 - \$65,000
Receptionist	\$26,459 - \$36,282
Secretary	\$37,000 - \$51,000
Senior Account Clerk	\$30,637 - \$60,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2002-2003

Dates Effective: July 1, 2002 to June 30, 2003

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$29,000 - \$42,000
Account Clerk II	\$38,000 - \$47,000
Accountant	\$39,972 - \$60,000
Administrative Aide	\$34,368 - \$45,204
Assistant City Manager/IUDA Executive Director	\$115,000 - \$130,000
Chief Financial Officer	\$79,956 - \$106,188
City Clerk	\$64,836 - \$77,592
City Council/IPUC Board	\$1,400 - \$2,000 month
City Engineer / Public Works Director	\$85,000 - \$115,000
City Manager	\$120,000 - \$132,000
City Manager Secretary	\$47,574 - \$59,535
City Treasurer/IUDA Treasurer	\$85,000 - \$130,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$51,000 - \$65,000
IUDA Board Member	\$450 - \$550 month
Planning Assistant	\$32,000 - \$41,721
Planning Commissioner	\$300 - \$350 month
Planning Director	\$75,492 - \$100,212
Project Manager	\$83,000 - \$87,000
Property Manager	\$45,000 - \$65,000
Receptionist	\$26,459 - \$36,282
Secretary	\$37,000 - \$51,000
Senior Account Clerk	\$30,637 - \$60,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE

FY 2003-2004

Dates Effective: July 1, 2003 to June 30, 2004

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$31,000 - \$45,000
Account Clerk II	\$38,000 - \$49,000
Accountant	\$41,000 - \$60,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant City Manager/IUDA Executive Director	\$115,000 - \$130,000
Chief Financial Officer	\$85,956 - \$120,000
City Clerk	\$70,000 - \$80,000
City Council/IPUC Board	\$1,700 - \$2,100 month
City Engineer / Public Works Director	\$115,000 - \$130,000
City Manager	\$125,000 - \$140,000
City Manager Secretary	\$47,574 - \$59,535
City Treasurer/IUDA Treasurer	\$85,000 - \$130,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Medical Coordinator*	\$50,000 - \$65,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$55,000 - \$70,000
IUDA Board Member	\$550 - \$650 month
Planning Assistant	\$47,000 - \$68,000
Planning Commissioner	\$350 - \$400 month
Planning Director	\$80,000 - \$115,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$45,000 - \$65,000
Receptionist	\$26,459 - \$36,282
Secretary	\$38,000 - \$55,000
Senior Account Clerk	\$42,000 - \$62,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2004-2005

Dates Effective: July 1, 2004 to June 30, 2005

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$31,000 - \$45,000
Account Clerk II	\$39,000 - \$51,000
Accountant	\$41,000 - \$60,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant City Manager/IUDA Executive Director	\$115,000 - \$130,000
Chief Financial Officer	\$85,956 - \$120,000
City Clerk	\$70,000 - \$80,000
City Council/IPUC Board	\$1,700 - \$2,100 month
City Engineer / Public Works Director	\$115,000 - \$130,000
City Manager	\$125,000 - \$140,000
City Manager Secretary	\$47,574 - \$59,535
City Treasurer/IUDA Treasurer	\$85,000 - \$130,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Medical Coordinator	\$50,000 - \$65,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$55,000 - \$70,000
IUDA Board Member	\$550 - \$650 month
Planning Assistant	\$47,000 - \$68,000
Planning Commissioner	\$380 - \$450 month
Planning Director	\$80,000 - \$115,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$50,000 - \$70,000
Receptionist	\$26,459 - \$36,282
Secretary	\$38,000 - \$55,000
Senior Account Clerk	\$42,000 - \$62,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE

FY 2005-2006

Dates Effective: July 1, 2005 to June 30, 2006

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$38,000 - \$47,000
Account Clerk II	\$43,000 - \$55,000
Accountant	\$52,000 - \$67,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant City Manager/IUDA Executive Director	\$125,000 - \$140,000
Assistant to CFO	\$48,000 - \$65,000
Chief Financial Officer	\$89,000 - \$140,000
City Clerk	\$80,000 - \$92,000
City Council/IPUC Board	\$1,700 - \$2,100 month
City Engineer / Public Works Director	\$125,000 - \$145,000
City Manager	\$135,000 - \$155,000
City Manager Secretary	\$47,574 - \$59,535
City Treasurer/IUDA Treasurer	\$89,000 - \$140,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Medical Coordinator	\$50,000 - \$65,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$55,000 - \$70,000
IUDA Board Member	\$600 - \$800 month
Planning Assistant	\$50,000 - \$70,000
Planning Commissioner	\$400 - \$600 month
Planning Director	\$95,000 - \$125,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$50,000 - \$70,000
Receptionist	\$26,459 - \$36,282
Secretary	\$38,000 - \$58,000
Senior Account Clerk	\$58,000 - \$70,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE

FY 2006-2007

Dates Effective: July 1, 2006 to June 30, 2007

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$42,000 - \$52,000
Account Clerk II	\$45,000 - \$59,000
Accountant	\$52,000 - \$67,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant City Manager/IUDA Executive Director	\$125,000 - \$140,000
Assistant to CFO	\$50,000 - \$72,000
Chief Financial Officer	\$89,000 - \$140,000
City Clerk	\$80,000 - \$92,000
City Council/IPUC Board	\$1,700 - \$2,100 month
City Engineer / Public Works Director	\$125,000 - \$145,000
City Manager	\$135,000 - \$155,000
City Manager Secretary	\$47,574 - \$59,535
City Treasurer/IUDA Treasurer	\$95,000 - \$145,000
Deputy City Treasurer/IUDA Deputy Treasurer	\$72,000 - \$90,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Medical Coordinator	\$50,000 - \$65,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$65,000 - \$80,000
IUDA Board Member	\$800 - \$850 month
Planning Assistant	\$62,000 - \$75,000
Planning Commissioner	\$600 - \$650 month
Planning Director	\$95,000 - \$125,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$50,000 - \$70,000
Receptionist	\$40,000 - \$52,000
Redevelopment Coordinator	\$70,000 - \$82,000
Secretary	\$47,000 - \$60,000
Senior Account Clerk	\$60,000 - \$75,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2007-2008

Dates Effective: July 1, 2007 to June 30, 2008

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$42,000 - \$52,000
Account Clerk II	\$48,000 - \$63,000
Accountant	\$52,000 - \$67,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant Chief Financial Officer	\$70,000 - \$90,000
Assistant City Manager/IUDA Executive Director	\$125,000 - \$150,000
Assistant to CFO	\$50,000 - \$72,000
Chief Financial Officer	\$120,000 - \$150,000
City Clerk	\$85,000 - \$100,000
City Controller	\$85,000 - \$120,000
City Council/IPUC Board	\$1,900 - \$2,200 month
City Engineer / Public Works Director	\$120,000 - \$150,000
City Manager	\$145,000 - \$160,000
City Manager Secretary	\$47,574 - \$59,535
City Treasurer/IUDA Treasurer	\$110,000 - \$150,000
Deputy City Treasurer/IUDA Deputy Treasurer	\$72,000 - \$90,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Assistant	\$47,000 - \$54,000
HR Medical Coordinator	\$50,000 - \$65,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$67,000 - \$84,000
IUDA Board Member	\$850 - \$900 month
Planning Assistant	\$65,000 - \$78,000
Planning Commissioner	\$630 - \$680 month
Planning Director	\$110,000 - \$130,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$50,000 - \$70,000
Receptionist	\$40,000 - \$52,000
Redevelopment Coordinator	\$70,000 - \$82,000
Secretary	\$47,000 - \$63,000
Senior Account Clerk	\$60,000 - \$75,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE

FY 2008-2009

Dates Effective: July 1, 2008 to June 30, 2009

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$42,000 - \$52,000
Account Clerk II	\$48,000 - \$63,000
Accountant	\$52,000 - \$67,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant Chief Financial Officer	\$70,000 - \$90,000
Assistant City Manager/IUDA Executive Director	\$125,000 - \$150,000
Assistant to CFO	\$50,000 - \$72,000
Chief Financial Officer	\$120,000 - \$150,000
City Clerk	\$100,000 - \$130,000
City Controller	\$85,000 - \$120,000
City Council/IPUC Board	\$2,200 month
City Engineer / Public Works Director	\$125,000 - \$155,000
City Manager	\$155,000 - \$165,000
City Manager Secretary	\$50,000 - \$65,000
City Treasurer/IUDA Treasurer	\$115,000 - \$157,000
Deputy City Treasurer/IUDA Deputy Treasurer	\$72,000 - \$90,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Assistant	\$47,000 - \$54,000
HR Medical Coordinator	\$50,000 - \$65,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$80,000 - \$95,000
IUDA Board Member	\$870 - \$910 month
Planning Assistant	\$65,000 - \$80,000
Planning Commissioner	\$682 month
Planning Director	\$115,000 - \$135,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$50,000 - \$70,000
Receptionist	\$40,000 - \$52,000
Redevelopment Coordinator	\$70,000 - \$82,000
Secretary	\$47,000 - \$65,000
Senior Account Clerk	\$60,000 - \$75,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE

FY 2009-2010

Dates Effective: July 1, 2009 to June 30, 2010

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$42,000 - \$52,000
Account Clerk II	\$48,000 - \$63,000
Accountant	\$52,000 - \$67,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant Chief Financial Officer	\$70,000 - \$90,000
Assistant City Manager/IUDA Executive Director	\$145,000 - \$160,000
Assistant to CFO	\$50,000 - \$72,000
Chief Financial Officer	\$120,000 - \$150,000
City Clerk	\$100,000 - \$130,000
City Controller	\$85,000 - \$120,000
City Council/IPUC Board	\$2,200 month
City Engineer / Public Works Director	\$125,000 - \$155,000
City Manager	\$155,000 - \$165,000
City Manager Secretary	\$60,000 - \$75,000
City Treasurer/IUDA Treasurer	\$115,000 - \$157,000
Deputy City Treasurer/IUDA Deputy Treasurer	\$72,000 - \$90,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Assistant	\$47,000 - \$54,000
HR Medical Coordinator	\$50,000 - \$65,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$80,000 - \$95,000
IUDA Board Member	\$910 month
Planning Assistant	\$75,000 - \$87,000
Planning Commissioner	\$682 month
Planning Director	\$115,000 - \$135,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$50,000 - \$70,000
Receptionist	\$40,000 - \$52,000
Redevelopment Coordinator	\$70,000 - \$82,000
Secretary	\$47,000 - \$65,000
Senior Account Clerk	\$60,000 - \$75,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2010-2011

Dates Effective: July 1, 2010 to June 30, 2011

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$42,000 - \$52,000
Account Clerk II	\$48,000 - \$63,000
Accountant	\$52,000 - \$67,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant Chief Financial Officer	\$70,000 - \$90,000
Assistant City Manager/IUDA Executive Director	\$145,000 - \$200,000
Assistant to CFO	\$50,000 - \$72,000
Chief Financial Officer	\$120,000 - \$150,000
City Clerk	\$120,000 - \$150,000
City Controller	\$100,000 - \$130,000
City Council/IPUC Board	\$2,200 month
City Engineer / Public Works Director	\$145,000 - \$200,000
City Manager	\$155,000 - \$165,000
City Manager Secretary	\$62,000 - \$78,000
City Treasurer/IUDA Treasurer	\$145,000 - \$175,000
Deputy City Treasurer/IUDA Deputy Treasurer	\$80,000 - \$100,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Assistant	\$50,000 - \$59,000
HR Medical Coordinator	\$55,000 - \$69,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$90,000 - \$100,000
IUDA Board Member	\$910 month
Planning Assistant	\$77,000 - \$92,000
Planning Commissioner	\$682 month
Planning Director	\$115,000 - \$135,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$50,000 - \$70,000
Receptionist	\$40,000 - \$52,000
Redevelopment Coordinator	\$85,000 - \$90,000
Secretary	\$50,000 - \$70,000
Senior Account Clerk	\$60,000 - \$75,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE

FY 2011-2012

Dates Effective: July 1, 2011 to June 30, 2012

<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Account Clerk	\$42,000 - \$52,000
Account Clerk II	\$48,000 - \$63,000
Accountant	\$52,000 - \$67,000
Administrative Aide	\$34,368 - \$45,204
Administrative Assistant	\$44,000 - \$56,000
Assistant Chief Financial Officer	\$70,000 - \$90,000
Assistant City Manager/IUDA Executive Director	\$145,000 - \$200,000
Assistant to CFO	\$50,000 - \$72,000
Chief Financial Officer	\$120,000 - \$150,000
City Clerk	\$120,000 - \$150,000
City Controller	\$100,000 - \$130,000
City Council/IPUC Board	\$2,200 month
City Engineer / Public Works Director	\$145,000 - \$200,000
City Manager	\$155,000 - \$165,000
City Manager Secretary	\$62,000 - \$78,000
City Treasurer/IUDA Treasurer	\$145,000 - \$175,000
Deputy City Treasurer/IUDA Deputy Treasurer	\$80,000 - \$100,000
Director of Construction	\$85,000 - \$110,000
Finance Administrative Assistant	\$37,536 - \$49,897
HR Assistant	\$50,000 - \$59,000
HR Medical Coordinator	\$55,000 - \$69,000
IPUC Commissioner	\$60,000 - \$75,000
IUDA Assistant to Executive Director	\$90,000 - \$100,000
IUDA Board Member	\$910 month
Planning Assistant	\$77,000 - \$92,000
Planning Commissioner	\$682 month
Planning Director	\$115,000 - \$135,000
Project Manager	\$83,000 - \$87,000
Property Manager	\$50,000 - \$70,000
Receptionist	\$40,000 - \$52,000
Redevelopment Coordinator	\$85,000 - \$90,000
Secretary	\$50,000 - \$70,000
Senior Account Clerk	\$60,000 - \$75,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2012-2013

Dates Effective: July 1, 2012 to June 30, 2013

<u>CATEGORY</u>	<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Administrative Services A	Executive Secretary	\$50,000 - \$75,000
	Human Resources Assistant	\$50,000 - \$75,000
Administrative Services B	Administrative Aide	\$60,000 - \$100,000
Administrative Services C	Associate Planner	\$70,000 - \$110,000
	Deputy City Clerk	\$70,000 - \$110,000
	Deputy City Treasurer	\$70,000 - \$110,000
Executive Staff	City Manager	\$175,000 - \$225,000
	City Engineer	\$160,000 - \$215,000
	City Treasurer	\$110,000 - \$185,000
	City Clerk	\$100,000 - \$165,000
	Human Resources Director	\$100,000 - \$165,000
	City Controller	\$110,000 - \$185,000
Planning Commission	Board Member	\$600 - \$700 (Monthly Stipend)
Civic-Recreational-Industrial-Authority (CRI) Board Member		\$600 - \$700 (Monthly Stipend)
City Council/IPUC Board/Successor Agency Councilmember/Board member		\$2,177 (Monthly Stipend)

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2013-2014

Dates Effective: July 1, 2013 to June 30, 2014

<u>CATEGORY</u>	<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Administrative Services A	Executive Secretary	\$50,000 - \$75,000
	Human Resources Assistant	\$50,000 - \$75,000
Administrative Services B	Administrative Aide	\$60,000 - \$100,000
	Receptionist	\$40,000 - \$59,000
Administrative Services C	Administrative Analyst	\$60,000 - \$100,000
	Associate Planner/Code Enforcement	\$70,000 - \$110,000
	Deputy City Clerk	\$70,000 - \$110,000
	Deputy City Treasurer	\$70,000 - \$110,000
Executive Staff	City Manager	\$175,000 - \$225,000
	City Engineer/Director of Public Works	\$160,000 - \$215,000
	City Treasurer	\$110,000 - \$185,000
	City Clerk	\$100,000 - \$165,000
	Planning Director	\$100,000 - \$165,000
	Human Resources Director	\$100,000 - \$165,000
	City Controller	\$110,000 - \$185,000
Planning Commission	Board Member	\$600 - \$700 (Monthly Stipend)
Civic-Recreational-Industrial-Authority (CRIA Board Member		\$600 - \$700 (Monthly Stipend)
City Council/IPUC Board/Successor Agency	Councilmember/Board member	\$2,177 (Monthly Stipend)

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2014-2015

Dates Effective: July 1, 2014 to June 30, 2015

<u>CATEGORY</u>	<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Administrative Services A	Receptionist	\$42,000 - \$62,000
	Executive Secretary	\$50,000 - \$75,000
Administrative Services B	Administrative Analyst	\$63,000 - \$88,000
	Human Resources Assistant	\$53,000 - \$78,000
	Planning Assistant	\$53,000 - \$78,000
Administrative Services C	Assistant Human Resources Director	\$73,000 - \$115,000
	Deputy City Clerk	\$73,000 - \$115,000
	Deputy City Treasurer	\$73,000 - \$115,000
	Executive Assistant to the City Manager	\$73,000 - \$115,000
	Senior Planner	\$73,000 - \$115,000
Executive Staff	City Manager	\$183,000 - \$235,000
	City Engineer/Director of Public Works	\$168,000 - \$225,000
	City Treasurer	\$115,000 - \$195,000
	City Clerk	\$105,000 - \$170,000
	Planning Director	\$105,000 - \$170,000
	Human Resources Director	\$105,000 - \$170,000
	City Controller	\$115,000 - \$195,000
Planning Commission	Board Member	\$600 - \$700 (Monthly Stipend)
Civic-Recreational-Industrial-Authority (CRI)	Board Member	\$600 - \$700 (Monthly Stipend)
City Council/IPUC Board/Successor Agency	Councilmember/Board member	\$2,177 (Monthly Stipend)

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2015-2016

Dates Effective: July 1, 2015 to March 9, 2016

<u>CATEGORY</u>	<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Administrative Services A	Receptionist	\$42,000 - \$62,000
	Executive Secretary	\$50,000 - \$75,000
Administrative Services B	Administrative Analyst	\$63,000 - \$88,000
	Human Resources Assistant	\$53,000 - \$78,000
	Planning Assistant	\$53,000 - \$78,000
Administrative Services C	Assistant Human Resources Director	\$73,000 - \$115,000
	Deputy City Clerk	\$73,000 - \$115,000
	Deputy City Treasurer	\$73,000 - \$115,000
	Executive Assistant to the City Manager	\$73,000 - \$115,000
	Field Operations and Asset Superintendent	\$73,000 - \$115,000
	Senior Planner	\$73,000 - \$115,000
Executive Staff	City Clerk	\$105,000 - \$115,000
	City Controller	\$115,000 - \$225,000
	City Manager +	\$275,000
	City Treasurer	\$115,000 - \$195,000
	Director of Administrative Services Δ	\$115,000 - \$195,000
	Director of Public Works \square	\$115,000 - \$195,000
	Human Resources Director	\$105,000 - \$170,000
	Planning Director	\$105,000 - \$170,000
Planning Commission	Board Member	\$600 - \$700 (Monthly Stipend)
Civic-Recreational-Industrial-Authority	Board Member	\$600 - \$700 (Monthly Stipend)
City Council/IPUC Board/Successor Age Councilmember/Board member		\$2,177 (Monthly Stipend)

+ Employment contract position as of June 2015

Δ New position as of August 2015

\square Position reduction as of November 2015, one Y-rated employee up to \$225,000

CITY OF INDUSTRY
SALARY RANGE SCHEDULE

FY 2015-2016

Dates Effective: March 10, 2016 to April 13, 2016

<u>CATEGORY</u>	<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Administrative Services A	Receptionist	\$42,000 - \$62,000
	Executive Secretary	\$50,000 - \$75,000
Administrative Services B	Administrative Analyst	\$63,000 - \$88,000
	Human Resources Assistant	\$53,000 - \$78,000
	Planning Assistant	\$53,000 - \$78,000
Administrative Services C	Assistant Human Resources Director□	\$73,000 - \$115,000
	Deputy City Clerk	\$73,000 - \$115,000
	Deputy City Treasurer	\$73,000 - \$115,000
	Executive Assistant to the City Manager	\$73,000 - \$115,000
	Field Operations and Asset Superintendent	\$73,000 - \$115,000
	Senior Planner	\$73,000 - \$115,000
Executive Staff	City Clerk	\$105,000 - \$115,000
	City Controller	\$115,000 - \$225,000
	City Manager +	\$275,000
	City Treasurer	\$115,000 - \$195,000
	Director of Development Services and AdministrationΔ	\$115,000 - \$195,000
	Director of Public Works□	\$115,000 - \$195,000
	Human Resources Director	\$105,000 - \$170,000
	Planning Director□	\$105,000 - \$170,000
Planning Commission	Board Member	\$600 - \$700 (Monthly Stipend)
Civic-Recreational-Industrial-Authority	Board Member	\$600 - \$700 (Monthly Stipend)
City Council/IPUC Board/Successor Ager Councilmember/Board member		\$2,177 (Monthly Stipend)

+ Employment contract position as of June 2015
ΔPosition Title Change, Additional Responsibilities
□Position Elimination February 2016

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2015-2016

Dates Effective: April 14, 2016 to June 30, 2016

<u>CATEGORY</u>	<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Administrative Services A	Receptionist	\$42,000 - \$62,000
	Executive Secretary	\$50,000 - \$75,000
Administrative Services B	Administrative Analyst	\$63,000 - \$88,000
	Human Resources Assistant	\$53,000 - \$78,000
	Planning Assistant	\$53,000 - \$78,000
Administrative Services C	Deputy City Clerk	\$73,000 - \$115,000
	Deputy City Treasurer	\$73,000 - \$115,000
	Executive Assistant to the City Manager	\$65,000 - \$115,000
	Field Operations and Asset Superintendent	\$73,000 - \$125,000
	Senior Planner	\$73,000 - \$125,000
Executive Staff	Chief Deputy City Clerk	\$105,000 - \$115,000
	City Clerk	\$105,000 - \$115,000
	City Controller	\$115,000 - \$225,000
	City Manager +	\$275,000
	City Treasurer	\$115,000 - \$195,000
	Director of Development Services and Administration	\$115,000 - \$195,000
	Human Resources Director	\$105,000 - \$170,000
	Utility Administrator	\$115,000 - \$195,000
Planning Commission	Board Member	\$600 - \$700 (Monthly Stipend)
Civic-Recreational-Industrial-Authority Board Member		\$600 - \$700 (Monthly Stipend)
City Council/IPUC Board/Successor Agency Councilmember/Board member		\$2,177.00 (Monthly Stipend)

+ Employment contract position as of June 2015

CITY OF INDUSTRY
SALARY RANGE SCHEDULE
FY 2016-2017

Dates Effective: July 1, 2016 to June 30, 2017

<u>CATEGORY</u>	<u>POSITION</u>	<u>ANNUAL SALARY RANGE</u>
Administrative Services A	Receptionist	\$42,000 - \$62,000
	Executive Secretary	\$50,000 - \$75,000
Administrative Services B	Administrative Analyst	\$63,000 - \$88,000
	Human Resources Assistant	\$53,000 - \$78,000
	Planning Assistant	\$53,000 - \$78,000
Administrative Services C	Deputy City Clerk	\$73,000 - \$115,000
	Deputy City Treasurer	\$73,000 - \$115,000
	Executive Assistant to the City Manager	\$73,000 - \$115,000
	Field Operations and Asset Superintendent	\$73,000 - \$125,000
	Senior Planner	\$73,000 - \$125,000
Executive Staff	Chief Deputy City Clerk	\$105,000 - \$115,000
	City Clerk	\$105,000 - \$115,000
	City Controller	\$115,000 - \$225,000
	City Manager+	\$275,000
	City Treasurer	\$115,000 - \$195,000
	Director of Development Services and Administration	\$115,000 - \$195,000
	Human Resources Director	\$105,000 - \$170,000
	Utility Administrator	\$115,000 - \$195,000
Planning Commission	Board Member	\$600 - \$700 (Monthly Stipend)
Civic-Recreational-Industrial-Authority	Board Member	\$600 - \$700 (Monthly Stipend)
City Council/IPUC Board/Successor Agency	Councilmember/Board member	\$2,177.00 (Monthly Stipend)

+ Contract Employment Position

ΔIncludes service on City Council, IPUC Board and Successor Agency.

CITY COUNCIL

ITEM NO. 6.4



CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager *Paul J. Philips*

Staff: Alex Gonzalez, Director of Development Services and Administration *AG*
Susan Paragas, City Controller
Tiffany Bose, RGS, Human Resources Advisor

Date: August 11, 2016

SUBJECT: Consideration of Ordinance No. 795 - An Ordinance of the City Council of the City of Industry Amending Section 2.20.010 (Authorization for health and dental benefits) of Chapter 2.20 (Employee Benefit Plans) of Title 2 (Administration and Personnel) of the City of Industry Municipal Code to Achieve Compliance with the Affordable Care Act and State Law (for introduction only)

BACKGROUND: In June 2016, the City began a comprehensive review of its existing health plan. As part of this review, City Staff determined that the City's current ordinance pertaining to the provision of health care coverage, does not meet certain requirements of the Patient Protection and Affordable Care Act, and State law.

DISCUSSION AND ANALYSIS:

In accordance with Section 2.20.010 of the Code, the City is permitted to provide a medical and dental benefit plan to City employees or officers, their spouses, dependent children under the age of twenty-one, dependent children under the age of twenty-five who are full-time students at a college or university and dependent children regardless of age who are physically or mentally incapacitated.

During the City's review of its health plans, it was noted that Chapter 2.20 has not been updated to reflect the Patient Protection and Affordable Care Act, specifically updating the age where dependent children can receive healthcare coverage to twenty-six (26). Further, State law now requires that health care coverage be extended to domestic partnerships.

Based on the foregoing, it is necessary for the City to amend Section 2.20.010 of the City's Code to increase the age of dependent coverage to 26, and to provide coverage for domestic partnerships.

With the approval of this Ordinance, the City will achieve consistency within its health plan documents and compliance with existing laws.

FISCAL IMPACT

The cost of this amendment has been provided for in the 2016/2017 budget.

PJP:AG:SP:TB:mk

EXHIBIT A

Ordinance No. 795

[Attached]

ORDINANCE NO. 795

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, AMENDING SECTION 2.20.010 (AUTHORIZATION FOR HEALTH AND DENTAL BENEFITS) OF CHAPTER 2.20 (EMPLOYEE BENEFIT PLANS) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE CITY OF INDUSTRY MUNICIPAL CODE TO ACHIEVE COMPLIANCE WITH THE AFFORDABLE CARE ACT AND STATE LAW

WHEREAS, on or about March 23, 2010 the Patient Protection and Affordable Care Act ("PPACA") was signed into law; and

WHEREAS, the PPACA expanded young adult healthcare coverage, so that health plans must provide coverage to dependents up to age 26; and

WHEREAS, State law requires employers that have health care services plans or policies that cover the spouses of employees to also cover domestic partnerships; and

WHEREAS, it is necessary to amend the City's Municipal Code to increase the age of dependent coverage to 26, and to provide coverage for domestic partnerships.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INDUSTRY AS FOLLOWS:

SECTION 1: The City Council finds that the above recitals are true and correct and are incorporated herein by reference.

SECTION 2: Industry Municipal Code Amendment. The City Council hereby amends Section 2.20.010 (Authorization for health and dental benefits) of Chapter 2.20 (Employee Benefit Plans) of Title 2 (Administration and Personnel) of the City of Industry Municipal Code to read in its entirety as follows:

2.20.010 Authorization for health and medical benefits

The City Council is authorized to provide, by resolution or minute order, health and medical benefit plans for qualifying city employees, elected and appointed city officials, their spouses and domestic partners, dependent children under the age of twenty-six, and dependent children regardless of age who are physically or mentally incapacitated as long as the qualifying condition occurred prior to twenty-six years of age.

SECTION 3: Clerical Errors. The City Council directs the City Clerk to correct any clerical errors found in Chapter 2.20 (Employee Benefit Plans) of Title 2 (Administration and Personnel) of the City of Industry Municipal Code, including, but not limited to, typographical errors, irregular numbering, and incorrect section references.

SECTION 4: Severability. Should any section, subsection, clause, or

provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or unconstitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

SECTION 5: Effective Date. In accordance with California Government Code Section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

SECTION 6: Publication. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published and posted as required by law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Industry at a regular meeting held on August 25, 2016, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk

CITY COUNCIL

ITEM NO. 6.5





CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager 

Staff: Alex Gonzalez, Director of Development Services and Administration 

Date: August 11, 2016

SUBJECT: Consideration of Ordinance No. 796, an Ordinance of the City Council of the City of Industry Adding Section 3.52.160 (Exceptions for Design-Build Project Delivery) to Chapter 3.52 (Public Projects-Bidding and Procedures) of Title 3 (Revenue and Finance) of the City of Industry Municipal Code to Authorize Design-Build as a Method of Delivery for Project Construction

DISCUSSION AND ANALYSIS:

The California Public Contract Code generally requires general law cities to award public works construction contracts to the “lowest responsible bidder” based on a design – bid - build procurement method. As a general matter, charter cities such as the City of Industry, have the authority to adopt ordinances in areas of municipal affairs that will supersede provisions of State law otherwise applicable to General Law cities. The City of Industry Charter, Article X (Fiscal Administration), Section 1003 (Contracts on Public Works) contains an express assertion of the City’s “home rule” authority with respect to public contracting, and the section expressly exempts the City from the provisions of State law imposed on General Law cities relative to public contracting under the California Public Contract Code unless otherwise specified in the Municipal Code. Under this “home rule” authority, the City may adopt ordinances that establish project delivery methods for public construction contracts that differ from general law cities. In particular, Chapter 3.52 of the City’s Municipal Code section 3.52 establishes procedures for procurement. Given the positive results and outcomes that other Cities have experienced in utilizing the design - build delivery method, City staff recommends the adoption of an ordinance specifically authorizing and clarifying the procedures for use of design - build as an alternative method of project delivery.

Design - build project delivery is a method of public works construction in which the design and construction functions are contracted by a single “design - build” entity; as opposed to a more traditional design – bid - build method, under which design, procurement, and construction of the project proceed sequentially. First, the preparation of plans and specifications is completed, either with City staff or with a design consultant, and second, the construction contract is awarded to a contractor entity separate from the designer.

The construction contract is typically awarded to the lowest responsible bidder on the basis of previously completed plans and specifications.

California cities that have utilized the design - build delivery method for the completion of public works projects have experienced numerous benefits from utilizing this alternative delivery method, including reduced design efforts and costs to the public agencies, development of innovative solutions to construction and design challenges, accelerated schedules for project delivery and completion, improved coordination and communication between parties, a reduction in risks, claims and litigation related to public project construction, improved quality in public works construction projects and public facilities, and the ability for public entities to make and negotiate contractor selections based on qualifications, value, cost and criteria as well as overall price.

City staff anticipate funding and contracting for the construction of public works projects and facilities in the future for which design - build delivery method may be a viable and beneficial alternative to the more traditional design – bid - build delivery method.

To establish a procedure for the use of design - build contracts for City projects, City staff proposes an ordinance amending Chapter 3.52 of the Municipal Code (Exhibit A). The ordinance provides that the City may utilize the design - build delivery method and lays out the procedure for doing so.

CEQA

The recommended action described in this agenda report is not subject to CEQA, pursuant to CEQA Guidelines Section 15060(c).

FISCAL IMPACT

No significant financial impacts are expected for the recommended action.

PJP:AG:mk

EXHIBIT A

Ordinance No. 796

[Attached]

ORDINANCE NO. 796

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, ADDING SECTION 3.52.160 (EXCEPTIONS FOR DESIGN-BUILD PROJECT DELIVERY) TO CHAPTER 3.52 (PUBLIC PROJECTS-BIDDING AND PROCEDURES) OF TITLE 3 (REVENUE AND FINANCE) OF THE CITY OF INDUSTRY MUNICIPAL CODE TO AUTHORIZE DESIGN – BUILD AS A METHOD OF DELIVERY FOR PROJECT CONSTRUCTION

WHEREAS, the California Public Contract Code generally requires general law cities to award public works construction contracts to the "lowest responsible bidder," based on a "design-bid-build" procurement method; and

WHEREAS, design-build project delivery is a method of public works construction delivery in which the design and construction functions are contracted by a single "design-build" entity; as opposed to a more traditional design-bid-build method, under which design, procurement and construction of the project proceed sequentially: first the preparation of plans and specifications are completed, either with City staff or with a design consultant, and second an award of the construction contract with a contractor entity separate from the designer typically being made to the lowest responsible bidder on the basis of previously completed plans and specifications; and

WHEREAS, California general law and charter cities that have utilized the design-build delivery method for the completion of public works projects have experienced numerous benefits from utilizing this alternative delivery method, including reduced design efforts and costs to the public agencies, development of innovative solutions to construction and design challenges, accelerated schedules for project delivery and completion, improved coordination and communication between parties, a reduction in risks, claims and litigation related to public project construction, improved quality in public works construction projects and public facilities, and the ability for public entities to make and negotiate contractor selections based on qualifications; value, cost and criteria in addition to price; and

WHEREAS, the City anticipates funding and contracting for the construction of public works projects and facilities in the future for which design-build delivery method may be a viable and beneficial alternative to the more traditional design-bid-build delivery method; and

WHEREAS, the City desires to clarify the procedures to be followed for the execution of design-build contracts; and

WHEREAS, the City, as a "charter city," is authorized to establish guidelines and enact local ordinances governing municipal affairs that supersede the State's general laws otherwise governing general law cities; and

WHEREAS, the City's award of local contracts and the establishment of local

procedures to govern design-build project delivery is a municipal affair, and the City, as a charter city, is authorized to adopt an ordinance establishing procedures for the awarding of contracts for public works construction that differ from those imposed on general law cities, based on the City's broad constitutional "home rule" authority (pursuant to California Constitution article XI, section 5); and

WHEREAS, the City's authority, as a charter city, to exempt itself from the requirements of the California Public Contract Code are specifically identified in Public Contract Code Section 1100.7; and

WHEREAS, the California Public Contract Code formerly included Section 20175.2, which authorized general law cities to utilize the design-build method for the construction of qualifying building construction projects in excess of \$1 million; and

WHEREAS, on September 30, 2014, Governor Brown approved Senate Bill No. 785, repealing and amending provisions of the California Government Code, Health and Safety Code, and Public Contract Code to authorize various California state and local agencies to use the design-build procurement process for specified public works projects; and

WHEREAS, under its home rule authority as a charter city, the City may exempt itself from certain limitations otherwise imposed upon general law cities by the statutes codified under Senate Bill No. 785; and

WHEREAS, while the City plans to utilize elements of the procurement process outlined under relevant sections of the Public Contract Code as amended under Senate Bill No. 785, (i.e., Public Contract Code Sections 22160, et seq.) in the drafting of Requests for Proposals soliciting qualified design-build entities under the design-build delivery process authorized by this ordinance, the City is not bound by the limitations on design-build authority contained in those statutes, including, but not limited to, limitations on the use of design-build-operate contracts; and

WHEREAS, the intent of this ordinance is to establish a procedure for the use, evaluation and award of design-build contracts for City projects in order to provide that the City may utilize the design-build alternative delivery method to achieve superior design and quality, to minimize disputes between project designers and contractors, to expedite project delivery by overlapping the design and construction phases of projects, and to reduce project costs.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INDUSTRY AS FOLLOWS:

SECTION 1: The City Council finds that the above recitals are true and correct and are incorporated herein by reference.

SECTION 2: Industry Municipal Code Amendment. The City Council hereby adds Section 3.52.160 (Exceptions for Design-Build Project Delivery) to Chapter 3.52 (Public Projects-Bidding and Procedures) of Title 3 (Revenue and Finance) of the Industry Municipal Code to read in its entirety as follows:

3.52.160 Exceptions for design – build project delivery.

The city may enter into a single contract with a design-build entity for the design and construction or manufacture of a project (a "design build contract"), in accordance with this section, without further complying with the requirements of this code, provided that the City Manager or the City Council makes a written determination of the following:

1. The City's goals for the proposed public works project will be more cost effectively achieved through a design-build contract, as compared to the City's design-bid-build process, after taking into consideration: costs of design, construction or manufacture, and ongoing maintenance and repair; timing of design and construction or manufacture; the need to coordinate with third parties during construction or manufacture; unique requirements for managing the quality of design and construction or manufacture; the likely need to consider innovative solutions to design, construction or manufacturing challenges in order to respond to potential challenges to the certainty of the timing or costs of design or construction or manufacture; and the need to consider unique project financing alternatives (including public/private partnerships).
2. The City actively solicited proposals from design-build entities in a manner that effectively requested competitive proposals from entities qualified and available to successfully complete the proposed project under a design-build contract.
3. After evaluating the respective qualifications and proposals submitted by competitive proposers, and after negotiating contract terms with the apparently successful design-build entity, the City selected the design-build entity on a "best value" basis that will most cost effectively achieve the City's goals for the proposed project, after considering: the proposed approach for design and construction or manufacture (including project features, and operational and functional performance of the project to be constructed); overall price (including initial and/or life cycle costs); schedule; the design-build entity's experience, training, and qualifications (including an evaluation of references of the design-build entity's experience on similar projects related to responsiveness, timeliness, quality of work, and overall performance); the design-build entity's capacity, capability, and financial stability to complete the project; and overall responsiveness to the City's request for proposals.

SECTION 3: Clerical Errors. The City Council directs the City Clerk to correct any clerical errors found in Section 3.52.160 (Public Projects – Bidding and Procedures) of Title 3 (Revenue and Finance), including, but not limited to, typographical errors, irregular numbering, and incorrect section references.

SECTION 4: Severability. Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or unconstitutionality of the

remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

SECTION 5: Effective Date. In accordance with California Government Code Section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

SECTION 6: Publication. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published and posted as required by law.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Industry at a regular meeting held on August 25, 2016, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk

CITY COUNCIL

ITEM NO. 6.6



CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: James M. Casso, City Attorney

DATE: August 11, 2016

SUBJECT: Consideration of a Resolution Approving the Assignment and Assumption of Interest in the Purchase and Sale Agreement for the Property Located at 17201 & 17301 Gale Avenue, City of Industry, and Making CEQA Findings

BACKGROUND: R.Y. Properties, Inc. (“R.Y. Properties”) and the Successor Agency to the Industry Urban-Development Agency (the “Successor Agency”) entered into a Purchase and Sale Agreement dated March 18, 2015 (the “Agreement”), attached hereto as “Exhibit A.” The Agreement deals with the purchase and sale of 17201 & 17301 Gale Avenue, Industry, California 91748 (the “Property”). Pursuant to the terms of the Agreement, R.Y. Properties agreed to purchase the Property for \$16,000,000.00.

Under Section 4.16 of the Agreement, R.Y. Properties may assign its interest in the Property upon providing the Successor Agency with notice and an executed assignment and assumption agreement. R.Y. Properties recently approached the City of Industry (the “City”) and inquired whether the City would be interested in purchasing the Property. Since March 2015, R.Y. Properties has been unable to present an acceptable development plan complying with the City’s General Plan and Zoning Code. In the interest of expeditiously disposing of Successor Agency properties, it was determined that the City could purchase the Property and then offer R.Y. Properties an option to purchase the Property at a later date, once it presents an acceptable development plan. As such, the parties have negotiated an assignment and assumption agreement (the “Assignment”), attached hereto as “Exhibit B,” assigning R.Y. Properties’ interest in the Agreement to the City.

The attached Resolution sets forth the assignment as well as the requisite findings pursuant to the California Environmental Quality Act.

DISCUSSION: Under the Assignment, the City agrees to be bound by all the provisions of the Agreement. Close of escrow will likely occur on August 31, 2016. However, upon the approval of the Assignment, escrow may be extended with the written consent of the City and the Successor Agency.

Under the terms of the Assignment, R.Y. Properties will have the option to purchase the Property from the City for \$16,000,000.00. The option will automatically terminate if R.Y. Properties fails to exercise it within one year of the date of the Assignment or if the Property is sold to another purchaser.

BUDGET IMPACT: The City will pay the Successor Agency \$16,000,000.00 for the property.

RECOMMENDATION: Staff recommends that the City Council adopt the attached Resolution, approving the Assignment between the City and R.Y. Properties.

Attachments:

Exhibit A: Purchase and Sale Agreement

Exhibit B: Assignment and Assumption of Interest
Resolution

EXHIBIT A

Purchase and Sale Agreement

[Attached]

**PURCHASE AND SALE AGREEMENT
[17201 AND 17301 GALE AVENUE]**

THIS PURCHASE AND SALE AGREEMENT [17201 AND 17301 GALE AVENUE] (this “**Agreement**”), dated as of March 18, 2015 (the “**Effective Date**”) is entered into by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the “**Agency**”), and **R.Y. PROPERTIES, INC.**, a California corporation (the “**Purchaser**”). The Agency and the Purchaser are hereinafter sometimes individually referred to as a “**party**” and collectively referred to as the “**parties**”.

RECITALS

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

The Agency owns the fee interest in that certain real property (the “**Real Property**”) located in the City of Industry, County of Los Angeles, State of California, as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (such real property together with all improvements located thereon and the Appurtenances, as defined in Section 1.1.3, is referred to herein as the “**Property**”). The Purchaser wishes to acquire fee title to the Property from the Agency.

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

**ARTICLE 1
DEFINITIONS**

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

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

1.1.2 Agreement means this Purchase and Sale Agreement.

1.1.3 Appurtenances means all of the Agency’s right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Agency): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Purchaser by or on behalf of the Agency prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits,

applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

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

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

1.1.6 Deemed Disapproved Exceptions is defined in Section 2.5.2.

1.1.7 Default is defined in Section 3.2.

1.1.8 Deposit is defined in Section 2.2.1.

1.1.9 Disapproved Exceptions is defined in Section 2.5.2.

1.1.10 Disapproval Notice is defined in Section 2.5.2.

1.1.11 Due Diligence Period is defined in Section 2.7.

1.1.12 Escrow is defined in Section 2.3.1.

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

1.1.14 General Assignment means the General Assignment attached hereto as Exhibit "D".

1.1.15 Grant Deed is defined in Section 2.5.3.

1.1.16 Hazardous Materials means any chemical, material or substance now or hereafter defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "pollutant or contaminant," "imminently hazardous chemical substance or mixture," "hazardous air pollutant," "toxic pollutant," or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Property, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; and the Resource

Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq. The term “**Hazardous Materials**” shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. § 2012, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyl’s; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Property, to adjacent properties, or to persons on or about the Property, (ii) which causes the Property to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Property requires investigation, reporting or remediation under any such laws or regulations.

1.1.17 Outside Date is defined in Section 2.3.2.

1.1.18 Property is defined in the first Recital.

1.1.19 Purchase Price is defined in Section 2.1.

1.1.20 Purchaser means R.Y. Properties, Inc., a California Corporation. The principal office of the Purchaser for purposes of this Agreement is 212 South Palm Avenue, Suite 200, Alhambra, California 91801.

1.1.21 Released Parties is defined in Section 2.8.

1.1.22 Review Period is defined in Section 2.5.2.

1.1.23 Right of Entry Agreement is defined in Section 2.7.

1.1.24 Survey is defined in Section 2.5.1.

1.1.25 Title Company is defined in Section 2.5.4.

1.1.26 Title Policy is defined in Section 2.5.4.

1.1.27 Title Report is defined in Section 2.5.1.

1.1.28 Transaction Costs means all costs incurred by either party in entering into this transaction and closing Escrow, including but not limited to escrow fees and costs, attorney’s fees, staff time, appraisal costs, and costs of financial advisors and other consultants.

ARTICLE 2
PURCHASE AND SALE OF THE PROPERTY

2.1 Purchase and Sale. The Agency agrees to sell the Property to the Purchaser, and the Purchaser agrees to purchase the Property from the Agency, for the sum of Sixteen Million Dollars (\$16,000,000.00) (the "**Purchase Price**"). In addition, Purchaser shall reimburse the Agency a total amount not to exceed Fifteen Thousand Dollars (\$15,000.00) for the Agency's costs of obtaining an appraisal of the Property and the Agency's legal costs in connection with this Agreement and the disposition of the Property under this Agreement (the "**Disposition Costs**") and will be paid by Purchaser to Agency at the Closing through the Escrow (as hereinafter defined).

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

2.2.1 Deposit. Within five (5) business days following the opening of Escrow, Purchaser shall deposit with Escrow Holder the sum of One Hundred Sixty Thousand Dollars (\$160,000.00), and unless Purchaser terminates this Agreement during the Due Diligence Period under Section 2.7 below, Purchaser shall deposit with Escrow Holder an additional Six Hundred Forty Thousand Dollars (\$640,000.00) within five (5) business days following the Due Diligence Period, all in the form of certified or bank cashier's checks made payable to Escrow Holder or by confirmed wire transfers of funds (collectively, the "**Deposit**"). The Deposit shall be invested by Escrow Holder in an interest bearing account acceptable to Purchaser and Agency with all interest accruing thereon to be credited to the Purchase Price upon the Close of Escrow. Except as otherwise provided herein, the Deposit shall be applicable in full towards the Purchase Price upon Closing.

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

2.3 Escrow.

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

2.3.2 Close of Escrow. "**Close of Escrow**" or "**Closing**" means the date Escrow Holder causes the Grant Deed (as hereinafter defined) to be recorded in the Official Records of the County of Los Angeles and delivers the Purchase Price and Disposition Costs (less any costs, expenses and prorations payable by the Agency) to the Agency. Possession of the Property shall

be delivered to the Purchaser on the Close of Escrow. Notwithstanding anything to the contrary contained herein, the Close of Escrow shall occur within the earlier to occur of (i) thirty (30) days following the satisfaction or waiver of all of the conditions to the close of Escrow set forth in Section 2.4, or (ii) twelve (12) months following the expiration of the Due Diligence Period (the “**Outside Date**”) or this Agreement shall automatically terminate; provided, however, the Outside Date may be extended upon written consent of the Purchaser and the Executive Director of the Agency, which consent may be given or withheld in the exercise of their sole discretion. If the Closing does not occur on or before the Outside Date due to a default by either party, then the defaulting party shall pay all Escrow cancellation fees (and if the defaulting party is the Purchaser, then the Agency shall be entitled to the Deposit under Section 3.3.1). If the Closing does not occur due to a termination by Purchaser under Section 2.5.2, then the Deposit shall be returned to Purchaser, and Purchaser shall pay all Escrow cancellation fees (which may be deducted from the Deposit). If the Closing does not occur for any other reason, then this Agreement shall automatically terminate, the Deposit shall be promptly returned to the Purchaser, and each party shall pay one half (1/2) of any Escrow cancellation charges.

2.3.3 Delivery of Closing Documents.

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

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

(ii) Two (2) duly executed original counterparts of the General Assignment;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2.4.10 For the sole benefit of the Purchaser, (i) an environmental impact report, or other appropriate environmental review, pertaining to the improvements proposed to be constructed on the Property by the Purchaser, and as required by the California Environmental Quality Act, shall have been approved and certified by the City or Agency, as appropriate, and (ii) the City and all other governmental or quasi-governmental entities having jurisdiction thereover shall have approved the plan for development of the Property as proposed by the Purchaser. The Purchaser shall be responsible for the preparation of all documentation with respect to environmental review under the California Environmental Quality Act and all costs associated therewith (whether or not initially incurred by the City or the Agency).

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

2.5 Condition of Title; Survey; Title Insurance.

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

2.5.2 The Purchaser shall have until the expiration of the Due Diligence Period (the "**Review Period**") to disapprove any exceptions to title shown on the Title Report or reflected on the Survey (collectively, "**Disapproved Exceptions**") and to provide Agency with notice thereof describing the defect with reasonable particularity (the "**Disapproval Notice**"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after the Agency's receipt of the Disapproval Notice, the Agency shall notify the Purchaser whether or not the Agency intends to remove the Disapproved Exceptions. The Agency shall be under no obligation to remove any Disapproved Exception, but the Agency agrees to cooperate in good faith with the Purchaser in the Purchaser's efforts to eliminate any Disapproved Exception, provided the Agency is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception. If the Agency notifies the Purchaser that the Agency intends to eliminate any Disapproved Exception, the Agency shall do so concurrently with or prior to the Close of Escrow. If the Agency notifies the Purchaser that the Agency does not intend to eliminate any Disapproved Exception(s), the Purchaser, by notifying the Agency within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of the Deposit or take the Property subject to the Disapproved Exception(s). If Purchaser desires to terminate this Agreement, it shall be a condition of such termination that Purchaser deliver to Agency copies of all non-privileged third party due diligence reports and studies. Notwithstanding the foregoing, the Agency covenants to pay in full all loans secured by deeds of trust, any mechanics' and materialmen's liens, and any other monetary liens (other than liens for charges, assessments, taxes, and impositions subject to proration as provided in Section 2.6.2) (collectively, the "**Deemed Disapproved Exceptions**") prior to, or concurrently with, the Close of Escrow, and Escrow Holder is hereby directed to cause the same to be paid from the Purchase Price. The Title Policy shall include such endorsements as the Purchaser shall reasonably request. Any endorsements to the Title Policy are to be paid for by the Purchaser. Notwithstanding the foregoing, the Purchaser may notify the Agency of its disapproval of an exception to title (including exceptions reflected on the Survey) first raised by Title Company or the surveyor after the Review Period, or otherwise first disclosed to the Purchaser after the Review Period (collectively, the "**Additional Exceptions**")

within ten (10) days after the same was first raised or disclosed to the Purchaser in writing. With respect to Additional Exceptions disapproved by the Purchaser in such notice (which shall also be deemed Disapproved Exceptions), the Agency shall have the same option to eliminate such exceptions that applies to Disapproved Exceptions, and the Purchaser shall have the same option to accept title subject to such Additional Exceptions or to terminate this Agreement and receive a refund of the Deposit.

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

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

2.6 Escrow and Title Charges; Prorations.

2.6.1 The Agency shall pay all documentary transfer taxes and the coverage premiums on the standard CLTA Title Policy. Purchaser shall pay the costs of (i) any Survey obtained by the Purchaser, (ii) any endorsements to the Title Policy and (iii) any title insurance premiums for any coverage over and above the standard policy coverage on the CLTA Title Policy to be paid by the Agency. In addition, the Purchaser and the Agency shall each pay one-half of any and all other usual and customary costs, expense and charges relating to the escrow and conveyance of title to the Property, including without limitation, recording fees, document preparation charges and escrow fees. Each party shall be responsible for its own Transaction Costs.

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

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

2.7 Due Diligence Period; Access. During the period (the “**Due Diligence Period**”) commencing on the Effective Date and ending at 5:00 p.m. on the date which is ninety (90) days after the Effective Date, the Purchaser may inspect the Property as necessary to (i) approve all zoning and land use matters relating to the Property, (ii) approve the physical condition of the Property, and (iii) satisfy any due diligence requirements of the Purchaser’s lender, if any. Subject to the terms of the Right of Entry and Access Agreement in the form of which is attached hereto as Exhibit “C” (the “**Right of Entry Agreement**”), the Purchaser and its agents shall have the right to enter upon the Property during the Due Diligence Period to make inspections and other examinations of the Property and the improvements thereon, including without limitation, the right to perform surveys, soil and geological tests of the Property and the right to perform environmental site assessments and studies of the Property. Prior to the Purchaser’s entry upon the Property, the parties shall execute the Right of Entry Agreement. The Agency shall reasonably cooperate with the Purchaser in its conduct of the due diligence review during the Due Diligence Period. In the event the Purchaser does not approve of the condition of the Property by written notice to the Agency prior to the expiration of the Due Diligence Period, this Agreement shall terminate, the Deposit shall be returned to Purchaser (including any interest earned thereon) and, except as otherwise expressly stated in this Agreement, neither party shall have any further rights or obligations to the other party.

2.8 Condition of the Property. The Property shall be conveyed from the Agency to the Purchaser on an “AS IS” condition and basis with all faults and the Purchaser agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Purchaser and anyone claiming by, through or under the Purchaser hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the Agency’s Oversight Board, and their respective officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and assigns, and all persons, firms, corporations and organizations acting on the Agency’s, City’s or Oversight Board’s behalf (collectively, the “**Released Parties**”) from any and all claims, responsibility and/or liability that the Purchaser 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 Purchaser is presently unaware or which the Purchaser does not presently suspect to exist which, if known by the Purchaser, would materially affect the Purchaser’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 Purchaser to take such action as may be necessary to place the Property in a condition suitable for Purchaser’s intended use or uses. 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 PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE PURCHASER 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 PURCHASER 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, PURCHASER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Purchaser's Initials



The waivers and releases by the Purchaser 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.

Notwithstanding the foregoing, the waivers and releases contained in this Section 2.8 shall not apply to, nor shall the Released Parties be released from, any actual misrepresentation or act of fraud on their part.

2.9 Escrow Holder.

2.9.1 Escrow Holder is authorized and instructed to:

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

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

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

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

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

2.9.3 All communications from the Escrow Holder to the Agency or the Purchaser shall be directed to the addresses and in the manner established in Section 4.1 of this Agreement for notices, demands and communications between the Agency and the Purchaser.

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

ARTICLE 3 EVENTS OF DEFAULT, REMEDIES AND TERMINATION

3.1 Purchaser Events of Defaults. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of any applicable cure period, shall constitute a default ("**Purchaser Event of Default**") under this Agreement:

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

3.1.2 The Purchaser's failure to perform any requirement or obligation of Purchaser set forth herein, on or prior to the date for such performance set forth herein, and, so long as such failure is not caused by any wrongful act of the Agency or the City, the Purchaser's failure to cure such breach within thirty (30) days after receipt of written notice from the Agency of the Purchaser's breach; or

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

3.2 Agency Events of Default. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of the applicable cure period, shall constitute a default (“**Agency Event of Default**”, and together with the Purchaser Event of Default, a “**Default**”) under this Agreement:

3.2.1 The Agency, in violation of the applicable provision of this Agreement, fails to convey the Property to Purchaser at the Close of Escrow; or

3.2.2 The Agency breaches any other material provision of this Agreement.

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

3.3 Remedies in the Event of Default.

3.3.1 Remedies General. In the event of a breach or a default under this Agreement by either Purchaser or Agency, the non-defaulting party shall have the right to terminate this Agreement by providing ten (10) days written notice thereof to the defaulting party or, if Purchaser is the non-defaulting party, Purchaser as permitted by law may specifically enforce the provisions of this Agreement. If such breach or default is not cured within such ten (10) day period (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period), this Agreement and the Escrow for the purchase and sale of the Property shall terminate, and if Purchaser is the non-defaulting party, Purchaser shall thereupon promptly receive a refund of the Deposit and all interest accrued thereon. Except as herein otherwise expressly provided, such termination of the Escrow by a non-defaulting party shall be without prejudice to the non-defaulting party’s rights and remedies against the defaulting party at law or equity.

IF THE PURCHASER FAILS TO COMPLETE THE ACQUISITION OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF THE PURCHASER, IT IS AGREED THAT THE DEPOSIT SHALL BE NON-REFUNDABLE AND THE AGENCY SHALL BE ENTITLED TO SUCH DEPOSIT, WHICH AMOUNT SHALL BE ACCEPTED BY THE AGENCY AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS THE AGENCY'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO THE AGENCY PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ. THE AGENCY AND PURCHASER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES THE AGENCY WOULD SUFFER UPON THE PURCHASER'S FAILURE TO COMPLETE ITS ACQUISITION OF THE PROPERTY. THE PURCHASER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND THE PURCHASER AND AGENCY DESIRE TO AVOID THE COSTS AND DELAYS THEY

WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE THE AGENCY'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH, THE PURCHASER AND AGENCY AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:


Agency


Purchaser

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

3.5 Legal Actions.

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

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

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

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

3.7 Inaction Not a Waiver of Default. Except as expressly provided in this Agreement to the contrary, any failure or delay by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its rights to institute and maintain any actions or

proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

ARTICLE 4 GENERAL PROVISIONS

4.1 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, by nationally recognized overnight courier or by personal delivery, or by facsimile or email sent between 8:00 a.m. (Pacific time) and 5:00 p.m. (Pacific time) on a business day accompanied or preceded by a telephone call with the recipient alerting the recipient of the facsimile or email. Notices shall be considered given upon the earlier of (a) personal delivery, (b) three (3) business days following deposit in the United States mail, postage prepaid, certified or registered, return receipt requested, (c) the next business day after deposit with a nationally reorganized overnight courier, or (d) on the day of facsimile or email transmission, in each instance addressed to the recipient as set forth below. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice:

Agency: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-2211
Facsimile: (626) 961-6795
Email: kradecki@cityofindustry.org

with a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attention: Jim G. Grayson
Telephone: (213) 626-8484
Facsimile: (213) 626-0078
Email: jgrayson@rwglaw.com

Purchaser: R. Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801
Attention: Kimberly Yu
Robert Yu
Telephone: (626) 282-3100
Facsimile: (626) 282-6588
Email: Kimberlyyu@earthlink.net
Robertyu212@earthlink.net

with a copy to:

Thomas F. Zimmerman
Attorney at Law
1000 Dove Street
Suite 300
Newport Beach, California 92679
Telephone: (949) 340-0644
Facsimile (877) 828-0383
Email: tfz@cox.net

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

4.3 Purchaser's Warranties. The Purchaser warrants and represents to the City and the Agency as follows:

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

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

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

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

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

4.6 Attorneys' Fees. If any party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing party in any such action shall be entitled to its reasonable attorneys' fees to be paid by the losing party as fixed by the court. If the Agency, or the Purchaser, without fault, is made a party to any litigation instituted by or against the other party, such other party shall defend it against and save it harmless from all costs and expenses including reasonable attorney's fees incurred in connection with such litigation.

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

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

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

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

4.11 Survival. The provisions hereof shall not terminate but rather shall survive any conveyance hereunder and the delivery of all consideration.

4.12 Representations of Agency. The Agency warrants and represents to the Purchaser as follows:

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

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

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

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

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

(f) As of the Close of Escrow and to the actual knowledge of the Agency, the Agency has not received any written notice from any governmental entity, which it has not provided to the Purchaser, regarding (i) the violation of any law or governmental regulation, including, without limitation, any environmental law, with respect to the Property, or (ii) any investigation by any governmental entity with respect to whether the condition of the Property violates any environmental law.

As used in this Section 4.12, the phrase "to the actual knowledge of the Agency" shall mean the actual and current knowledge of Kevin Radecki. Kevin Radecki is primarily responsible for the management of the Property on behalf of the Agency. Kevin Radecki shall have no personal responsibility or liability with respect to the representation contained in Section 4.12(f) above.

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

4.14 No Third Party Beneficiaries other than City and Agency's Oversight Board. City and the Agency's Oversight Board are third party beneficiaries of this Agreement, with the right to enforce the provisions hereof. This Agreement is made and entered into for the sole protection and benefit of the parties, City and the Agency's Oversight Board and their successors and assigns. Except as expressly provided in this Agreement, to the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of and be enforceable by, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns. No other person shall have any right of action based upon any provision of this Agreement.

4.15 Independent Consideration. Contemporaneously with the execution and delivery of this Agreement, Purchaser has delivered to Agency, and Agency hereby acknowledges the receipt of, a check in the amount of One Hundred Dollars (\$100.00) ("**Independent Consideration**"), which amount the parties bargained for and agreed to as consideration for

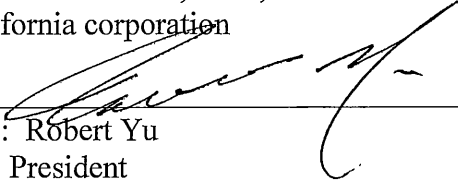
Developer's right to inspect and purchase the Property pursuant to this Agreement and for Agency's execution, delivery, and performance of this Agreement. The Independent Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is non-refundable, is fully earned, and shall be retained by Agency notwithstanding any other provision of this Agreement.

4.16 Assignment of Agreement. The Purchaser may assign its rights and obligations in whole, but not in part, under this Agreement upon giving at least ten (10) business days prior written notice to the Agency, and delivering to the Agency with such notice an executed assignment and assumption agreement under which the assignee accepts the assignment of this Agreement and agrees to be bound by all of the provisions hereof. Such assignment and assumption agreement shall also specify the address of the assignee to which notices shall be directed pursuant to Section 4.1. Agency hereby agrees to provide written acknowledgement of such executed assignment and assumption agreement within five (5) business days of Agency's receipt of such notice.

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

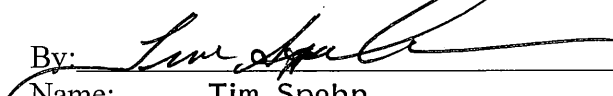
PURCHASER

R.Y. PROPERTIES, INC.,
a California corporation


By: 
Name: Robert Yu
Title: President

AGENCY

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: 
Name: Tim Spohn
Title: Chairman

ATTEST:


Assistant Secretary

APPROVED AS TO FORM:

Richards, Watson & Gershon,
a professional corporation

By: 
Agency Attorney

LIST OF EXHIBITS

- Exhibit "A" Legal Description of the Property
- Exhibit "B" Form of Grant Deed
- Exhibit "C" Form of Right of Entry Agreement
- Exhibit "D" Form of General Assignment

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

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

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14°17'07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11°18'59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

Page 5 of 6

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

CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ___ February 19, 2015

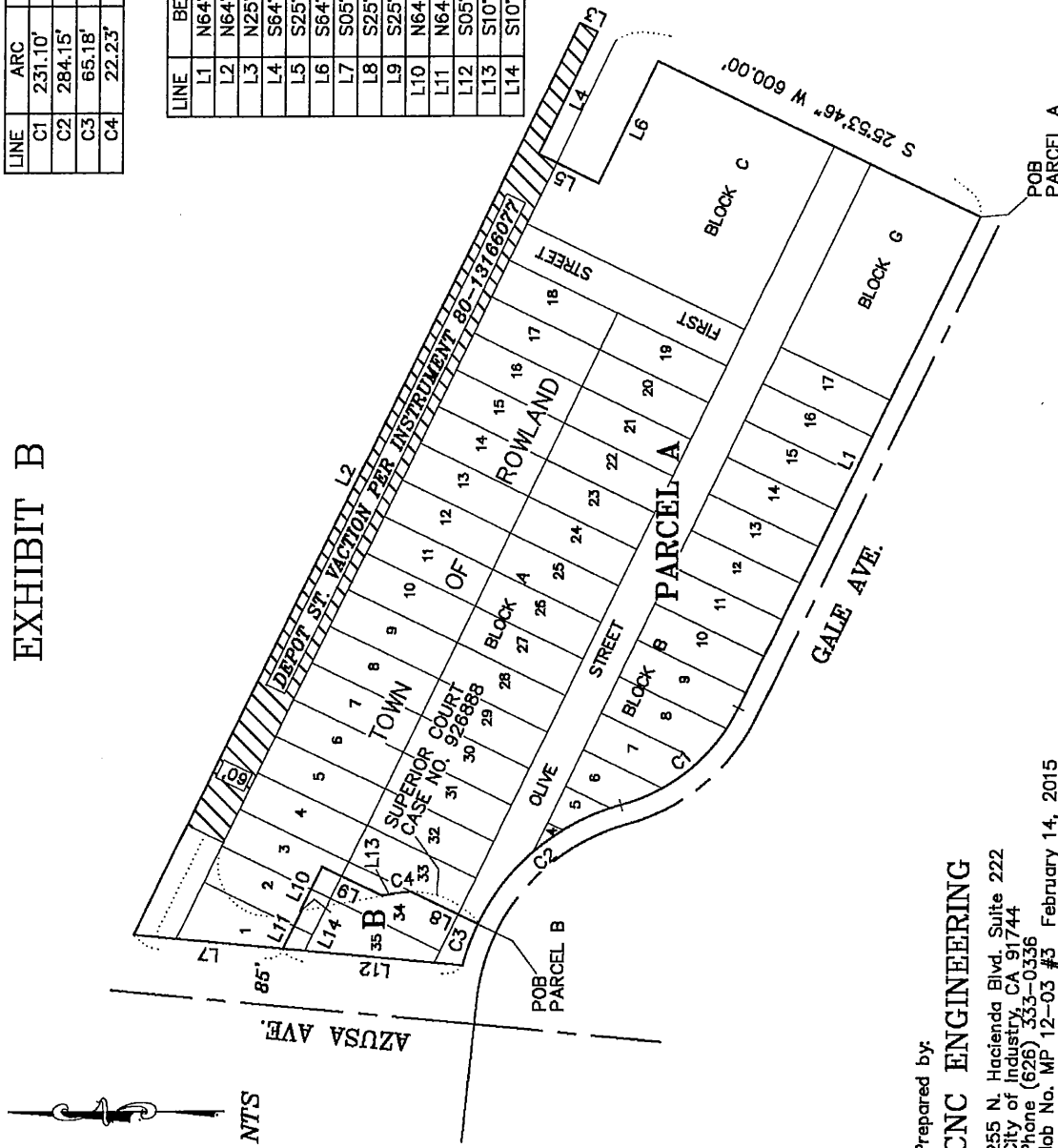
Page 6 of 6

A-7

EXHIBIT B

LINE	ARC	RADIUS	DELTA
C1	231.10'	270.00'	49°02'24"
C2	284.15'	330.00'	49°20'04"
C3	65.18'	330.00'	11°18'59"
C4	22.23'	130.00'	9°47'47"

LINE	BEARING	DISTANCE
L1	N64°06'14"W	805.15'
L2	N64°06'14"W	1495.32'
L3	N25°53'46"E	30.00'
L4	S64°06'14"E	200.00'
L5	S25°53'46"W	100.00'
L6	S64°06'14"E	200.00'
L7	S05°32'45"W	223.98'
L8	S25°53'46"W	110.94'
L9	S25°53'46"W	98.44'
L10	N64°06'14"W	72.18'
L11	N64°06'14"W	62.76'
L12	S05°32'45"W	266.71'
L13	S10°21'16"E	21.05'
L14	S10°21'16"E	2.48'



Legal No. 1012
SHEET 1 OF 1

Prepared by:
CNC ENGINEERING
255 N. Hacienda Blvd, Suite 222
City of Industry, CA 91744
Phone (626) 333-0336
Job No. MP 12-03 #3 February 14, 2015

EXHIBIT "B"

FORM OF GRANT DEED

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED RETURN TO:

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

APN:

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

GRANT DEED

Documentary Transfer Tax: \$ _____

THE UNDERSIGNED GRANTOR DECLARES:

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

This Grant Deed of the Site is subject to the provisions of a Purchase and Sale Agreement [17201 and 17301 Gale Avenue] (the "**Agreement**") entered into by and between the Grantor and Grantee dated as of _____, 2015, the terms of which are incorporated herein by reference. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement. A copy of the Agreement is available for public inspection at the offices of the Grantor located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The Site is conveyed further subject to all easements, rights of way, covenants, conditions, restrictions, reservations and all other matters of record, and the following conditions, covenants and agreements.

1. The Grantee covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis

listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed.

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

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

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

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

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and

paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased.

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

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

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

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

4. The covenants contained in Paragraphs 1 and 2 of this Grant Deed shall remain in effect in perpetuity except as otherwise expressly set forth therein.

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

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

GRANTOR:

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

GRANTEE:

R.Y. PROPERTIES, INC.,
a California corporation

By: _____
Name: Robert Yu
Title: President

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

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

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

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit A
LEGAL DESCRIPTION

(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

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

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14°17'07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11°18'59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

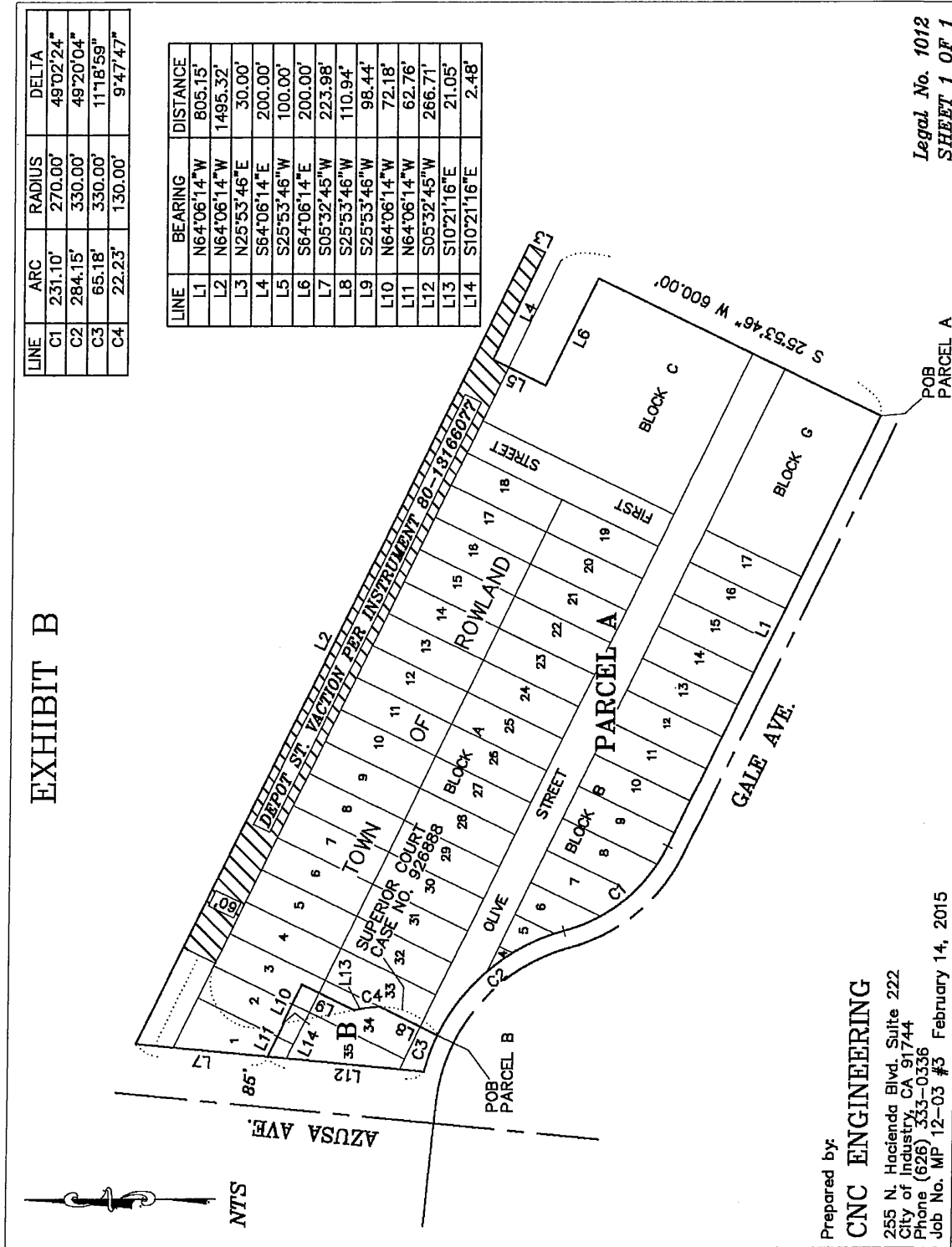
Page 5 of 6

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

CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ____ February 19, 2015

Page 6 of 6

B-13



Prepared by:
CNC ENGINEERING
 255 N. Hacienda Blvd, Suite 222
 City of Industry, CA 91744
 Phone (626) 333-0336
 Job No. MP 12-03 #3 February 14, 2015

EXHIBIT "C"

RIGHT OF ENTRY AND ACCESS AGREEMENT

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "Agreement") is made and entered into as of _____, 2015, by the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body, corporate and politic (herein called "**Grantor**"), and **R.Y. PROPERTIES, INC.**, a California corporation (herein called "**Grantee**").

WITNESSETH:

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

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

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

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

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

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

1. Access by Grantee.

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

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

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

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

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

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

6. Notices. Whenever any notice, demand, or request is required or permitted under this Agreement, such notice, demand, or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or shall be sent by nationally recognized commercial courier for next business day delivery, to the addresses set forth below the respective executions of the parties hereof, or to such other addresses as are specified by written notice given in accordance herewith, or shall be transmitted by facsimile to the number for each party set forth below their respective executions hereof, or to such other numbers as are specified by written notice given in accordance herewith. All notices, demands, or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given on the date of deposit with the commercial courier; and those given by facsimile shall be deemed given on the date of facsimile transmittal. Nonetheless, the time period, if any, in which a response to any notice, demand, or request must be given shall commence to run from the date of receipt of the notice, demand, or request by the addressee thereof. Any notice, demand, or request not received because of changed address or facsimile number of which no notice was given as hereinabove provided or because of refusal to accept delivery shall be deemed received by the party to whom addressed on the date of hand delivery, on the date of facsimile transmittal, on the first calendar day after deposit with commercial courier, or on the third calendar day following deposit in the United States Mail, as the case may be.

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

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

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

10. No Recording of Agreement or Memorandum of Agreement. In no event shall this Agreement or any memorandum hereof be recorded in the Official Records of Los Angeles County, California, and any such recordation or attempted recordation shall constitute a breach of this Agreement by the party responsible for such recordation or attempted recordation.

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

GRANTEE:

R. Y. PROPERTIES, INC.,
a California corporation

By: _____
Name: Robert Yu
Title: President

Address for notices: R. Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801
Attention: Kimberly Yu
Robert Yu
Telephone: (626) 282-3100
Facsimile: (626) 282-6588
Email: Kimberlyyu@earthlink.net
Robertyu212@earthlink.net

with a copy to: Thomas F. Zimmerman
Attorney at Law
1000 Dove Street
Suite 300
Newport Beach, California 92679
Telephone: (949) 340-0644
Facsimile (877) 828-0383
Email: tfz@cox.net

(Signatures continued)

GRANTOR:

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY

By: _____

Name: _____

Title: _____

Address for notices: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-1480
Facsimile: (626) 336-4273

With a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attn.: Jim G. Grayson, Esq.
Telephone: (213) 626-8484
Facsimile: (213) 626-0078

Exhibit A
LEGAL DESCRIPTION

(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

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

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14° 17' 07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11° 18' 59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

Page 5 of 6

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

CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ___ February 19, 2015

Page 6 of 6

C-12

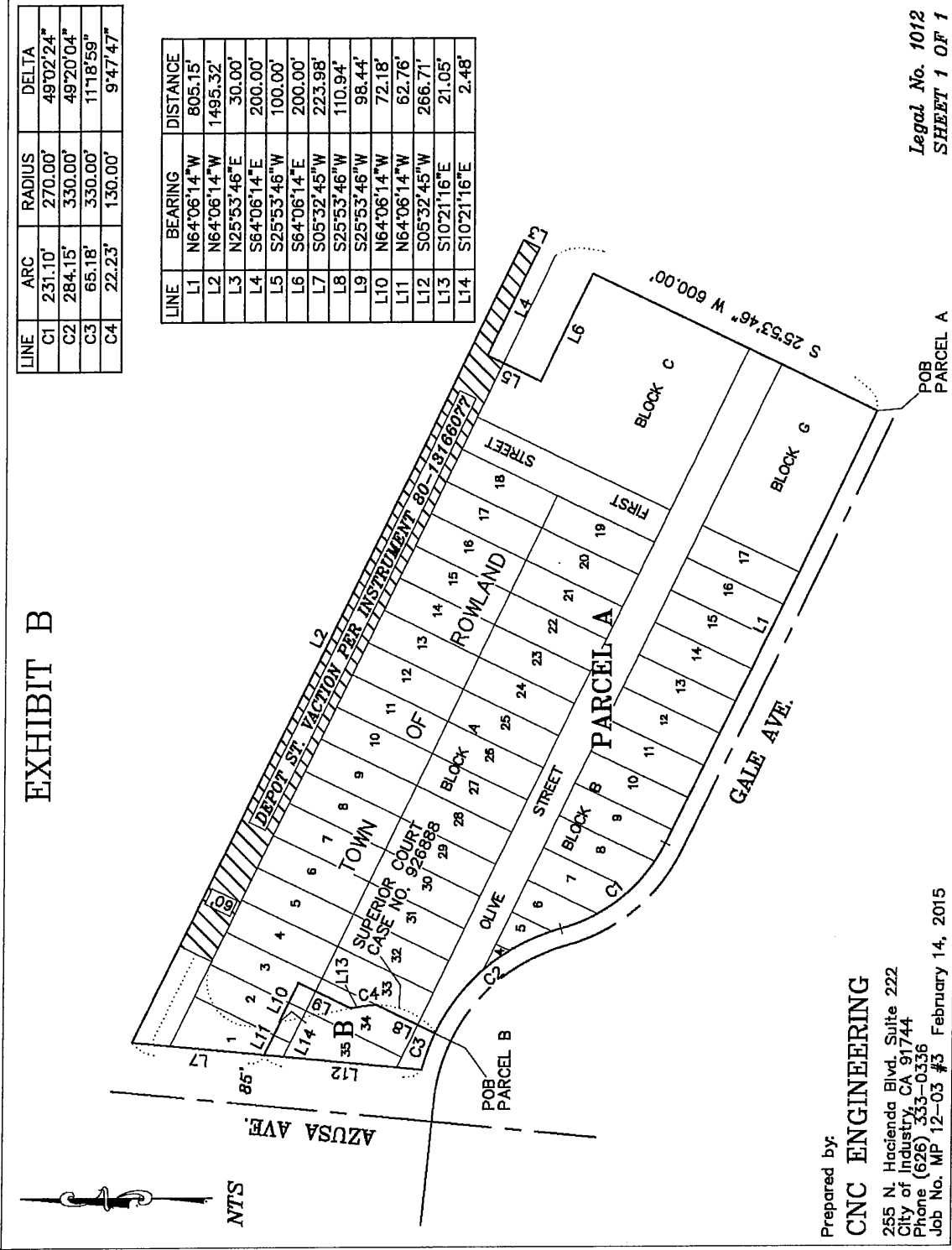


EXHIBIT "D"

FORM OF GENERAL ASSIGNMENT

This GENERAL ASSIGNMENT ("**Assignment**") is made as of _____, 2015, between **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** ("**Assignor**"), and **R.Y. PROPERTIES, INC.**, a California corporation ("**Assignee**").

RECITALS

A. Assignor and Assignee are parties to that certain Purchase and Sale Agreement dated as of _____, 2015 (the "**Purchase Agreement**"), pursuant to which Assignee has agreed to purchase from Assignor, among other things, all of Assignor's right, title and interest in and to certain Real Property more particularly described therein, and to the extent assignable to Assignee, all of Assignor's right, title and interest in and to the Appurtenances (as hereinafter defined). Unless otherwise expressly provided herein, capitalized terms used in this Assignment shall have the meaning ascribed to such terms in the Purchase Agreement. For purposes hereof, "**Appurtenances**" means all of the Assignor's right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Assignor): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Assignee by or on behalf of the Assignor prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits, applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

B. This Assignment is made pursuant to, and is therefore subject to the terms of, the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignment of Appurtenances. Assignor hereby assigns, transfers, sets over and delivers to Assignee, to the extent assignable to Assignee, all of Assignor's right, title and interest, if any, in and to the Appurtenances. Assignor makes no representation or warranty of any kind to Assignee with respect to the Appurtenances other than as may expressly be set forth in the Purchase Agreement.

2. Assumption of Obligations. By execution of this Assignment, Assignee hereby accepts the assignment made by Assignor under Section 1 hereof and hereby assumes and agrees to perform and to be bound by all of the terms, covenants, conditions and obligations imposed upon the holder of Assignor's position under and in the Appurtenances arising on or after the date hereof.

3. Governing Law. This Assignment shall be governed by the laws of the State of California.

4. Binding Effect. This Assignment and the provisions contained herein shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

5. Attorneys' Fees. In the event of any legal action (including, but not limited to, appellate and bankruptcy proceedings) between or with respect to Assignor and/or Assignee arising out of or in connection with this Assignment, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs of suit.

6. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

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

ASSIGNOR:

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT
AGENCY

ASSIGNEE:

R.Y. PROPERTIES, INC.,
a California corporation

By: _____
Name: _____
Title: _____

By: _____
Name: Robert Yu
Title: President

EXHIBIT B

Assignment and Assumption of Interest

[Attached]

ASSIGNMENT AND ASSUMPTION OF INTEREST

by and between

CITY OF INDUSTRY

and

R.Y. PROPERTIES, INC.

THIS ASSIGNMENT AND ASSUMPTION OF INTEREST (this “**Assignment**”) is entered into as of this 11th day of August, 2016 (the “**Effective Date**”) by and between the CITY OF INDUSTRY, a California municipal corporation (“**Assignee**”) and R.Y. PROPERTIES, INC., a California corporation (“**Assignor**”). Assignor and Assignee are hereinafter collectively referred to as the “**Parties**” and individually as “Party.”

RECITALS

A. Assignor, as “Buyer”, entered into a Purchase and Sale Agreement dated March 18, 2015 (the “**Agreement**”), attached hereto as “Exhibit A,” with the Successor Agency to the Industry Urban-Development Agency (the “**Agency**”).

B. The Agreement was executed with respect to certain real property located at 17201 & 17301 Gale Avenue, Industry, California 91748 (the “**Property**”), as more particularly described in “Exhibit B.”

C. Section 4.16 of the Agreement (the “**Assignment Clause**”) states: “Assignment of Agreement. The Purchaser may assign its rights and obligations in whole, but not in part, under this Agreement upon giving at least ten (10) business days’ prior written notice to the Agency, and delivering to the Agency with such notice an executed assignment and assumption agreement under which the assignee accepts the assignment of this Agreement and agrees to be bound by all the provisions hereof. Such assignment and assumption agreement shall also specify the address of the assignee to which notices shall be directed pursuant to Section 4.1. Agency hereby agrees to provide written acknowledgement of such executed assignment and assumption agreement within five (5) business days of Agency’s receipt of such notice.”

D. The Assignor wishes to exercise its rights under the Assignment Clause and assign its interest in the Agreement to the Assignee and the Assignee wishes to accept the Assignor’s rights under the 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. The introductory paragraph and Recitals above are incorporated into this Assignment by this reference as if fully set forth herein.

2. Assignment. Assignor hereby assigns, transfers, and conveys its rights and obligations under the Agreement to Assignee. Assignee hereby assumes all of the Assignor’s rights and obligations under the Agreement.

3. Condition. This Assignment is not enforceable until the expiration of at least ten (10) business days after Assignee delivers written notice of its intent to assign its interest in the Property alongside an executed original of this Assignment to the Successor Agency.

4. Option to Purchase. Assignor will have the option to purchase the Property from the Assignee for Sixteen Million Dollars (\$16,000,000.00) (the “**Option**”). The Option will automatically terminate if

Assignor fails to exercise the Option within one year of the Effective Date of this Assignment or if the Property is sold to another purchaser.

5. Reimbursement of Deposit. Pursuant to Section 2.3.2 of the Agreement, upon the Close of Escrow, Assignee will pay Assignor Eight Hundred Thousand Dollars (\$800,000.00) as a reimbursement for the Deposit paid by Assignor under Section 2.2.1 of the Agreement.

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

with a copy to: James M. Casso, City Attorney
Casso & Sparks, LLP
13200 Crossroads Parkway North
Suite 345
City of Industry, California 91746

Developer: Robert Yu, President
R.Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801

7. 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.

8. Indemnification. Assignor agrees to indemnify, defend, and hold harmless, Assignee and its officials, employees and agents, from any and all cost, liability, loss, damage or expense, including, without limitations attorneys' fees, accruing or to be performed prior to the date of execution of this assignment and arising out of the Assignor's failure to fulfill its obligations under the Assignment.

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 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 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. 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.

13. Exhibits. References herein to exhibits are to "Exhibit A" and "Exhibit B" attached hereto and are hereby incorporated by this reference.

14. Agency. 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 FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Assignment as of the Effective Date.

CITY:

CITY OF INDUSTRY, a California municipal corporation,

By: _____
Mark D. Radecki, Mayor

ATTEST:

By: _____
Cecelia Dunlap, Deputy City Clerk

APPROVED AS TO FORM:

By: _____
James M. Casso, City Attorney

DEVELOPER:

R.Y. PROPERTIES, INC., a California corporation,

By: _____
Robert Yu, President

EXHIBIT A
PURCHASE AND SALE AGREEMENT

**PURCHASE AND SALE AGREEMENT
[17201 AND 17301 GALE AVENUE]**

THIS PURCHASE AND SALE AGREEMENT [17201 AND 17301 GALE AVENUE] (this “**Agreement**”), dated as of March 18, 2015 (the “**Effective Date**”) is entered into by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the “**Agency**”), and **R.Y. PROPERTIES, INC.**, a California corporation (the “**Purchaser**”). The Agency and the Purchaser are hereinafter sometimes individually referred to as a “**party**” and collectively referred to as the “**parties**”.

RECITALS

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

The Agency owns the fee interest in that certain real property (the “**Real Property**”) located in the City of Industry, County of Los Angeles, State of California, as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (such real property together with all improvements located thereon and the Appurtenances, as defined in Section 1.1.3, is referred to herein as the “**Property**”). The Purchaser wishes to acquire fee title to the Property from the Agency.

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

**ARTICLE 1
DEFINITIONS**

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

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

1.1.2 Agreement means this Purchase and Sale Agreement.

1.1.3 Appurtenances means all of the Agency’s right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Agency): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Purchaser by or on behalf of the Agency prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits,

applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

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

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

1.1.6 Deemed Disapproved Exceptions is defined in Section 2.5.2.

1.1.7 Default is defined in Section 3.2.

1.1.8 Deposit is defined in Section 2.2.1.

1.1.9 Disapproved Exceptions is defined in Section 2.5.2.

1.1.10 Disapproval Notice is defined in Section 2.5.2.

1.1.11 Due Diligence Period is defined in Section 2.7.

1.1.12 Escrow is defined in Section 2.3.1.

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

1.1.14 General Assignment means the General Assignment attached hereto as Exhibit "D".

1.1.15 Grant Deed is defined in Section 2.5.3.

1.1.16 Hazardous Materials means any chemical, material or substance now or hereafter defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "pollutant or contaminant," "imminently hazardous chemical substance or mixture," "hazardous air pollutant," "toxic pollutant," or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Property, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq. ("CERCLA"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; and the Resource

Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq. The term “**Hazardous Materials**” shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. § 2012, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyl’s; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Property, to adjacent properties, or to persons on or about the Property, (ii) which causes the Property to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Property requires investigation, reporting or remediation under any such laws or regulations.

1.1.17 Outside Date is defined in Section 2.3.2.

1.1.18 Property is defined in the first Recital.

1.1.19 Purchase Price is defined in Section 2.1.

1.1.20 Purchaser means R.Y. Properties, Inc., a California Corporation. The principal office of the Purchaser for purposes of this Agreement is 212 South Palm Avenue, Suite 200, Alhambra, California 91801.

1.1.21 Released Parties is defined in Section 2.8.

1.1.22 Review Period is defined in Section 2.5.2.

1.1.23 Right of Entry Agreement is defined in Section 2.7.

1.1.24 Survey is defined in Section 2.5.1.

1.1.25 Title Company is defined in Section 2.5.4.

1.1.26 Title Policy is defined in Section 2.5.4.

1.1.27 Title Report is defined in Section 2.5.1.

1.1.28 Transaction Costs means all costs incurred by either party in entering into this transaction and closing Escrow, including but not limited to escrow fees and costs, attorney’s fees, staff time, appraisal costs, and costs of financial advisors and other consultants.

ARTICLE 2
PURCHASE AND SALE OF THE PROPERTY

2.1 Purchase and Sale. The Agency agrees to sell the Property to the Purchaser, and the Purchaser agrees to purchase the Property from the Agency, for the sum of Sixteen Million Dollars (\$16,000,000.00) (the "**Purchase Price**"). In addition, Purchaser shall reimburse the Agency a total amount not to exceed Fifteen Thousand Dollars (\$15,000.00) for the Agency's costs of obtaining an appraisal of the Property and the Agency's legal costs in connection with this Agreement and the disposition of the Property under this Agreement (the "**Disposition Costs**") and will be paid by Purchaser to Agency at the Closing through the Escrow (as hereinafter defined).

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

2.2.1 Deposit. Within five (5) business days following the opening of Escrow, Purchaser shall deposit with Escrow Holder the sum of One Hundred Sixty Thousand Dollars (\$160,000.00), and unless Purchaser terminates this Agreement during the Due Diligence Period under Section 2.7 below, Purchaser shall deposit with Escrow Holder an additional Six Hundred Forty Thousand Dollars (\$640,000.00) within five (5) business days following the Due Diligence Period, all in the form of certified or bank cashier's checks made payable to Escrow Holder or by confirmed wire transfers of funds (collectively, the "**Deposit**"). The Deposit shall be invested by Escrow Holder in an interest bearing account acceptable to Purchaser and Agency with all interest accruing thereon to be credited to the Purchase Price upon the Close of Escrow. Except as otherwise provided herein, the Deposit shall be applicable in full towards the Purchase Price upon Closing.

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

2.3 Escrow.

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

2.3.2 Close of Escrow. "**Close of Escrow**" or "**Closing**" means the date Escrow Holder causes the Grant Deed (as hereinafter defined) to be recorded in the Official Records of the County of Los Angeles and delivers the Purchase Price and Disposition Costs (less any costs, expenses and prorations payable by the Agency) to the Agency. Possession of the Property shall

be delivered to the Purchaser on the Close of Escrow. Notwithstanding anything to the contrary contained herein, the Close of Escrow shall occur within the earlier to occur of (i) thirty (30) days following the satisfaction or waiver of all of the conditions to the close of Escrow set forth in Section 2.4, or (ii) twelve (12) months following the expiration of the Due Diligence Period (the "**Outside Date**") or this Agreement shall automatically terminate; provided, however, the Outside Date may be extended upon written consent of the Purchaser and the Executive Director of the Agency, which consent may be given or withheld in the exercise of their sole discretion. If the Closing does not occur on or before the Outside Date due to a default by either party, then the defaulting party shall pay all Escrow cancellation fees (and if the defaulting party is the Purchaser, then the Agency shall be entitled to the Deposit under Section 3.3.1). If the Closing does not occur due to a termination by Purchaser under Section 2.5.2, then the Deposit shall be returned to Purchaser, and Purchaser shall pay all Escrow cancellation fees (which may be deducted from the Deposit). If the Closing does not occur for any other reason, then this Agreement shall automatically terminate, the Deposit shall be promptly returned to the Purchaser, and each party shall pay one half (1/2) of any Escrow cancellation charges.

2.3.3 Delivery of Closing Documents.

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

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

(ii) Two (2) duly executed original counterparts of the General Assignment;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2.4.10 For the sole benefit of the Purchaser, (i) an environmental impact report, or other appropriate environmental review, pertaining to the improvements proposed to be constructed on the Property by the Purchaser, and as required by the California Environmental Quality Act, shall have been approved and certified by the City or Agency, as appropriate, and (ii) the City and all other governmental or quasi-governmental entities having jurisdiction thereover shall have approved the plan for development of the Property as proposed by the Purchaser. The Purchaser shall be responsible for the preparation of all documentation with respect to environmental review under the California Environmental Quality Act and all costs associated therewith (whether or not initially incurred by the City or the Agency).

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

2.5 Condition of Title; Survey; Title Insurance.

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

2.5.2 The Purchaser shall have until the expiration of the Due Diligence Period (the "**Review Period**") to disapprove any exceptions to title shown on the Title Report or reflected on the Survey (collectively, "**Disapproved Exceptions**") and to provide Agency with notice thereof describing the defect with reasonable particularity (the "**Disapproval Notice**"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after the Agency's receipt of the Disapproval Notice, the Agency shall notify the Purchaser whether or not the Agency intends to remove the Disapproved Exceptions. The Agency shall be under no obligation to remove any Disapproved Exception, but the Agency agrees to cooperate in good faith with the Purchaser in the Purchaser's efforts to eliminate any Disapproved Exception, provided the Agency is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception. If the Agency notifies the Purchaser that the Agency intends to eliminate any Disapproved Exception, the Agency shall do so concurrently with or prior to the Close of Escrow. If the Agency notifies the Purchaser that the Agency does not intend to eliminate any Disapproved Exception(s), the Purchaser, by notifying the Agency within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of the Deposit or take the Property subject to the Disapproved Exception(s). If Purchaser desires to terminate this Agreement, it shall be a condition of such termination that Purchaser deliver to Agency copies of all non-privileged third party due diligence reports and studies. Notwithstanding the foregoing, the Agency covenants to pay in full all loans secured by deeds of trust, any mechanics' and materialmen's liens, and any other monetary liens (other than liens for charges, assessments, taxes, and impositions subject to proration as provided in Section 2.6.2) (collectively, the "**Deemed Disapproved Exceptions**") prior to, or concurrently with, the Close of Escrow, and Escrow Holder is hereby directed to cause the same to be paid from the Purchase Price. The Title Policy shall include such endorsements as the Purchaser shall reasonably request. Any endorsements to the Title Policy are to be paid for by the Purchaser. Notwithstanding the foregoing, the Purchaser may notify the Agency of its disapproval of an exception to title (including exceptions reflected on the Survey) first raised by Title Company or the surveyor after the Review Period, or otherwise first disclosed to the Purchaser after the Review Period (collectively, the "**Additional Exceptions**")

within ten (10) days after the same was first raised or disclosed to the Purchaser in writing. With respect to Additional Exceptions disapproved by the Purchaser in such notice (which shall also be deemed Disapproved Exceptions), the Agency shall have the same option to eliminate such exceptions that applies to Disapproved Exceptions, and the Purchaser shall have the same option to accept title subject to such Additional Exceptions or to terminate this Agreement and receive a refund of the Deposit.

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

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

2.6 Escrow and Title Charges; Prorations.

2.6.1 The Agency shall pay all documentary transfer taxes and the coverage premiums on the standard CLTA Title Policy. Purchaser shall pay the costs of (i) any Survey obtained by the Purchaser, (ii) any endorsements to the Title Policy and (iii) any title insurance premiums for any coverage over and above the standard policy coverage on the CLTA Title Policy to be paid by the Agency. In addition, the Purchaser and the Agency shall each pay one-half of any and all other usual and customary costs, expense and charges relating to the escrow and conveyance of title to the Property, including without limitation, recording fees, document preparation charges and escrow fees. Each party shall be responsible for its own Transaction Costs.

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

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

2.7 Due Diligence Period; Access. During the period (the “**Due Diligence Period**”) commencing on the Effective Date and ending at 5:00 p.m. on the date which is ninety (90) days after the Effective Date, the Purchaser may inspect the Property as necessary to (i) approve all zoning and land use matters relating to the Property, (ii) approve the physical condition of the Property, and (iii) satisfy any due diligence requirements of the Purchaser’s lender, if any. Subject to the terms of the Right of Entry and Access Agreement in the form of which is attached hereto as Exhibit “C” (the “**Right of Entry Agreement**”), the Purchaser and its agents shall have the right to enter upon the Property during the Due Diligence Period to make inspections and other examinations of the Property and the improvements thereon, including without limitation, the right to perform surveys, soil and geological tests of the Property and the right to perform environmental site assessments and studies of the Property. Prior to the Purchaser’s entry upon the Property, the parties shall execute the Right of Entry Agreement. The Agency shall reasonably cooperate with the Purchaser in its conduct of the due diligence review during the Due Diligence Period. In the event the Purchaser does not approve of the condition of the Property by written notice to the Agency prior to the expiration of the Due Diligence Period, this Agreement shall terminate, the Deposit shall be returned to Purchaser (including any interest earned thereon) and, except as otherwise expressly stated in this Agreement, neither party shall have any further rights or obligations to the other party.

2.8 Condition of the Property. The Property shall be conveyed from the Agency to the Purchaser on an “AS IS” condition and basis with all faults and the Purchaser agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Purchaser and anyone claiming by, through or under the Purchaser hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the Agency’s Oversight Board, and their respective officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and assigns, and all persons, firms, corporations and organizations acting on the Agency’s, City’s or Oversight Board’s behalf (collectively, the “**Released Parties**”) from any and all claims, responsibility and/or liability that the Purchaser 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 Purchaser is presently unaware or which the Purchaser does not presently suspect to exist which, if known by the Purchaser, would materially affect the Purchaser’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 Purchaser to take such action as may be necessary to place the Property in a condition suitable for Purchaser’s intended use or uses. 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 PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE PURCHASER 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 PURCHASER 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, PURCHASER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Purchaser's Initials



The waivers and releases by the Purchaser 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.

Notwithstanding the foregoing, the waivers and releases contained in this Section 2.8 shall not apply to, nor shall the Released Parties be released from, any actual misrepresentation or act of fraud on their part.

2.9 Escrow Holder.

2.9.1 Escrow Holder is authorized and instructed to:

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

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

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

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

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

2.9.3 All communications from the Escrow Holder to the Agency or the Purchaser shall be directed to the addresses and in the manner established in Section 4.1 of this Agreement for notices, demands and communications between the Agency and the Purchaser.

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

ARTICLE 3 EVENTS OF DEFAULT, REMEDIES AND TERMINATION

3.1 Purchaser Events of Defaults. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of any applicable cure period, shall constitute a default ("**Purchaser Event of Default**") under this Agreement:

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

3.1.2 The Purchaser's failure to perform any requirement or obligation of Purchaser set forth herein, on or prior to the date for such performance set forth herein, and, so long as such failure is not caused by any wrongful act of the Agency or the City, the Purchaser's failure to cure such breach within thirty (30) days after receipt of written notice from the Agency of the Purchaser's breach; or

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

3.2 Agency Events of Default. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of the applicable cure period, shall constitute a default (“**Agency Event of Default**”, and together with the Purchaser Event of Default, a “**Default**”) under this Agreement:

3.2.1 The Agency, in violation of the applicable provision of this Agreement, fails to convey the Property to Purchaser at the Close of Escrow; or

3.2.2 The Agency breaches any other material provision of this Agreement.

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

3.3 Remedies in the Event of Default.

3.3.1 Remedies General. In the event of a breach or a default under this Agreement by either Purchaser or Agency, the non-defaulting party shall have the right to terminate this Agreement by providing ten (10) days written notice thereof to the defaulting party or, if Purchaser is the non-defaulting party, Purchaser as permitted by law may specifically enforce the provisions of this Agreement. If such breach or default is not cured within such ten (10) day period (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period), this Agreement and the Escrow for the purchase and sale of the Property shall terminate, and if Purchaser is the non-defaulting party, Purchaser shall thereupon promptly receive a refund of the Deposit and all interest accrued thereon. Except as herein otherwise expressly provided, such termination of the Escrow by a non-defaulting party shall be without prejudice to the non-defaulting party’s rights and remedies against the defaulting party at law or equity.

IF THE PURCHASER FAILS TO COMPLETE THE ACQUISITION OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF THE PURCHASER, IT IS AGREED THAT THE DEPOSIT SHALL BE NON-REFUNDABLE AND THE AGENCY SHALL BE ENTITLED TO SUCH DEPOSIT, WHICH AMOUNT SHALL BE ACCEPTED BY THE AGENCY AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS THE AGENCY'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO THE AGENCY PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ. THE AGENCY AND PURCHASER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES THE AGENCY WOULD SUFFER UPON THE PURCHASER'S FAILURE TO COMPLETE ITS ACQUISITION OF THE PROPERTY. THE PURCHASER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND THE PURCHASER AND AGENCY DESIRE TO AVOID THE COSTS AND DELAYS THEY

WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE THE AGENCY'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH, THE PURCHASER AND AGENCY AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:


Agency


Purchaser

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

3.5 Legal Actions.

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

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

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

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

3.7 Inaction Not a Waiver of Default. Except as expressly provided in this Agreement to the contrary, any failure or delay by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its rights to institute and maintain any actions or

proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

ARTICLE 4 GENERAL PROVISIONS

4.1 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, by nationally recognized overnight courier or by personal delivery, or by facsimile or email sent between 8:00 a.m. (Pacific time) and 5:00 p.m. (Pacific time) on a business day accompanied or preceded by a telephone call with the recipient alerting the recipient of the facsimile or email. Notices shall be considered given upon the earlier of (a) personal delivery, (b) three (3) business days following deposit in the United States mail, postage prepaid, certified or registered, return receipt requested, (c) the next business day after deposit with a nationally reorganized overnight courier, or (d) on the day of facsimile or email transmission, in each instance addressed to the recipient as set forth below. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice:

Agency: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-2211
Facsimile: (626) 961-6795
Email: kradecki@cityofindustry.org

with a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attention: Jim G. Grayson
Telephone: (213) 626-8484
Facsimile: (213) 626-0078
Email: jgrayson@rwglaw.com

Purchaser: R. Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801
Attention: Kimberly Yu
Robert Yu
Telephone: (626) 282-3100
Facsimile: (626) 282-6588
Email: Kimberlyyu@earthlink.net
Robertyu212@earthlink.net

with a copy to:

Thomas F. Zimmerman
Attorney at Law
1000 Dove Street
Suite 300
Newport Beach, California 92679
Telephone: (949) 340-0644
Facsimile (877) 828-0383
Email: tfz@cox.net

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

4.3 Purchaser's Warranties. The Purchaser warrants and represents to the City and the Agency as follows:

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

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

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

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

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

4.6 Attorneys' Fees. If any party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing party in any such action shall be entitled to its reasonable attorneys' fees to be paid by the losing party as fixed by the court. If the Agency, or the Purchaser, without fault, is made a party to any litigation instituted by or against the other party, such other party shall defend it against and save it harmless from all costs and expenses including reasonable attorney's fees incurred in connection with such litigation.

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

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

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

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

4.11 Survival. The provisions hereof shall not terminate but rather shall survive any conveyance hereunder and the delivery of all consideration.

4.12 Representations of Agency. The Agency warrants and represents to the Purchaser as follows:

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

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

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

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

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

(f) As of the Close of Escrow and to the actual knowledge of the Agency, the Agency has not received any written notice from any governmental entity, which it has not provided to the Purchaser, regarding (i) the violation of any law or governmental regulation, including, without limitation, any environmental law, with respect to the Property, or (ii) any investigation by any governmental entity with respect to whether the condition of the Property violates any environmental law.

As used in this Section 4.12, the phrase "to the actual knowledge of the Agency" shall mean the actual and current knowledge of Kevin Radecki. Kevin Radecki is primarily responsible for the management of the Property on behalf of the Agency. Kevin Radecki shall have no personal responsibility or liability with respect to the representation contained in Section 4.12(f) above.

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

4.14 No Third Party Beneficiaries other than City and Agency's Oversight Board. City and the Agency's Oversight Board are third party beneficiaries of this Agreement, with the right to enforce the provisions hereof. This Agreement is made and entered into for the sole protection and benefit of the parties, City and the Agency's Oversight Board and their successors and assigns. Except as expressly provided in this Agreement, to the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of and be enforceable by, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns. No other person shall have any right of action based upon any provision of this Agreement.

4.15 Independent Consideration. Contemporaneously with the execution and delivery of this Agreement, Purchaser has delivered to Agency, and Agency hereby acknowledges the receipt of, a check in the amount of One Hundred Dollars (\$100.00) ("**Independent Consideration**"), which amount the parties bargained for and agreed to as consideration for

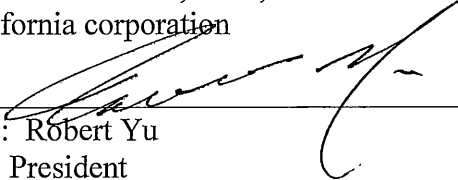
Developer's right to inspect and purchase the Property pursuant to this Agreement and for Agency's execution, delivery, and performance of this Agreement. The Independent Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is non-refundable, is fully earned, and shall be retained by Agency notwithstanding any other provision of this Agreement.

4.16 Assignment of Agreement. The Purchaser may assign its rights and obligations in whole, but not in part, under this Agreement upon giving at least ten (10) business days prior written notice to the Agency, and delivering to the Agency with such notice an executed assignment and assumption agreement under which the assignee accepts the assignment of this Agreement and agrees to be bound by all of the provisions hereof. Such assignment and assumption agreement shall also specify the address of the assignee to which notices shall be directed pursuant to Section 4.1. Agency hereby agrees to provide written acknowledgement of such executed assignment and assumption agreement within five (5) business days of Agency's receipt of such notice.

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

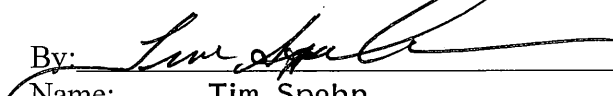
PURCHASER

R.Y. PROPERTIES, INC.,
a California corporation


By: 
Name: Robert Yu
Title: President

AGENCY

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

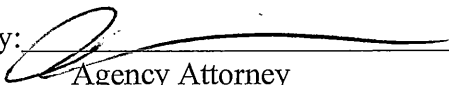
By: 
Name: Tim Spohn
Title: Chairman

ATTEST:


Assistant Secretary

APPROVED AS TO FORM:

Richards, Watson & Gershon,
a professional corporation

By: 
Agency Attorney

LIST OF EXHIBITS

- Exhibit "A" Legal Description of the Property
- Exhibit "B" Form of Grant Deed
- Exhibit "C" Form of Right of Entry Agreement
- Exhibit "D" Form of General Assignment

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

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

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14°17'07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11°18'59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

Page 5 of 6

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

CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ___ February 19, 2015

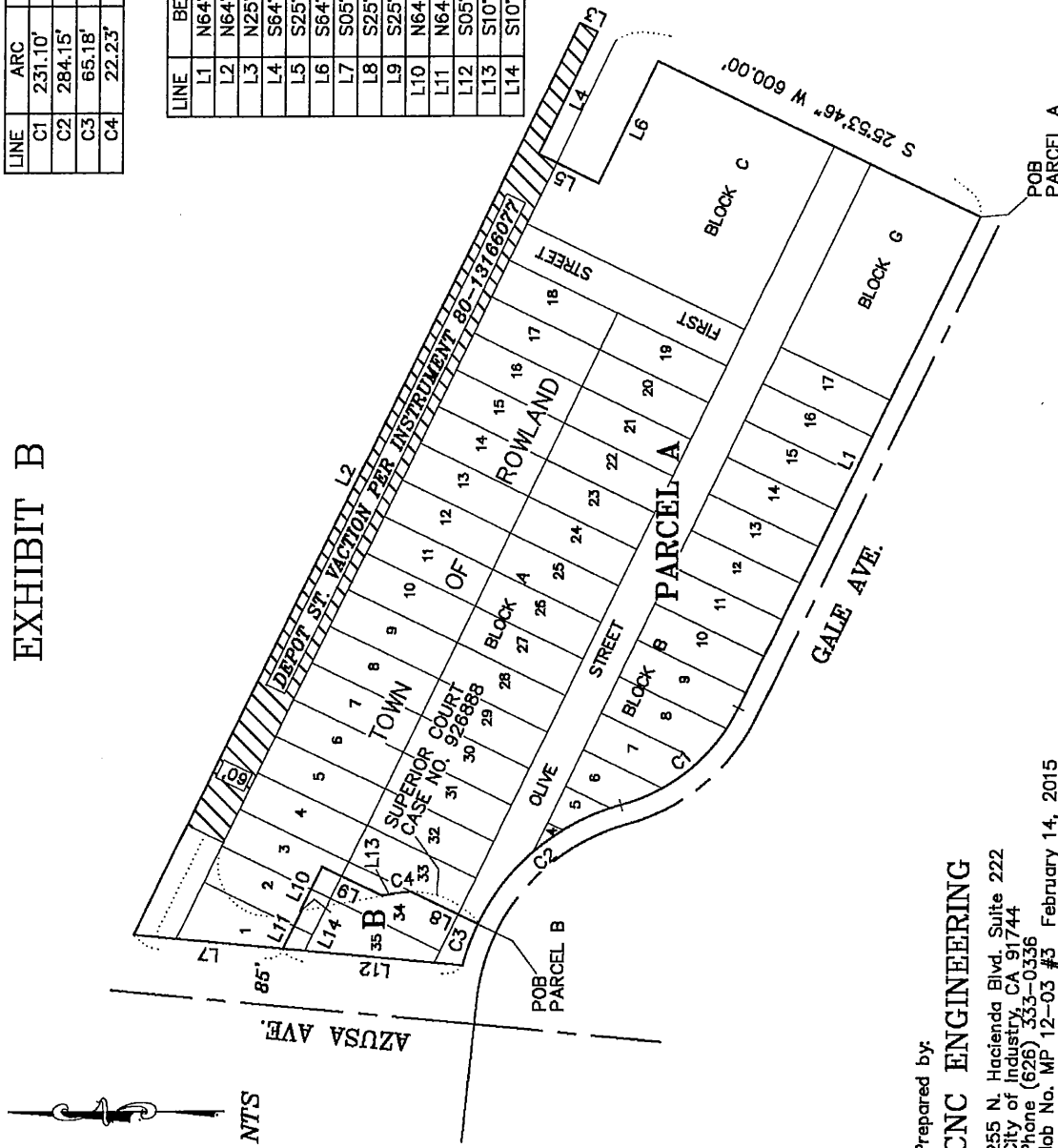
Page 6 of 6

A-7

EXHIBIT B

LINE	ARC	RADIUS	DELTA
C1	231.10'	270.00'	49°02'24"
C2	284.15'	330.00'	49°20'04"
C3	65.18'	330.00'	11°18'59"
C4	22.23'	130.00'	9°47'47"

LINE	BEARING	DISTANCE
L1	N64°06'14"W	805.15'
L2	N64°06'14"W	1495.32'
L3	N25°53'46"E	30.00'
L4	S64°06'14"E	200.00'
L5	S25°53'46"W	100.00'
L6	S64°06'14"E	200.00'
L7	S05°32'45"W	223.98'
L8	S25°53'46"W	110.94'
L9	S25°53'46"W	98.44'
L10	N64°06'14"W	72.18'
L11	N64°06'14"W	62.76'
L12	S05°32'45"W	266.71'
L13	S10°21'16"E	21.05'
L14	S10°21'16"E	2.48'



Legal No. 1012
SHEET 1 OF 1

Prepared by:
CNC ENGINEERING
255 N. Hacienda Blvd, Suite 222
City of Industry, CA 91744
Phone (626) 333-0336
Job No. MP 12-03 #3 February 14, 2015

EXHIBIT "B"

FORM OF GRANT DEED

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED RETURN TO:

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

APN:

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

GRANT DEED

Documentary Transfer Tax: \$ _____

THE UNDERSIGNED GRANTOR DECLARES:

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

This Grant Deed of the Site is subject to the provisions of a Purchase and Sale Agreement [17201 and 17301 Gale Avenue] (the "**Agreement**") entered into by and between the Grantor and Grantee dated as of _____, 2015, the terms of which are incorporated herein by reference. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement. A copy of the Agreement is available for public inspection at the offices of the Grantor located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The Site is conveyed further subject to all easements, rights of way, covenants, conditions, restrictions, reservations and all other matters of record, and the following conditions, covenants and agreements.

1. The Grantee covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis

listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed.

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

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

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

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

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and

paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased.

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

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

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

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

4. The covenants contained in Paragraphs 1 and 2 of this Grant Deed shall remain in effect in perpetuity except as otherwise expressly set forth therein.

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

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

GRANTOR:

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

GRANTEE:

R.Y. PROPERTIES, INC.,
a California corporation

By: _____
Name: Robert Yu
Title: President

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

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

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

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit A
LEGAL DESCRIPTION

(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

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

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14°17'07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11°18'59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

Page 5 of 6

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

CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ____ February 19, 2015

Page 6 of 6

B-13

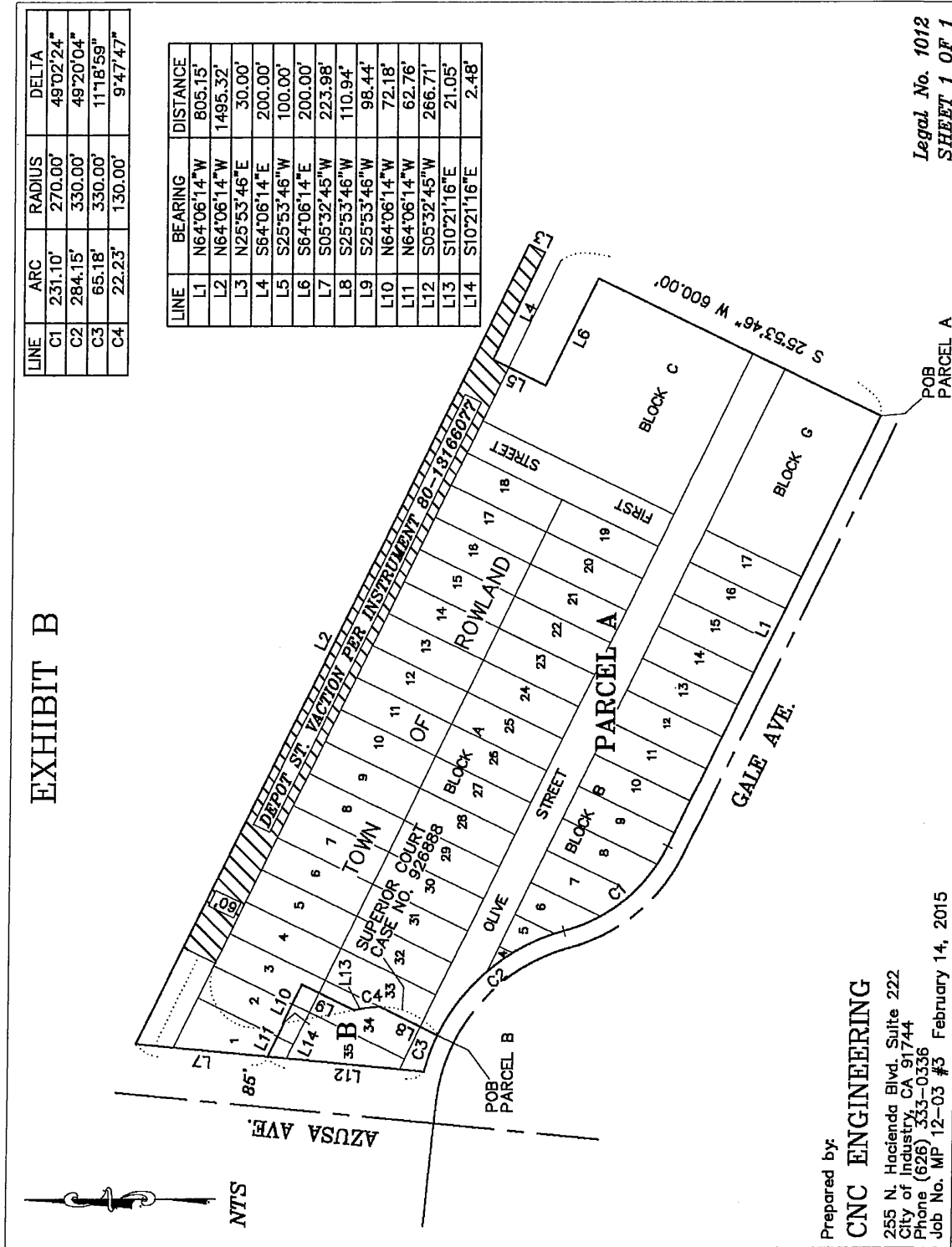


EXHIBIT "C"

RIGHT OF ENTRY AND ACCESS AGREEMENT

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "Agreement") is made and entered into as of _____, 2015, by the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body, corporate and politic (herein called "**Grantor**"), and **R.Y. PROPERTIES, INC.**, a California corporation (herein called "**Grantee**").

WITNESSETH:

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

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

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

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

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

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

1. Access by Grantee.

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

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

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

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

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

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

6. Notices. Whenever any notice, demand, or request is required or permitted under this Agreement, such notice, demand, or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or shall be sent by nationally recognized commercial courier for next business day delivery, to the addresses set forth below the respective executions of the parties hereof, or to such other addresses as are specified by written notice given in accordance herewith, or shall be transmitted by facsimile to the number for each party set forth below their respective executions hereof, or to such other numbers as are specified by written notice given in accordance herewith. All notices, demands, or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given on the date of deposit with the commercial courier; and those given by facsimile shall be deemed given on the date of facsimile transmittal. Nonetheless, the time period, if any, in which a response to any notice, demand, or request must be given shall commence to run from the date of receipt of the notice, demand, or request by the addressee thereof. Any notice, demand, or request not received because of changed address or facsimile number of which no notice was given as hereinabove provided or because of refusal to accept delivery shall be deemed received by the party to whom addressed on the date of hand delivery, on the date of facsimile transmittal, on the first calendar day after deposit with commercial courier, or on the third calendar day following deposit in the United States Mail, as the case may be.

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

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

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

10. No Recording of Agreement or Memorandum of Agreement. In no event shall this Agreement or any memorandum hereof be recorded in the Official Records of Los Angeles County, California, and any such recordation or attempted recordation shall constitute a breach of this Agreement by the party responsible for such recordation or attempted recordation.

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

GRANTEE:

R.Y. PROPERTIES, INC.,
a California corporation

By: _____
Name: Robert Yu
Title: President

Address for notices: R.Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801
Attention: Kimberly Yu
Robert Yu
Telephone: (626) 282-3100
Facsimile: (626) 282-6588
Email: Kimberlyyu@earthlink.net
Robertyu212@earthlink.net

with a copy to: Thomas F. Zimmerman
Attorney at Law
1000 Dove Street
Suite 300
Newport Beach, California 92679
Telephone: (949) 340-0644
Facsimile (877) 828-0383
Email: tfz@cox.net

(Signatures continued)

GRANTOR:

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY

By: _____

Name: _____

Title: _____

Address for notices: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-1480
Facsimile: (626) 336-4273

With a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attn.: Jim G. Grayson, Esq.
Telephone: (213) 626-8484
Facsimile: (213) 626-0078

Exhibit A
LEGAL DESCRIPTION

(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

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

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14° 17' 07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11° 18' 59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

Page 5 of 6

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

CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ___ February 19, 2015

Page 6 of 6

C-12

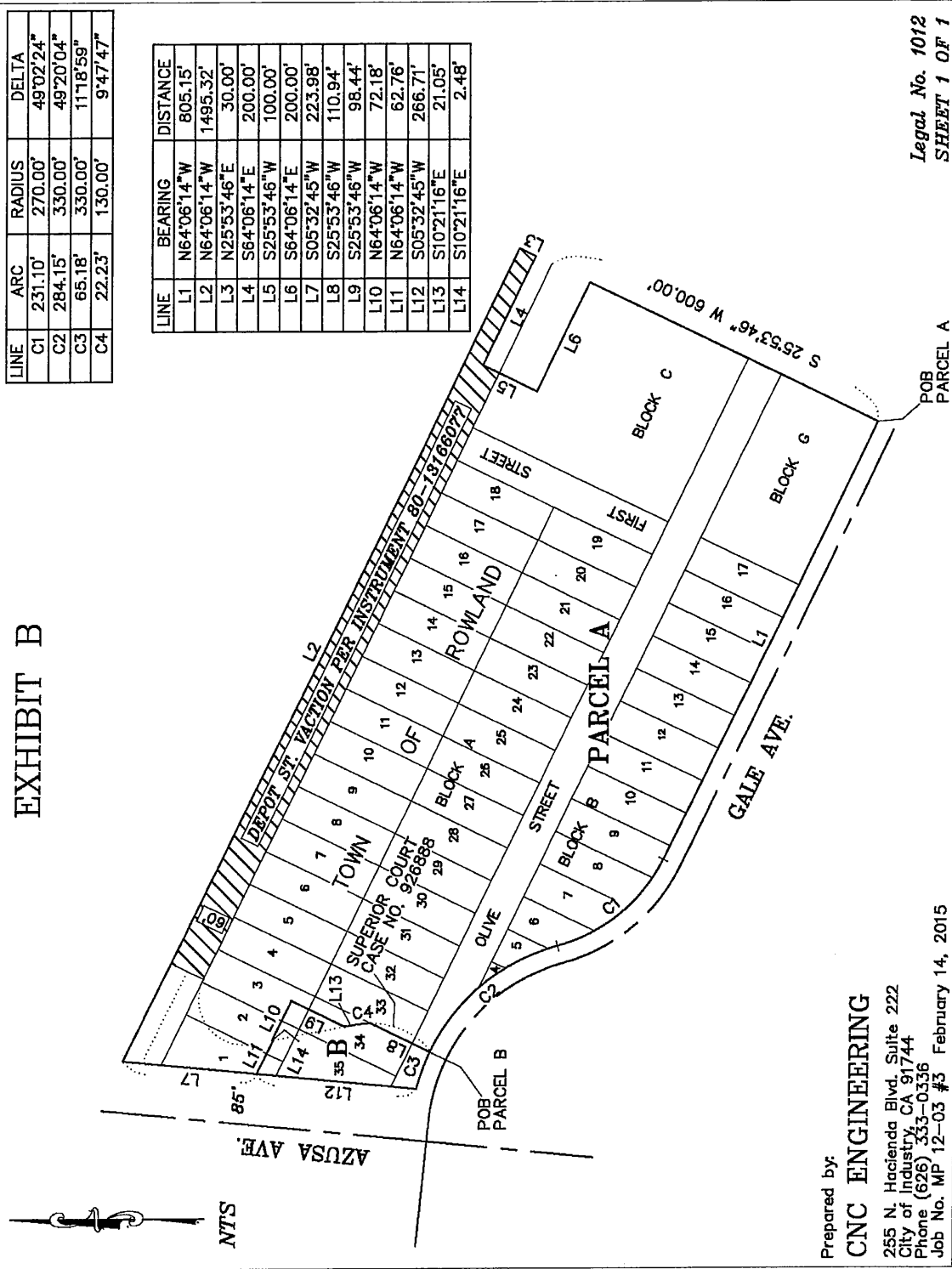


EXHIBIT "D"

FORM OF GENERAL ASSIGNMENT

This GENERAL ASSIGNMENT ("**Assignment**") is made as of _____, 2015, between **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** ("**Assignor**"), and **R.Y. PROPERTIES, INC.**, a California corporation ("**Assignee**").

RECITALS

A. Assignor and Assignee are parties to that certain Purchase and Sale Agreement dated as of _____, 2015 (the "**Purchase Agreement**"), pursuant to which Assignee has agreed to purchase from Assignor, among other things, all of Assignor's right, title and interest in and to certain Real Property more particularly described therein, and to the extent assignable to Assignee, all of Assignor's right, title and interest in and to the Appurtenances (as hereinafter defined). Unless otherwise expressly provided herein, capitalized terms used in this Assignment shall have the meaning ascribed to such terms in the Purchase Agreement. For purposes hereof, "**Appurtenances**" means all of the Assignor's right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Assignor): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Assignee by or on behalf of the Assignor prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits, applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

B. This Assignment is made pursuant to, and is therefore subject to the terms of, the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignment of Appurtenances. Assignor hereby assigns, transfers, sets over and delivers to Assignee, to the extent assignable to Assignee, all of Assignor's right, title and interest, if any, in and to the Appurtenances. Assignor makes no representation or warranty of any kind to Assignee with respect to the Appurtenances other than as may expressly be set forth in the Purchase Agreement.

2. Assumption of Obligations. By execution of this Assignment, Assignee hereby accepts the assignment made by Assignor under Section 1 hereof and hereby assumes and agrees to perform and to be bound by all of the terms, covenants, conditions and obligations imposed upon the holder of Assignor's position under and in the Appurtenances arising on or after the date hereof.

3. Governing Law. This Assignment shall be governed by the laws of the State of California.

4. Binding Effect. This Assignment and the provisions contained herein shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

5. Attorneys' Fees. In the event of any legal action (including, but not limited to, appellate and bankruptcy proceedings) between or with respect to Assignor and/or Assignee arising out of or in connection with this Assignment, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs of suit.

6. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

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

ASSIGNOR:

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT
AGENCY

ASSIGNEE:

R.Y. PROPERTIES, INC.,
a California corporation

By: _____
Name: _____
Title: _____

By: _____
Name: Robert Yu
Title: President

EXHIBIT B
LEGAL DESCRIPTION OF THE PROPERTY

LEGAL DESCRIPTION

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

BEING A PORTION OF PARCEL 1 OF PARCEL MAP NO. 105, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 81, PAGE 28 OF PARCEL MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY, TOGETHER WITH THOSE PORTIONS OF DEPOT STREET, 60.00 FEET WIDE, AND HATCHER AVENUE, VACATED BY RESOLUTION NO. 1050 OF THE CITY OF INDUSTRY AND RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-1316607 OF OFFICIAL RECORDS OF SAID COUNTY, ALSO TOGETHER WITH THAT PORTION OF HATCHER AVENUE, VACATED BY THE CITY OF INDUSTRY RESOLUTION NO. 2123, RECORDED JANUARY 19, 2006, AS INSTRUMENT NO. 06-0133067 OF OFFICIAL RECORDS OF SAID COUNTY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF PARCEL 1, OF SAID PARCEL MAP NO. 105, SAID POINT OF BEGINNING ALSO BEING ON THE NORTHERLY LINE OF GALE AVENUE, 75.00 FEET WIDE; THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 1 AND ITS NORTHEASTERLY PROLONGATION NORTH $25^{\circ} 53' 46''$ EAST, 660.00 FEET TO THE SOUTHWESTERLY LINE OF A 150.00 FEET WIDE RIGHT OF WAY STRIP OF THE UNION PACIFIC RAILROAD, FORMERLY SOUTHERN PACIFIC, LOS ANGELES AND SALT LAKE RAILROAD; THENCE ALONG SAID SOUTHWESTERLY LINE SOUTH $64^{\circ} 06' 14''$ EAST, 289.43 FEET TO ITS INTERSECTION WITH THE NORTHERLY EXTENSION OF THE CENTERLINE OF SAID HATCHER AVE, 60.00 FEET WIDE; THENCE LEAVING SAID SOUTHWESTERLY LINE, ALONG SAID NORTHERLY EXTENSION OF SAID CENTERLINE SOUTH $11^{\circ} 53' 36''$ WEST, 40.23 FEET TO ITS INTERSECTION WITH A NON TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 50.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH $11^{\circ} 53' 36''$ EAST; THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $106^{\circ} 24' 56''$, AN ARC DISTANCE OF 92.87 FEET; THENCE TANGENT TO SAID CURVE SOUTH $04^{\circ} 31' 20''$ EAST, 50.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 94.00 FEET; THENCE SOUTHERLY ALONG LAST SAID CURVE, THROUGH A CENTRAL ANGLE OF $16^{\circ} 24' 56''$, AN ARC DISTANCE OF 26.93 FEET TO A POINT OF TANGENCY WITH THE EASTERLY LINE OF SAID PARCEL 1, ALSO BEING THE WESTERLY LINE OF SAID HATCHER AVENUE, 60.00 FEET WIDE AS SHOWN ON SAID PARCEL MAP NO. 105; THENCE

TANGENT TO LAST SAID CURVE ALONG SAID WESTERLY LINE OF HATCHER AVENUE SOUTH $11^{\circ} 53' 36''$ WEST, 489.64 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 39.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURV THROUGH A CENTRAL ANGLE OF $116^{\circ} 30' 10''$, AN ARC DISTANCE OF 79.30 FEET TO A POINT OF TANGENCY WITH THE NORTHEASTERLY LINE OF SAID GALE AVENUE; THENCE TANGENT TO LAST SAID CURVE ALONG SAID NORTHEASTERLY LINE NORTH $51^{\circ} 36' 14''$ WEST, 164.53 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET, SAID POINT BEING ON THE SOUTHERLY LINE OF SAID PARCEL 1; THENCE NORTHWESTERLY ALONG SAID SOUTHERLY LINE AND THE ARC OF LAST SAID CURVE, THROUGH A CENTRAL ANGLE OF $12^{\circ} 30' 00''$, AN ARC DISTANCE OF 71.99 FEET; THENCE CONTINUING ALONG SAID SOUTHERLY LINE OF PARCEL 1 AND TANGENT TO LAST SAID CURVE NORTH $64^{\circ} 06' 14''$ WEST, 143.74 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF SAID LAND ALL OILS, MINERALS, HYDROCARBONS AND OTHER SUBSTANCES LYING BELOW A DEPTH OF 500 FEET BENEATH THE SURFACE OF THE SUBJECT PROPERTY, WITHOUT ANY RIGHT OF SURFACE ENTRY, AS RESERVED TO VEJAR PROPERTIES COMPANY, A GENERAL PARTNERSHIP, IN FINAL ORDER OF JUDGMENT IN CONDEMNATION RECORDED MAY 22, 1975 AS INSTRUMENT NO. 3851 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN(S): 8264-001-941 AND 942

RESOLUTION NO. CC 2016-53

[Attached]

RESOLUTION NO. CC 2016-53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY APPROVING THE ASSIGNMENT AND ASSUMPTION OF INTEREST IN THE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY AND R.Y. PROPERTIES, INC. FOR THE PROPERTY LOCATED AT 17201 & 17301 GALE AVENUE AND MAKING THE REQUISITE CEQA FINDINGS

RECITALS

WHEREAS, on March 18, 2015, R.Y. Properties, Inc. (“R.Y. Properties”) and the Successor Agency to the Industry Urban-Development Agency (the “Successor Agency”) entered into a Purchase and Sale Agreement (the “Agreement”), attached hereto as “Exhibit A” and incorporated herein by reference; and

WHEREAS, the Agreement was executed with respect to certain real property located at 17201 & 17301 Gale Avenue, Industry, California 91748 (the “Property”); and

WHEREAS, Section 4.16 of the Agreement (the “Assignment Clause”) states: “Assignment of Agreement. The Purchaser may assign its rights and obligations in whole, but not in part, under this Agreement upon giving at least ten (10) business days’ prior written notice to the Agency, and delivering to the Agency with such notice an executed assignment and assumption agreement under which the assignee accepts the assignment of this Agreement and agrees to be bound by all the provisions hereof. Such assignment and assumption agreement shall also specify the address of the assignee to which notices shall be directed pursuant to Section 4.1. Agency hereby agrees to provide written acknowledgement of such executed assignment and assumption agreement within five (5) business days of Agency’s receipt of such notice;” and

WHEREAS, R.Y. Properties wishes to exercise its rights under the Assignment Clause and assign its interest in the Agreement to the City of Industry (the “City”) and the City wishes to accept R.Y. Properties’ rights under the Agreement; and

WHEREAS, the Assignment is exempt from the California Environmental Quality Act (“CEQA”) (Public Resources Code Section 21000 *et seq.*), pursuant to Section 15061(b)(3) of the CEQA Guidelines. Section 15061(b)(3) of the CEQA Guidelines exempts projects covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The Assignment does not involve any land use entitlements that will allow for development on the property. The Assignment would not create any public health or safety hazards and would not have a significant impact on the resources or services within the surrounding area, such as water, sanitary services, surrounding roadways and intersections. Any future

development at the property will be subject to additional environmental review and independent analysis as required by CEQA; and

WHEREAS, the City has duly considered all terms and conditions of the proposed Assignment and believes that the assignment of the interest in the Agreement is in the best interests of the City and the health, safety and welfare of its residents, maximizes value, is consistent with the provisions of the Long Range Property Management Plan, and is consistent with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDUSTRY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above Recitals are true and correct and are incorporated herein by reference.

SECTION 2. All necessary public meetings have been conducted in compliance with State law and the Municipal Code of the City of Industry.

SECTION 3. The Assignment is exempt from CEQA, pursuant to Section 15061(b)(3) of the CEQA Guidelines. Section 15061(b)(3) of the CEQA Guidelines exempts projects covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The Assignment does not involve any land use entitlements that will allow for development on the Property. The Assignment would not create any public health or safety hazards and would not leave a significant impact on the resources or services within the surrounding area, such as water, sanitary services, surrounding roadways and intersections. Any future development at the Property will be subject to additional environmental review and independent analysis as required by CEQA.

Based on these findings, the City adopts the Notice of Exemption and directs staff to file the same as required by law, and approves the Assignment.

SECTION 4. The City hereby approves the Assignment, subject to the terms and conditions set forth in the Assignment, attached hereto as "Exhibit B" and incorporated herein by reference.

SECTION 5. The City Manager or his designee are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

SECTION 6. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses,

sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 7. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the respective book of original resolutions.

SECTION 8. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED by the City Council at a regular meeting held on August 11, 2016, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk