



AGENDA

REGULAR MEETINGS OF THE HOUSING SUCCESSOR SUCCESSOR AGENCY AND CITY COUNCIL

June 9, 2016
6:00 P.M.

Council Chambers
11710 Telegraph Road
Santa Fe Springs, CA 90670

Richard J. Moore, Mayor
William K. Rounds, Mayor Pro Tem
Jay Sarno, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember

Public Comment: The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete the card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk or a member of staff. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters not listed on the agenda during the Oral Communications period.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Please Note: Staff reports, and supplemental attachments, are available for inspection at the office of the City Clerk, City Hall, 11710 E. Telegraph Road during regular business hours 7:30 a.m.-5:30 p.m., Monday-Thursday and every other Friday Telephone (562) 868-0511.

1. CALL TO ORDER

2. ROLL CALL

Jay Sarno, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
William K. Rounds, Mayor Pro Tem
Richard J. Moore, Mayor

HOUSING SUCCESSOR

3. Minutes of the May 12, 2016 of the Housing Successor Agency.

Recommendation: That the Housing Successor approve the minutes as submitted.

SUCCESSOR AGENCY

4. Minutes of the May 12, 2016 of the Successor Agency.

Recommendation: That the Successor Agency approve the minutes as submitted.

CITY COUNCIL

5. CITY MANAGER REPORT

6. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.

Approval Minutes

A. Minutes of the May 12, 2016 Regular City Council Meeting

Recommendation: That the City Council approve the minutes as submitted.

ORDINANCES FOR ADOPTION

7. Ordinance No. 1071 – An Ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

Recommendation: That the City Council:

- Waive further reading and adopt Ordinance No. 1071, an ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

8. Ordinance No. 1073 – An Ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, Inc.

Recommendation: That the City Council:

- Waive further reading and adopt Ordinance No. 1073, an ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, Inc.

9. Ordinance No. 1074 – Zone Change Case No. 136

Recommendation: That the City Council:

- Waive further reading and adopt Ordinance No. 1074 which implements Zone Change Case No, 135, a request for approval to change the zoning designation on 2.00 acres (Net)) of a 3.94-acre (Net) property, from C-4, Community Commercial to M-2, Heavy Manufacturing, on the property at 13210 Telegraph Road (APN: 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road.

NEW BUSINESS

10. Extend the Care Ambulance Transport and Billing Services Agreement through December 31, 2016

Recommendation: That the City Council:

- Extend the Care Ambulance Transport Agreement through December 31, 2016 or when the Los Angeles County Department of Health Services terminates their agreement with Care Ambulance Service, Inc., whichever comes first.

11. Aquatic Center Pool Deck Resurfacing – Final Payment

Recommendation: That the City Council:

- Approve the Final Payment (less 5% Retention) to Sundek of Anaheim, California in the amount of \$54,630.70 for the subject project.

12. Facility Use Agreement for Athletic Fields with Norwalk/Santa Fe Springs Saints Youth Football & Cheer

Recommendation: That the City Council:

- Approve the Facility Use Agreement for Athletic Fields between the City of Santa Fe Springs and Norwalk/Santa Fe Springs Saints Youth Football & Cheer for the right to use the Little Lake Park for a period of time, commencing July 10, 2016, through November 30, 2016, and July 10, 2017, through November 30, 2017.

13. City Investments Update from PFM Asset Management LLC

Recommendation: That the City Council:

- Receive and file this report.

CLOSED SESSION

14. CONFERENCES WITH LABOR NEGOTIATORS

(Section 54957.6)

Agency Designated Representatives: City Manager, Assistant City Manager/Director of Finance, Senior Human Resources Analyst, City Attorney

Employee Organizations: Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association

CLOSED SESSION

15. CONFERENCES WITH LABOR NEGOTIATORS

(Section 54957.6)

Agency Designated Representatives: City Manager, City Attorney, Labor Negotiator

Employee Organization: Santa Fe Springs Executive, Management and Confidential Employees' Association

Please note: Item Nos. 16 – 24, will commence in the 7:00 p.m. hour.

16. INVOCATION

17. PLEDGE OF ALLEGIANCE

18. INTRODUCTIONS

- Representatives from the Chamber of Commerce

19. ANNOUNCEMENTS

20. PRESENTATIONS

- a. Recognition of Battle of the Books Event Winners – Presentation
- b. Recognition of SFS Art Fest 2016 Sponsors and Winners of the "Spring Into Action" Bookmark Contest
- c. Presentation to the 2016 Teachers of the Year
- d. Presentation to St. Paul High School Girls Varsity Basketball Team

21. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

Committee Appointments

22. ORAL COMMUNICATIONS

This is the time when comments may be made by interested persons on matters not on the agenda having to do with City business.

23. EXECUTIVE TEAM REPORTS

24. ADJOURNMENT – Adjourned to Thursday, June 16, 2016 for a Special City Council Meeting at 5:00 p.m. in the City Council Chamber.

City of Santa Fe Springs
Regular Meetings

June 9, 2016

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.



Janet Martinez, CMC
City Clerk

June 2, 2016
Date

**FOR ITEM NO. 3
PLEASE SEE ITEM 6A**

**FOR ITEM NO. 4
PLEASE SEE ITEM 6A**



MINUTES OF THE MEETINGS OF THE HOUSING SUCCESSOR, SUCCESSOR AGENCY AND CITY COUNCIL

May 12, 2016

1. **CALL TO ORDER**

Mayor Moore called the meeting to orders at 6:00 p.m.

2. **ROLL CALL**

Members present: Councilmembers/Directors: Sarno, Trujillo, Zamora, Mayor Pro Tem/Vice Chair Rounds and Mayor/Chairman Moore

Members absent: None

HOUSING SUCCESSOR

3. Minutes of the March 10, 2016 of the Housing Successor Agency.

Recommendation: That the Housing Successor approve the minutes as submitted.

It was moved by Mayor Pro Tem Rounds, seconded by Councilmember Trujillo, to approve the minutes of March 10, 2016 of the Housing Successor Agency by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds

Nayes: None

SUCCESSOR AGENCY

4. Minutes of the March 10, 2016 of the Successor Agency.

Recommendation: That the Successor Agency approve the minutes as submitted.

It was moved by Councilmember Sarno, seconded by Councilmember Zamora, to approve the minutes of March 10, 2016 of the Successor Agency by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds

Nayes: None

CITY COUNCIL

5. **CITY MANAGER REPORT**

City Manager Thaddeus McCormack noted they have been working diligently on the budget to have it ready to be presented next month. He also thanked the Chamber of Commerce for signing a letter requesting to expedite the budget for the I-5 freeway project.

ITEM 6A

6. CONSENT AGENDA

Approval Minutes

A. Minutes of the March 10, 2016 Regular City Council Meeting

Recommendation: That the City Council approve the minutes as submitted.

It was moved by Councilmember Trujillo, seconded by Councilmember Sarno, to approve the minutes of March 10, 2016 by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds

Nays: None

ORDINANCE FOR ADOPTION

7. An Ordinance of the City of Santa Fe Springs to amend Section 130.05 of Chapter 130 of Title 13 of the City Municipal Code relating to vehicles, skateboards and scooters on public property

Recommendation: That the City Council:

- Waive further reading and adopt Ordinance No. 1072 which amends section 130.05 of Chapter 130 of Title 13, titled "Vehicles, Skateboards and Scooters on Public Property" to the Santa Fe Springs Municipal Code.

It was moved by Mayor Pro Tem Rounds, seconded by Councilmember Sarno to waive further reading, and adopt Ordinance No. 1072 which amends section 130.05 of Chapter 130 of Title 13, titled "Vehicles, Skateboards and Scooters on Public Property" to the Santa Fe Springs Municipal Code, read by City Attorney Steve Skolnik adopted by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds

Nays: None

NEW BUSINESS

8. Lakeview Park Restroom Renovation – Award of Contract

Recommendation: That the City Council:

- Accept the bids; and
- Award a contract to Corral Construction & Development Inc., of Commerce California in the amount of \$59,953.14.

It was moved by Councilmember Zamora, seconded by Councilmember Trujillo to accept the bids and award a contract to Corral Construction & Development Inc., of Commerce California in the amount of \$59,953.14 by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds

Nays: None

9. On-Call Professional Engineering Services – Request to Increase Contract Threshold Amount

Recommendation: That the City Council:

- That the City Council increase the aggregate contract threshold amount

from \$500,000 to \$700,000 for Fiscal Year 15/16 for the On-Call Professional Engineering Services for various improvements projects.

It was moved by Councilmember Sarno, seconded by Councilmember Zamora to increase the aggregate contract threshold amount from \$500,000 to \$700,000 for Fiscal Year 15/16 for the On-Call Professional Engineering Services for various improvements projects by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds

Nays: None

10. Aquatic Center Pool Deck Resurfacing – Award of Contract

Recommendation: That the City Council:

- Accept the bids; and
- Award a contract to Sundek of Anaheim, California in the amount of \$57,506.00

It was moved by Councilmember Zamora, seconded by Mayor Pro Tem Rounds to accept the bids and award a contract to Sundek of Anaheim, California in the amount of \$57,506.00 as recommended by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds

Nays: None

Mayor Moore recessed to closed session at 6:06 p.m.

CLOSED SESSION

11. CONFERENCES WITH LABOR NEGOTIATORS

(Section 54957.6)

Agency Designated Representatives: City Manager, Assistant City Manager/Director of Finance, Senior Human Resources Analyst, City Attorney

Employee Organizations: Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association

CLOSED SESSION

12. CONFERENCES WITH LABOR NEGOTIATORS

(Section 54957.6)

Agency Designated Representatives: City Manager, City Attorney, Labor Negotiator

Employee Organization: Santa Fe Springs Executive, Management and Confidential Employees' Association

Please note: Item Nos. 13 – 21, will commence in the 7:00 p.m. hour.

Mayor Moore reconvened the meeting at 7:01 p.m.

Steven N. Skolnik, City Attorney reported there was no action taken for closed session items 11 and 12.

13. INVOCATION

Invocation was led by Councilmember Zamora.

14. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Youth Leadership Committee members.

15. INTRODUCTIONS

- Representatives from the Chamber of Commerce were introduced: Curtis Mello and Debbie Baker.

16. ANNOUNCEMENTS

The Youth Leadership Committee Members made the following announcements:

- Fire Association Vice President Victor Marin announced the Fill the Boot fundraiser scheduled for May 16, 17 and 19, 2016 from 8:30 a.m. to 5:30 p.m.
- Dr. Phillip Perez introduced the new Superintendent for Little Lake City School District
- Santa Fe Springs Art Fest May 13 and 14, 2016 will take place at the Clarke of State
- Santa Fe Springs Heritage of Aloha Festival from 10:00 a.m. to 6:00 p.m.
- Farmers Market Wednesdays from 5:00 p.m. to 9:00 p.m. at Town Center Plaza

17. PRESENTATIONS

- a. Presentation to the City Council by Lake Center Middle School
The City Council made brief comments after the presentation, thanking the children and teachers.
- b. Presentation to Dr. Phillip Perez, Superintendent of the Little Lake City School District, upon his retirement (*this item was discussed prior to item 17a*)
- c. Proclamation, Proclaiming the Week of May 15-21, 2016, as "National Public Works Week"
- d. Proclamation, Proclaiming May 15-21, 2016, as "Law Enforcement Week"
- e. Presentation to Older American Recognition Award Recipient
- f. Proclamation, Proclaiming May 25, 2016 as "National Senior Health & Fitness Day" in Santa Fe Springs

18. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

No appointments.

19. ORAL COMMUNICATIONS

No speakers.

20. EXECUTIVE TEAM REPORTS

- Wayne Morrell, Director of Planning reported that the Planning Commission had approved to remove and preserve the sign at the former bowling property located on Painter Avenue and have it at a Museum. He also spoke about the new market place called ALDI.
- Dino Torres, Director of Police Services, spoke about the Every 15 Minutes Program that will take place on May 18, 2016 at St. Paul High School, he noted the presentation will have a school crash scene; he also spoke about the Coffee with a Copy Day that will take place on May 19, 2016 from 8:30 a.m. to 9:30 a.m. at Jersey Elementary School; last he thanked Council for the Caesar Chavez Support program
- Mike Crook, Fire Chief, reported that tank 9 is being cleaned and the project is expected to be done in 2 weeks; he noted tank 37 started to be cleaned out and it is now down to a million left; last he spoke about the Burn Quest event that took place May 11, 2016 at Fire Station 2 and thanked the City for the donations to support burned survivors.
- Jose Gomez, Assistant City Manager/Finance Director, reported that at the next meeting he will have a status update on the consultant's report for the Finance Department.
- Maricela Balderas, Director of Community Services, reported that they have just brought it four (4) healthy vending machines; also spoke about the Art Fest and wished the City Happy Birthday on Sunday as it will be its 59th year.

The following comments were made by the City Council:

- Council Member Zamora congratulated his brother on his boxing victory.
- Mayor Pro Tem Rounds wished the City Happy Birthday, he also reported he attended the Life Fun Walk Run.
- Council Member Trujillo wished the City Happy Birthday and thanked everyone for placing
- Council Member Sarno also wished the City Happy Birthday and thanked Mr. Aguirre for his volunteer work.
- Mayor Moore thanked Dino Torres, Director of Police Services for covering the Cesar Chavez event the night before.

21. ADJOURNMENT

Mayor Moore adjourned the Regular Meetings at 8:25 p.m. in memory of John Sharp.

ATTEST:

Richard J. Moore
Mayor

Janet Martinez, CMC
City Clerk

Date



ORDINANCE FOR PASSAGE

Ordinance No. 1071 – An Ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

RECOMMENDATION

1. That the City Council waive further reading and adopt Ordinance No. 1071, an ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

BACKGROUND

Ordinance No. 1071 was introduced and passed its first reading at the May 26, 2016 City Council meeting. Below is the substance of the agenda report for the proposed ordinance as it appeared at that meeting:

At a duly noticed hearing, before the City Council, on November 8, 2012, Ordinance No. 1036 was introduced. The second reading of Ordinance No. 1036 occurred on November 20, 2012. It became effective thirty (30) days after its second reading.

Ordinance No. 1036 improved and updated the City's existing billboard regulations, which were badly outdated and failed to anticipate and regulate 21st-century trends, such as electronic billboards, supergraphics (building wraps), and mobile billboards. Key elements of the ordinance included:

- (1) Updating the definition of billboards to include electronic billboards.
- (2) Limiting electronic billboards to the FOZ.
- (3) Requiring a Conditional Use Permit (CUP) and Development Agreement for all new billboards and expansion of existing billboards.
- (4) Limiting the placement of billboards to properties with a minimum area of 5 acres.
- (5) Creating definitions and regulations for supergraphics and mobile billboards.
- (6) Creating a mechanism for the City to generate additional revenues, either as a one-time payment, or payment over time, or a combination of both.
- (7) Allowing space on new billboards to be utilized for City-related activities, or to bring awareness to City and/or charitable causes.
- (8) Establishing a minimum distance between billboards.
- (9) Limiting the contents of messages beyond sexually explicit materials, alcohol and tobacco advertising.

Pursuant to section 155.384(A), of Ordinance No. 1036, billboards are allowed only after a valid Conditional Use Permit has first been obtained and a Developer Agreement has been approved

Conditional Use Permit

On August 12, 2013, the Applicant (Le Fiell Manufacturing Company) obtained approval of a Conditional Use Permit (CUP 743) from the Planning Commission to allow the construction and operation of a new, 48' x 14' x 50' high, digital billboard on property located at 13700 Firestone Blvd. At the same meeting, the applicant concurrently applied for and received approval of Conditional Use Permit (CUP 744) to allow the construction and operation of a new, 48' x 14' x 50' high, static billboard on the subject property.

Then on May 9, 2016, the Planning Commission, via Resolution No. 54-2016, recommended that the City Council adopt Ordinance No. 1071. City Council approval of Ordinance No. 1071 would allow for a development agreement (Development Agreement No. 02-2016) between the City of Santa Fe Springs and Le Fiell Manufacturing Company. The Development Agreement would set forth rules and regulations applicable to the proposed billboards.

Development Agreement

A city's exercise of its power to enter into a development agreement is a legislative act; therefore, development agreements must be approved by ordinance. Under California Government Code Sections 65864 et seq. ("Development Agreement Law") cities can enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

The main points of the Development Agreement (see attachment) are as follows:

1. The Developer pays an annual development fee to the City to mitigate potential impacts of the Development on the City and surrounding community.
2. The Developer is prohibited from utilizing any of the displays on the New Digital Billboard or the New Static Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs", adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance.

3. The City Council has the right to review the Agreement annually, or may, in its sole and absolute discretion, order a special review for compliance with the Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

LEGAL NOTICE OF PUBLIC HEARING

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code. Legal notice of the Public Hearing was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016, posted in Santa Fe Springs City Hall, the City Library and Town Center on April 28, 2016, published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required by the State Zoning and Development Laws and by the City's Zoning Regulations.

As of the date of this report, staff has not received any comments and/or inquiries regarding the proposal.

SUMMARY

Ordinance No. 1036 established standards for the installation of billboards on certain properties within the City, only after a valid Conditional Use Permit has been obtained and a development agreement approved. Since a city's exercise of its power to enter a development agreement is a legislative act, development agreements must be approved by ordinance. Ordinance No. 1071 provides the legal authority allowing the City to enter into Development Agreement No. 02-2016 with Le Fiell Manufacturing Company.

FISCAL IMPACT

Potential to generate additional source of revenue through negotiated development agreements.



Thaddeus McCormack
City Manager

Attachments:

1. Ordinance No. 1071
2. Development Agreement No. 02-2016

ORDINANCE NO. 1071

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS
ADOPTING A DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF SANTA FE SPRINGS AND LE FIELL MANUFACTURING COMPANY

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY
ORDAIN AS FOLLOWS:

Section 1. The City Council hereby approves and adopts that certain Development Agreement by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company, a copy of which is attached hereto as Exhibit "A", which exhibit is incorporated by reference herein, as an Ordinance of the City.

Section 2. The City Council hereby finds and determines that the subject Development Agreement is consistent with the City's General Plan.

Section 3. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

Section 4. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed no later than fifteen (15) days after passage hereof.

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JUNE, 2016.

AYES:
NOES:
ABSENT:

ATTEST:

MAYOR

CITY CLERK

DEVELOPMENT AGREEMENT NO. 02-2016

This Development Agreement (hereinafter “Agreement”) is entered into this _____ day of _____, 2016 (hereinafter the “Effective Date”), by and between the City of Santa Fe Springs (hereinafter “City”), and Le Fiell Manufacturing Company, a Sub Chapter “S” Corporation (hereinafter “Developer”).

RECITALS

A. California Government Code Sections 65864 *et seq.* (“Development Agreement Law”) authorizes cities to enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

B. Developer has a leasehold or license interest in that certain portion of real property, located adjacent to and on the Southern side of the South bound lanes of the 5 Freeway, at the Southwest corner of Firestone Boulevard and Marquardt Avenue in the City of Santa Fe Springs, Assessor Parcel Number Numbers 7005-014-079 as more specifically described in **Exhibit “A”** and depicted at **Exhibit “C”**, attached hereto and incorporated herein (the “Site”), upon which it seeks to install a new lawfully permitted double-sided 14 x 48 foot digital display which is oriented toward the 5 Freeway, as depicted in **Exhibit “C”** (the “New Digital Billboard”), and a new lawfully permitted double-sided 14 x 48 foot static display which is oriented toward the 5 Freeway as described in Exhibit “C” (the “New Static Billboard”).

C. Le Fiell Manufacturing Company a Sub Chapter “S” Corporation (referred to as “Developer”) has consented to this application for this Agreement, and as the Owner of the Site, as such term is defined below, has a legal and/or equitable interest in the Site and thus qualifies to enter into this Agreement in accordance with Development Agreement Law.

D. In exchange for the City approvals sought by Developer for the New Digital Billboard and Static Billboard as provided on the Site herein, Developer is agreeable to paying to the City an annual Development Fee of \$68,500.00 or Alternative Fee, whichever is greater, as defined and provided in Sections 2.5 and 2.6 below, for the cost to the City to mitigate the impact of the installation of the New Digital Billboard. Also in exchange for the City approvals sought by Developer for the New Static Billboard as provided on the Site herein, Developer is agreeable to paying to the City an annual Mitigation Fee of \$10,000.00 or Alternative Fee, whichever is greater, as defined and provided in Sections 2.5 and 2.6 below, for the cost to the City to mitigate the impact of the installation of the New Static Billboard.

E. The Site is located within the City’s M-2-FOZ, Heavy Manufacturing-Freeway Overlay Zone, designated by the General Plan as Industrial. Developer and the City agree that a development agreement should be approved and adopted to memorialize the property expectations of the City and Developer, as more particularly described herein.

F. On August 12, 2013, the Planning Commission of the City, at a duly noticed hearing, granted "Conditional Use Permit" for the construction and operation of a new 50-foot tall digital billboard with display area of 14' x 48' on property located at 13700 Firestone Boulevard (APN: 7005-014-079) and a new 50-foot tall static billboard with display area of 14' x 48' on property located at 13750 Firestone Boulevard, (APN: 7005-014-079) in compliance with, and satisfying the requirements of, the California Environmental Quality Act ("CEQA"), on the basis that a Mitigated Negative Declaration and Initial Study, which was also approved at the August 12, 2013, City Planning Commission meeting, concluded that although the proposed project could have a effect on the environment, there will not be a significant effect with the incorporation of mitigation measures pertaining to hazardous materials, aesthetics and views. Such CEQA determination considered the impacts of the billboards which is the subject of this Agreement.

G. On May 9, 2016, at a duly noticed public hearing, the Planning Commission adopted Resolution No. 54-2016, recommending approval of this Agreement to the City Council.

H. On _____, the City Council of the City, at a duly noticed hearing to consider the approval of this Agreement, considered the proposal, heard testimony, and introduced Ordinance No. 1071, which Ordinance approves this Agreement.

I. The City Council has found that this Agreement is in the best public interest of the City and its residents, adopting this Agreement constitutes a present exercise of the City's police power, and this Agreement is consistent with the City's General Plan. This Agreement and the proposed Development (as hereinafter defined) will achieve a number of City objectives, including utilizing the Site for a revenue-generating use. Upon any termination of the Term (as defined below) of this Agreement, Developer will remove the Billboards, and restore the Site to its pre-billboard condition, except the columns can be cut off one (1) foot below grade, if a new development agreement is not negotiated with the City.

J. On _____, the City Council held the second reading on, and adopted Ordinance No. 1071, thereby approving this Agreement.

K. The City finds and determines that all actions required of the City precedent to approval of this Agreement by Ordinance No. 1071, of the City Council have been duly and regularly taken.

L. The purpose of this Agreement is to set forth the rules and regulations applicable to the Development, which shall be accomplished in accordance with this Agreement, including the Scope of Development (Exhibit "B") which sets forth Scope of the Development and the Schedule of Performance (Exhibit "D").

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, when used in the Agreement. In addition to the terms defined in the Recitals above, the defined terms include the following:

1.1.1 “Agreement” means this Development Agreement and all attachments and exhibits hereto.

1.1.2 “City” means the City of Santa Fe Springs, a California municipal corporation.

1.1.3 “City Council” means the City Council of the City.

1.1.4 “Developer” means Le Fiell Manufacturing Company a Sub Chapter “S” Corporation, duly existing and operating, and its successors and assigns, doing business at 13700 Firestone Boulevard, Santa Fe Springs, California 90670.

1.1.5 “Development” means the installation of a New Digital Billboard and a New Static Billboard on the Site and the undergrounding of all utilities from Southern California Edison’s electrical source or an electrical source located elsewhere on Owner’s property (e.g., from an electrical panel on a building situation on Owner’s property) to the New Digital and Static billboard.

1.1.6 “Development Approvals” means the approved Development, based on the recommended approval by the Planning Commission on August 12, 2013, pursuant to Resolution No. 54-2016, and approval of the City Council by Ordinance No. 1071, on _____, as further described at Section 3.3 herein.

1.1.7 “Effective Date” means the date inserted into the preamble of this Agreement, which is 30 days following approval of this Agreement by ordinance of the City Council, provided this Agreement is signed by Developer and the City.

1.1.8 “Final Permits” shall mean all necessary/required permits and inspections by all governmental and utility agencies, to construct and operate the digital billboard and static billboard, and are signed and dated by the Building Official, where applicable.

1.1.9 Gross Revenue - gross revenue is based solely on the revenue generated from the static and digital display (basic advertising area of the billboards), as recorded on the City of Santa Fe Springs building permits, and does not include neon channel letters. Developer shall not conceal advertising revenues derived from the displays within the normal price range the Developer charges for any appurtenances that is installed on the Billboards. Gross revenue specifically excludes advertising agency fees paid to the advertiser’s advertising agency and or brokerage fees paid to the sales broker other than Developer.

1.1.10 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of the City, including, but not limited to, the City’s General Plan, Municipal Code and Zoning Code, which govern development and use of the Site, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of the New Billboards, and the design, improvement

and construction standards and specifications applicable to the Development or the Site which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement. Land Use Regulations shall also include the federal National Pollutant Discharge Elimination System (“NPDES”) regulations and approvals from the California Department of Transportation Outdoor Advertising Division, to the extent applicable.

1.1.11 “Lease” means the lease or license agreement, as the case may be, for the Site between Owner, as landlord or licensor, and Developer, as tenant or licensee.

1.1.12 “Mortgagee” means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, a lender or each of their respective successors and assigns.

1.1.13 “Site” refers to the site described in Recital B and more specifically described on Exhibit “A” attached hereto and incorporated herein.

1.1.14 “Schedule of Performance” means the Schedule of Performance attached hereto as Exhibit “D” and incorporated herein.

1.1.15 “Scope of Development” means the Scope of Development attached hereto as Exhibit “B” and incorporated herein.

1.1.16 “Subsequent Land Use Regulations” means any Land Use Regulations effective after the Effective Date of this Agreement (whether adopted prior to or after the Effective Date of this Agreement) which govern development and use of the Site.

1.1.17 “Subsequent Development Approvals” means any Development Approvals sought by Developer in connection future changes desired to be made by Developer to the Development following its initial completion.

1.1.18 “Term” shall have the meaning provided in Section 2.3, unless earlier terminated as provided in this Agreement.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement: Exhibit “A” (Legal Description of Site) , Exhibit “B” (Scope of Development), Exhibit “C” (Site Plan of Site and Billboard Elevation) and , Exhibit “D” (Schedule of Performance).

2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. From and following the Effective Date, actions by the City and Developer with respect to the Development, including actions by the City on applications for Subsequent Development Approvals affecting the Site, shall be subject to the terms and provisions of this Agreement, provided, however, that nothing in this Agreement shall be deemed or construed: (i) to modify or amend the Lease, or any of Developer's obligations thereunder, or to bind or restrict Owner with respect to its ownership or operation of the Site except as expressly set forth herein with respect to the Development, or (ii) to impose any obligation whatsoever on Owner with respect to the Development, except as expressly set forth in this Agreement.

2.2 Interest in Site. The City and Developer acknowledge and agree that Developer is qualified to enter into and be a party to this Agreement under the Development Agreement Law. The City and Developer acknowledge and agree that Developer has a legal or equitable interest in the Site and thus is qualified to enter into and be a party to this Agreement under the Development Agreement Law. Additionally, prior to the execution of this Agreement, Developer has allowed the City to view a redacted copy of the documents which demonstrates that Developer has a leasehold or license interest in the Site, which interest shall be maintained for the entire Term of this Agreement. If Developer's leasehold or license interest is prematurely and legally terminated by Owner in conformance with the Lease, then Developer shall have no further obligations under Section 3(a) of the Scope of Development, attached as Exhibit "B" herein, relative to the maintenance of landscaping thereon that particular Site, except as provided under Section 5.1. Additionally, if Developer's leasehold or license interest is prematurely terminated by Owner, then Developer shall have no further obligations under this Agreement for that particular Site, except as provided under Section 5.1.

2.3 Term of Agreement. Unless earlier terminated as provided in this Agreement, the "Term" of this Agreement shall continue in full force and effect for: (i) twenty (20) years from approval of this Development Agreement and a Conditional Use Permit (CUP) with an additional one (1) ten year option upon mutual consent of Developer and City (ii) the expiration or earlier termination of the Lease, or (iii) the permanent removal of the New Digital Billboard and Static Billboard constructed pursuant to the terms hereof, other than its removal for repair or replacement. Developer shall completely remove the New Digital Billboard and Static Billboard within the times and as provided under Section 5.1 herein. Within thirty (30) days after the termination of this Agreement, the parties shall execute a written cancellation of this Agreement which shall be recorded with the County Recorder pursuant to Section 8.1 below. If no extension or renewal of this Agreement is agreed to following its termination, then the digital displays shall come down and the lease area restored to its pre-billboard condition, except the columns can be cut off one (1) foot below grade.

2.4 Processing Fee. Upon six (6) months after the issuance of the Final Permits and all governmental and utility inspections approvals for the particular Sites, the Developer shall pay the City a processing fee ("Processing Fee") for the Digital Billboard in the amount of Fifty-Thousand (\$50,000.00) dollars and Developer shall pay the City a second Fifty-Thousand (\$50,000.00) dollars upon six (6) months from the initial Fifty-Thousand (\$50,000.00) dollars payment, and for the Static Billboard, the Developer shall pay the City a processing fee ("Processing Fee") in the amount of Ten-Thousand (\$10,000.00) dollars for that particular Site at the same time the initial \$50,000 is paid for the digital billboard and a second Ten-Thousand (\$10,000.00) dollars 6-months from the initial Ten-Thousand (\$10,000.00) dollars payment. The City shall retain and use the Processing Fee, or any part thereof, for any public purpose within the City's discretion. The Processing Fee shall be separate from all fees which are standard and uniformly applied to similar projects in the City, including, but not limited to, business license fees (due by Developer to the City annually), one-time plan check fees and building permit fees, and any other fees imposed by Los Angeles County, as may be applicable.

2.5 Alternative Fee. The Alternative Fee shall be an amount equal to nine (9%) percent of the gross advertising revenue as gross revenue is defined in Section 1.1.9 above.

2.6 Development Fee. The potential impacts of the Development on the City and

surrounding community are difficult to identify and calculate. Developer and the City agree that an annual development fee paid by Developer to the City would adequately mitigate all such potential impacts. The parties therefore agree that Developer shall pay an annual development fee to the City ("Development Fee"). The Development Fee for the Site shall equal the following amounts during the Term: Sixty-Eight Thousand Five Hundred Dollars (\$68,500) per annum for the New Digital Billboard and Ten Thousand Dollars (\$10,000) per annum for the New Static Billboard.

2.6.1 Alternative Fee: For any calendar year of the Term the Alternative Fee, as defined in Section 2.5 above, is an amount equal to nine percent (9%) of the gross advertising revenue made from the digital displays and static display on the Site(s) during the preceding calendar year of the Term. By way of example only, should the gross advertising revenue during any year of the Term total \$770,000 for the New Digital Billboard and \$385,000 for the New Static Billboard, then for that year, Developer shall pay to the City for the New Digital Billboard the Alternative Fee of \$69,300 assuming no applicable deductions from Section 1.1.9 above (i.e., 9% of \$770,000 is \$69,300 in lieu of the Development Fee of \$68,500), and Developer shall pay to the City for the New Static Billboard, the Alternative Fee of \$34,650 assuming no applicable deductions from Section 1.1.9 above (i.e., 9% of \$385,000 is \$34,650 in lieu of the Development Fee of \$19,000).

2.6.2 Revenue Report & Payment of Alternative Fee or Development Fee: Within ninety (90) days following the end of each calendar year of the Term hereof, and ending within ninety (90) days after the termination of the Term, Developer shall furnish to the City a statement in writing ("Revenue Report"), certified by Developer to be correct, showing the total gross advertising revenues made from each sign face of the New Digital Billboard and New Static Billboard, during the preceding calendar year of the Term attributable to each sign display of the New Billboards. If during any particular year of the Term the Alternative Fee is higher than the Development Fee at the time of calculating the Revenue Report, the Developer shall include along with the Revenue Report a payment corresponding to the Alternative Fee. If during any particular year of the Term the Alternative Fee is less than the Development Fee at the time of calculating the Revenue Report, the Developer shall include along with the Revenue Report a payment corresponding to the Development Fee.

2.6.2.1 Additional Revenue. While Developer is not precluded from generating additional revenue from wireless deployment on the billboard, other than wireless communication devices for the use of operating a billboard, Developer shall not enter any agreement with any party for additional revenue, including revenue derived from wireless deployment on the billboard, without first reaching an agreement with City regarding the additional revenue.

2.6.3 Audit of Alternative Fee. With prior written notice to Developer of not less than ten (10) business days, the City has the right to audit Developer's New Billboards revenue and to view those portions of any advertising space contracts or invoices that only related to this Agreement, at Developer's Santa Fe Springs office, on any normal workday between 9:00 a.m. and 4:00 p.m. once a year. City also has the option of having the contracts and invoices reviewed at City Hall, 11710 Telegraph Road, Santa Fe Springs, CA 90670, for the audit. Prior to the audit, the City shall sign a confidentiality agreement regarding the advertising space contracts and invoices. If the statement of total gross advertising revenue previously provided to the City shall be found to be inaccurate for prior calendar years of the Term, then and in that event, there shall

be an adjustment and one party shall pay to the other on demand such sums as may be necessary to settle in full the accurate amount of the Alternative Fee, if any, that should have been paid to the City for the period or periods covered by such inaccurate statement or statements. If said audit discloses an underpayment of greater than three percent (3%) with respect to the amount of total gross advertising revenue reported by Developer for the period or periods of said report, then Developer shall immediately pay to the City the cost of such audit, plus ten percent (10%) interest per annum on the amount underpaid, but the application of the said interest is limited to the previous year before the time any underpayment should have been paid to the City; if the audit does not disclose an underpayment of greater than three percent (3%) with respect to the amount of total gross advertising revenue reported by Developer for the period or periods of said report, the cost of such audit shall be paid by the City.

2.7 Community Benefits. Developer shall also provide the following Community benefits during the entire Term of this Agreement.

2.7.1 City's Use of the Billboard. Developer shall provide five (5) weeks' worth of display time per year per for the Site for public service announcements by the City on either side of the Billboard, subject to availability of space. The City can chose to utilize any of the five weeks' worth of display time on any of Developer's other freeway digital displays within 10 miles of the City boundary. With respect to any of the New Digital Billboards, Developer shall place City-provided announcements, on a space available basis, in one of the eight (8) display images in the current rotation of display images at any time. The City shall be responsible for providing Developer with approved advertising copy and shall also be responsible for any costs associated with providing Developer with artwork in acceptable format per Developer's specifications. City's use is subject to the following conditions and parameters: all copy must be submitted to Developer at least five (5) days before the proposed display date and will be subject to Developer's standard advertising copy rejection and removal policies, which allow Developer, in its sole discretion, to approve or disapprove copy and remove copy once posted or displayed.

2.7.2 Discount Advertising. Developer shall offer a ten percent (10%) discount off its applicable rates for display of advertising on the Billboards to any business that is a member of the Santa Fe Springs Chamber of Commerce.

2.8 Prohibited Use. Developer shall not utilize any of the displays on the New Digital Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs," adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance existing as of the Effective Date of this Agreement, or as may be amended or implemented from time-to-time after the Effective Date and equally-applicable to all billboard displays by any duly and valid City ordinance.

3. DEVELOPMENT AND IMPLEMENTATION OF THE DEVELOPMENT.

3.1 Rights to Develop. Subject to and during the Term of this Agreement, Developer shall have the right to develop the Site in accordance with, and to the extent of, the Development Approvals, the Land Use Regulations and this Agreement, provided that nothing in this Agreement shall be deemed to modify or amend any of the pre-existing Land Use Regulations, as more particularly set forth in Section 3.2 below.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement, the rules, regulations and official policies governing permitted uses of the Site, the density and intensity of use of the of the structure on the Site, the maximum height and size of proposed structures on the Site, and the design, improvement and construction standards and specifications applicable to the Site, shall be as set forth in the Land Use Regulations which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement.

3.3 Development Approvals. Developer shall, at its own expense and before commencement of demolition, construction or development of any structures or other work of improvement upon the Site, secure or cause to be secured the Development Approvals, a Conditional Use Permit and building permit(s) from the City, and any and all permits and approvals which may be required by any other governmental agency or utility affected by such construction, development or work to be performed by Developer pursuant to the Scope of Development; provided, however, that the City acknowledges that the City's Planning Commission has approved a Mitigated Negative Declaration for the project, thus complying with, and satisfying the the requirements of, the California Environmental Quality Act ("CEQA"). Not by way of limiting the foregoing, in developing and constructing the Development, Developer shall comply with all: (1) applicable development standards in the City's Municipal Code that were in affect at the time the Development Agreement and Conditional Use Permit were approved by the City's Commission (2) applicable NPDES requirements pertaining to the Development, and (3) applicable building codes that were in affect at the time the Development Agreement and Conditional Use Permit were approved by the City's Commission, except as may be permitted through approved variances and modifications. Developer shall pay all normal and customary fees and charges applicable to such permits, and any fees and charges hereafter imposed by the City in connection with the Development which are standard and uniformly-applied to similar projects in the City. Nothing contained in this Agreement shall be deemed to impose any obligation on Owner with respect to the Development Approvals or the Development.

3.4 Timing of Development; Scope of Development. Developer shall commence the Development within the time set forth in the Schedule of Performance, attached hereto as **Exhibit "D"**. "Commencement" of the Development is defined herein as commencement of construction or improvements under the City building permit for the construction of the New Billboards on the Site, which shall occur as soon as possible following Developer's receipt of all necessary Development Approvals and Final Permits. In the event that Developer fails to meet the schedule for Commencement of the Development, then after compliance with Section 4.4, either party hereto may terminate this Agreement by delivering written notice to the other party, and, in the event of such termination, neither party shall have any further obligation hereunder. However, if circumstances within the scope of Section 8.10 delay the Commencement or completion of the Development, then such delays shall not constitute grounds for any termination rights found within this Agreement. In such case, the timeline to commence or complete the relevant task shall be extended in the manner set forth at Section 8.10. Notwithstanding the above, Developer shall, at all times, comply with all other obligations set forth in this Agreement regarding the construction or improvement of the New Billboards. Developer shall also maintain the New Digital Billboard at all times during the Term in accordance with the maintenance provisions set forth in Section 3 of the Scope of Development, attached as **Exhibit "B"** herein.

3.5 Changes and Amendments. Developer may determine that changes to the Development Approvals are appropriate and desirable. In the event Developer makes such a determination, Developer may apply in writing for an amendment to the Development Approvals to effectuate such change(s); provided that the City may request written consent from Owner if the modification is deemed material. The parties acknowledge that the City shall be permitted to use its inherent land use authority in deciding whether to approve or deny any such amendment request; provided, however, that in exercising the foregoing reasonable discretion, the City shall not apply a standard different than that used in evaluating requests of other developers. Accordingly, under no circumstance shall the City be obligated in any manner to approve any amendment to the Development Approvals. The City Manager shall be authorized to approve any non-substantive amendment to the Development Approvals without processing an amendment to this Agreement. All other amendments shall require the approval of the City Council. Nothing herein shall cause Developer to be in default if it upgrades the digital displays installed pursuant to this Agreement during the Term of this Agreement to incorporate newer technology; provided Developer shall secure all applicable ministerial permits to do so and such upgrade is consistent with the dimensions and standards for the displays, as provided under this Agreement, Land Use Regulations and Subsequent Land Use Regulations.

3.6 Reservation of Authority.

3.6.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges of every kind and nature imposed by the City to cover the estimated actual costs to the City of processing applications for Subsequent Development Approvals.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(c) Changes adopted by the International Code Conference Building Officials, or other similar body, as part of the then most current versions of the California Building Code, California Fire Code, California Plumbing Code, California Mechanical Code, or California Electrical Code, as adopted by the City as Subsequent Land Use Regulations, if adopted prior to the issuance of a building permit for development of the New Billboards. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(d) Regulations that are not in conflict with the Development Approvals or this Agreement.

(e) Regulations that are in conflict with the Development Approvals or this Agreement, provided Developer has given written consent to the application of such regulations to the Development.

(f) Applicable federal, state, county and multi-jurisdictional laws and regulations which the City is required to enforce against the Site or the Development, and that do not have an exception for existing signs or legal nonconforming uses.

3.6.2 *Future Discretion of the City.* This Agreement shall not prevent the City from denying or conditionally approving any application for a Subsequent Development Approval on the basis of the Land Use Regulations.

3.6.3 *Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.* In the event that applicable federal, state, county or multi-jurisdictional laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, and there is no exception for the legal nonconforming use, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such federal, state, county or multi-jurisdictional laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

3.7 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not subject to control by the City may possess authority to regulate aspects of the Development as contemplated herein, and this Agreement does not limit the authority of such other public agencies. Developer acknowledges and represents that, in addition to the Land Use Regulations, Developer shall, at all times, comply with all applicable federal, state and local laws and regulations applicable to the Development and that do not have an exception for a legal nonconforming use. To the extent such other public agencies preclude development or maintenance of the Development and do not have an exception for a legal nonconforming use, Developer shall not be further obligated under this Agreement except as provided in Section 4.1. Notwithstanding the foregoing, if such action by another public agency materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

3.8 Public Improvements. Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Subsequent Development Approvals on the requirement that Developer pay subsequently required development fees, and/or construct certain subsequently required public infrastructure ("Exactions") at such time as the City shall determine, subject to the following conditions:

3.8.1 The payment or construction must be to alleviate an impact caused by the Development or be of benefit to the Development; and

3.8.2 The timing of the Exaction should be reasonably related to the development of the Development, and said public improvements shall be phased to be commensurate with the

logical progression of the development of the Development, as well as the reasonable needs of the public.

3.8.3 It is understood, however, that if there is a material increase in cost to Developer, or such action by the City otherwise materially impacts Developer or its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

3.9 Fees, Taxes and Assessments. During the Term of this Agreement, the City shall not, without the prior written consent of Developer, impose any additional fees, taxes or assessments on all or any portion of the Development, except such fees, taxes and assessments as are described in or required by this Development Agreement and/or the Development Approvals. However, this Development Agreement shall not prohibit the application of fees, taxes or assessments upon the Site only and not on the New Digital Billboard or Developer directly, except as follows:

3.9.1 Developer shall be obligated to pay those fees, taxes or City assessments and any increases in same which exist as the Effective Date and applicable to the Development or are included in the Development Approvals;

3.9.2 Developer shall be obligated to pay any fees or taxes, and increases thereof, imposed on a City-wide basis such as, but not limited to, business license fees or taxes or utility taxes applicable to the Development;

3.9.3 Developer shall be obligated to pay all fees applicable to any permit applications as charged by the City at the time such application(s) are filed by Developer;

3.9.4 Developer shall be obligated to pay any fees imposed pursuant to any Uniform Code that existed when the permit applications are filed by Developer or that exist when Developer applies for any Subsequent Development Approvals.

3.10 Changes. Notwithstanding anything to the contrary herein, if there is a change in such fees as compared to those fees in effect as of the Effective Date, or if any additional fees are charged and such additional or increased fees materially change Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

4. REVIEW FOR COMPLIANCE.

4.1 Annual Review. The City Council shall have the right to review this Agreement annually at the City's sole cost, on or before the anniversary of the commencement of the Term, to ascertain the good faith compliance by Developer with the terms of this Agreement ("Annual Review"). However, no failure on the part of the City to conduct or complete an Annual Review as provided herein shall have any impact on the validity of this Agreement. Developer shall cooperate with the City in the conduct of such any Annual Review and provide the following information and documentation to the City at least thirty (30) days before the anniversary of the commencement of the Term: (1) any updates to Developer's contact information related to complaints concerning the billboards, as required in the conditions at **Exhibit "B"**, Section 6 herein, (2) status and amount of all payment obligations to the City required under this Agreement

for the year in question and cumulatively beginning from the Commencement of the Development herein, (3) any easement or Lease changes that could in any way materially impact the City or the parties' obligations under this Agreement, but any disclosure shall be via a redact Lease per Section 2.2, (4) any utility changes that could in any way materially impact the City or the parties' obligations under this Agreement, and (5) any maintenance issues addressed or needing to be addressed per the requirements of Exhibit "B".

4.2 Special Review. The City Council may, in its sole and absolute discretion, order a special review of compliance with this Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

4.3 City Rights of Access. Subject to the City's execution of a permit to enter in a form reasonably acceptable to Owner, the City and its officers, employees, agents and contractors shall have the right, at their sole risk and expense, to enter the Site without interfering with any railroad or other right-of-way, and at all reasonable times with as little interference as possible, for the purpose of conducting the review under this Article 4, inspection, construction, reconstruction, relocation, maintenance, repair or service of any public improvements or public facilities located on the Site, or to perform any rights of the City under Section 4.2 above. Any damage or injury to the Site or to the improvements constructed thereon resulting from such entry shall be promptly repaired at the sole expense of the City. Notwithstanding the foregoing or any other provision in this Agreement (including without limitation Section 4.2 above) to the contrary, the City shall have no right whatsoever to enter the Site unless and until the City executes and delivers to Owner a permit to enter in a form reasonably acceptable to Owner (except that this provision is not intended to interfere with the City's police powers to address any nuisance, dangerous condition, or other condition pursuant to the City's ordinances). Notwithstanding anything to the contrary herein, in no event will the City's representatives ever climb up the pole of the New Digital Billboard during any inspection.

4.4 Procedure. Each party shall have a reasonable opportunity to assert matters which it believes have not been undertaken in accordance with this Agreement, to explain the basis for such assertion, and to receive from the other party a justification of its position on such matters. If, on the basis of the parties' review of any terms of this Agreement, either party concludes that the other party has not complied in good faith with the terms of this Agreement, then such party may issue a written "Notice of Non-Compliance" specifying the grounds therefore and all facts demonstrating such non-compliance. The party receiving a Notice of Non-Compliance shall have thirty (30) days to cure or remedy the non-compliance identified in the Notice of Non-Compliance, but if such cure or remedy is not reasonably capable of being cured or remedied within such thirty (30) day period, then the party receiving a Notice of Non-Compliance shall commence to cure or remedy the non-compliance within such thirty (30) day period and thereafter diligently and in good faith prosecute such cure or remedy to completion. If the party receiving the Notice of Non-Compliance does not believe it is out of compliance and contests the Notice of Non-Compliance, it shall do so by responding in writing to said Notice of Non-Compliance within thirty (30) days after receipt of the Notice of Non-Compliance. If the response to the Notice of Non-Compliance has not been received in the office of the party alleging the non-compliance within the prescribed time period, the Notice of Non-Compliance shall be conclusively presumed to be valid. If a Notice of Non-Compliance is contested, the parties shall, for a period of not less than fifteen (15) days following receipt of the response, seek to arrive at a mutually acceptable resolution of the matter(s) occasioning the Notice of Non-Compliance. In the event that a cure or remedy is not timely

completed, the party alleging the non-compliance may thereupon pursue the remedies provided in Section 5; provided, however, that if the Notice of Non-Compliance is contested and the parties are not able to arrive at a mutually acceptable resolution of the matter(s) by the end of the fifteen (15) day period, then either party shall have the right to seek a judicial determination of such contested matter. Neither party hereto shall be deemed in breach if the reason for non-compliance is due to "force majeure" as defined in, and subject to the provisions of, Section 8.10.

4.5 Certificate of Agreement Compliance. If, at the conclusion of an Annual Review or a Special Review, Developer is found to be in compliance with this Agreement, the City shall, upon request by Developer, issue within Ten (10) days of receipt of the request, a written confirmation ("Certificate") to Developer stating that, after the most recent Annual Review or Special Review, and based upon the information known or made known to the City Manager and the City Council, that (1) this Agreement remains in effect, and (2) Developer is in compliance. The Certificate, whether issued after an Annual Review or Special Review, shall be in recordable form if requested by Developer, and shall contain information necessary to communicate constructive record notice of the finding of compliance. Developer may record the Certificate with the County Recorder. Additionally, Developer may, at any time, request from the City a Certificate stating, in addition to the foregoing, which specific obligations under this Agreement have been fully satisfied with respect to the Site and City shall respond within Ten (10) days of receipt of the request. If the City fails to respond to a Developer's request pursuant to this Section 4.5, the Developer is presumed to be in compliance with this Agreement or any obligation that is the subject of the Developer's request.

5. DEFAULT AND REMEDIES.

5.1 Termination of Agreement.

5.1.1 Termination of Agreement for Material Default of Developer. The City, in its discretion, may terminate this Agreement for any material failure of Developer to perform any material duty or obligation of Developer hereunder or to comply in good faith with the terms of this Agreement (hereinafter referred to as "default" or "breach"); provided, however, the City may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 4.4. In the event of a termination by the City under this Section 5.1.1, Developer acknowledges and agrees that the City may retain all fees accrued up to the date of the termination, including the Processing Fee and the Development Fee or Alternative Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee or Alternative Fee, as applicable, within sixty (60) days after the date of termination and removal of the New Billboards that equates to the percentage of time elapsed in the year of the Term at the time of termination.

5.1.2 Termination of Agreement for Material Default of City. Developer, in its discretion, may terminate this Agreement for any material failure of the City to perform any material duty or obligation of the City hereunder or to comply in good faith with the terms of this Agreement; provided, however, Developer may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 4.4. In addition, Developer may terminate this Agreement if, despite Developer's good faith efforts, (1) it is unable to secure the necessary permits and/or compliance with requirements under laws necessary to effectuate the Development, or (2) any governmental agency has concluded a taking or regulatory taking of the Site and/or the Development or (3) the Lease is terminated, or (4) it is unable to profitably operate the

Development. In the event of a termination by Developer under this Section 5.1.2, Developer acknowledges and agrees that the City may retain all fees, including the Processing Fee and the Development Fee or Alternative Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee or Alternative Fee, as applicable, within sixty (60) days after the date of termination and removal of the New Digital Billboard that is so terminated that quates to the percentage of time elapsed in the year of the Term at the time of termination.

5.1.3 *Rights and Duties Following Termination.* Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to (i) any obligations to have been performed prior to said termination of this Agreement, (ii) any default in the performance of the provisions of this Agreement which has occurred prior to said termination of this Agreement, (iii) Developer's obligation to remove the terminated New Digital Billboard pursuant to Section 2.3, or (iv) any continuing obligations to indemnify other parties.

6. INSURANCE, INDEMNIFICATION AND WAIVERS.

6.1 Insurance.

6.1.1 Types of Insurance.

(a) *Liability Insurance.* Beginning on the Effective Date hereof and until completion of the Term, Developer shall, at its sole cost and expense, keep or cause to be kept in force for Developer comprehensive broad form general liability insurance against claims and liabilities covered by the indemnification provisions of Section 6.2. Developer has agreed to indemnify the City hereunder to the extent of the liability insurance coverage with respect to its use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least One Million Dollars (\$1,000,000) for bodily injury or death to any one person, at least Two Million Dollars (\$2,000,000) for any one accident or occurrence, and at least One Million Dollars (\$1,000,000) for property damage. Developer shall also furnish or cause to be furnished to the City evidence that any contractors with whom Developer has contracted for the performance of any work for which Developer is responsible maintains the same coverage required of Developer.

(b) *Worker's Compensation.* Developer shall also furnish or cause to be furnished to the City evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries worker's compensation insurance as required by law.

(c) *Insurance Policy Form, Sufficiency, Content and Insurer.* All insurance required by express provisions hereof shall be carried only by responsible insurance companies qualified to do business by California with an AM Best Rating of no less than "A". All such policies shall be non-assignable and shall contain language, to the extent obtainable, to the effect that (i) the insurer waives the right of subrogation against the City and against the City's agents and representatives except as provided in this Section; (ii) the policies are primary and noncontributing with any insurance that may be carried by the City, but only with respect to the liabilities assumed by Developer under this Agreement; and (iii) the policies cannot be canceled or materially changed except after written notice by the insurer to the City or the City's designated representative as expeditiously as the insurance company agrees to provide such notice. Developer

shall furnish the City with certificates evidencing the insurance required to be procured by the terms of this Agreement.

6.1.2 *Failure to Maintain Insurance and Proof of Compliance.* Developer shall deliver to the City, in the manner required for notices, copies of certificates of all insurance policies required of each policy within the following time limits:

(a) For insurance required above, within seven (7) days after the Effective Date or consistent with the requirements of **Exhibit "D"** (Schedule of Performance), Item No. 7.

(b) The City can request to see updated copies of the current certificates of all insurance policies required. The City reserves the right to obtain copies of the entire insurance policy, including endorsements.

If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish the City with required proof that the insurance has been procured and is in force and paid for, the City, after complying with the requirements of Section 4.4, may view such failure or refusal to be a default hereunder.

6.2 Indemnification.

6.2.1 *General.* To the extent of its liability coverage required under Section 6.1.1(a) above, Developer shall indemnify the City and Owner, and their respective officers, employees, and agents against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Developer, its agents, employees, subcontractors, or invitees, hereunder, upon the Site.

(a) Developer will defend any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein and will pay all costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection therewith, which attorneys will be the attorneys hired by the insurance company where insurance coverage applies.

(b) Developer will promptly pay any judgment rendered against the City or Owner or their respective officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Developer hereunder, and Developer agrees to save and hold the City and Owner and their respective its officers, agents, and employees harmless therefrom.

6.2.2 *Exceptions.* The foregoing indemnity shall not include claims or liabilities arising from the negligence or willful misconduct of the City, or its officers, agents or employees who are directly responsible to the City.

6.2.3 *Additional Coverage.* Without limiting the generality of the foregoing, Developer's indemnity obligation shall include any liability arising by reason of:

(a) Any accident or other occurrence in or on the Site causing injury to any person or property whatsoever caused by Developer;

(b) Any failure of Developer to comply with performance of all of the provisions of this Agreement;

(c) Any harm, delays, injuries or other damages incurred by any party as a result of any subsurface conditions on the Site caused solely by Developer, including but not limited to, the presence of buried debris, hazardous materials, hydrocarbons, or any form of soil contamination.

6.2.4 Loss and Damage. Except as set forth below, the City shall not be liable for any damage to property of Developer, Owner or of others located on the Site, nor for the loss of or damage to any property of Developer, Owner or others by theft or otherwise. Except as set forth below, the City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of Site or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of Site, or by any other cause of whatsoever nature. The foregoing two (2) sentences shall not apply (i) to the extent the City or its agents, employees, subcontractors, invitees or representatives causes such injury or damage when accessing the Site, or (ii) to the extent covered in any permits to enter executed by the City, or (iii) under the circumstances set forth in Section 6.2.2 above.

6.2.5 Period of Indemnification. The obligations for indemnity under this Section 6.2 shall begin upon the Effective Date and shall survive termination of this Agreement.

6.3 Waiver of Subrogation. Developer and the City mutually agree that neither shall make any claim against, nor seek to recover from the other or its agents, servants, or employees, for any loss or damage to Developer or the City or to any person or property relating to this Agreement, except as specifically provided hereunder, which include but is not limited to a claim or liability to the extent arising from the negligence or willful misconduct of the City or Developer, as the case may be, or their respective officers, agents, or employees who are directly responsible to the City and Developer, as the case may be.

7. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering Site or any portion thereof or the Development or any improvement on the Site thereon by any mortgage, deed of trust or other security device securing financing with respect to the Site. The City acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and the City agrees upon request, from time to time, to meet with Developer or Owner and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. Subject to compliance with applicable laws, the City will not unreasonably withhold its consent to any such requested interpretation or modification, provided the City determines such interpretation or modification is consistent with the intent and purposes of this Agreement. Upon reasonable approval by the City Attorney, the City authorizes the City Manager to execute any Notices of Consent to Assignment on behalf of the City or similar financial documentation. Any Mortgagee of the Site shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Development of the Site or any mortgage of the Site made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Development of the Site or any mortgage or deed of trust encumbering the Site, or any part thereof, which Mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from the City of any default by Developer in the performance of Developer's obligations under this Agreement.

(c) If the City timely receives a request from a Mortgagee requesting a copy of any Notice of Non-Compliance given to Developer under the terms of this Agreement, the City shall make a good faith effort to provide a copy of that Notice of Non-Compliance to the Mortgagee within ten (10) days of sending the Notice of Non-Compliance to Developer. The Mortgagee shall have the right, but not the obligation, to cure the non-compliance during the period that is the longer of (i) the remaining cure period allowed such party under this Agreement, or (ii) sixty (60) days.

(d) Any Mortgagee who comes into possession of the Development or the Site, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Development or the Site, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; except that (i) to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by the City, the performance thereof shall continue to be a condition precedent to the City's performance hereunder, and (ii) in the event any Mortgagee seeks to develop or use any portion of the Development or the Site acquired by such Mortgagee by foreclosure, deed of trust, or deed in lieu of foreclosure, such Mortgagee shall strictly comply with all of the terms, conditions and requirements of this Agreement and the Development Approvals applicable to the Development or the Site or such part thereof so acquired by the Mortgagee.

8. MISCELLANEOUS PROVISIONS.

8.1 Recordation of Agreement. This Agreement shall be recorded in "short form" version with the County Recorder by the City Clerk within 10 days of execution, as required by Government Code Section 65868.5. Amendments approved by the parties, and any cancellation, shall be similarly recorded.

8.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

8.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then that term, provision, covenant or condition of this Agreement shall be stricken and the remaining portion of this Agreement shall remain valid

and enforceable if that stricken term, provision, covenant or condition is not material to the main purpose of this Agreement, which is to allow the Development to be permitted and operated and to provide the Development Fee to the City; otherwise, this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

8.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning, to achieve the objectives and purposes of the parties hereto. The rule of construction, to the effect that ambiguities are to be resolved against the drafting party or in favor of the non-drafting party, shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

8.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

8.6 Singular and Plural. As used herein, the singular of any word includes the plural.

8.7 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

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

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

8.10 Force Majeure. Notwithstanding any provision to the contrary herein, neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, rains, winds, wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government actions and regulations (other than those of the City), court actions (such as restraining orders or injunctions), or other causes beyond the party's reasonable control. If any such events shall occur the term of this Agreement then the time for performance shall be extended for the duration of each such event, provided that the Term of this Agreement shall not be extended under any circumstances for more than five (5) years beyond the date it would have otherwise expired, and further provided that if such delay is longer than six (6) months, Developer may terminate this Agreement upon written notice to the City and the City shall return to Developer any portion of the Development fee paid for any period after the effective date of such termination.

8.11 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

8.12 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

8.13 Litigation. Any action at law or in equity arising under this Agreement or brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, or such other appropriate court in said county. Service of process on the City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside California. In the event of any action between the City and Developer seeking enforcement of any of the terms and conditions to this Agreement, the prevailing party in such action shall be awarded, in addition to such relief to which such party is entitled under this Agreement, its reasonable litigation costs and expenses, including without limitation its expert witness fees and reasonable attorneys' fees.

8.14 Covenant Not To Sue. The parties to this Agreement, and each of them, agree that this Agreement and each term hereof are legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

8.15 Development as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the Development is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between the City and Developer is that of a government entity regulating the development of private property, on the one hand, and the holder of a legal or equitable interest in such private property on the other hand. The City agrees that by its approval of, and entering into, this Agreement, that it is not taking any action which would transform this private development into a "public work" development, and that nothing herein shall be interpreted to convey upon Developer any benefit which would transform Developer's private development into a public work project, it being understood that this Agreement is entered into by the City and Developer upon the exchange of consideration described in this Agreement, including the Recitals to this Agreement which are incorporated into this Agreement and made a part hereof, and that the City is receiving by and through this Agreement the full measure of benefit in exchange for the burdens placed on Developer by this Agreement.

8.16 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

8.17 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by the City of its power of eminent domain or Developer's right to seek and collect just compensation or any other remedy available to it.

8.18 Amendments in Writing/Cooperation. This Agreement may be amended only by written consent of both parties specifically approving the amendment and in accordance with the Government Code provisions for the amendment of development agreements. The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters. Minor, non-material modifications may be approved on behalf of the City by the City Manager upon reasonable approval by the City Attorney.

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

8.20 Notices. All notices under this Agreement shall be effective when delivered by United States Postal Service mail, registered or certified, postage prepaid return receipt requested, and addressed to the respective parties as set forth below, or to such other address as either party may from time to time designate in writing by providing notice to the other party:

If to the City: City of Santa Fe Springs
 11710 E. Telegraph Road
 Santa Fe Springs, CA 90670
 Attn: City Manager

If to Developer: Le Fiell Manufacturing Company
 LAND LEASE NOTICE
 13700 Firestone Boulevard
 Santa Fe Springs, California 90670
 Attn: George Ray

8.21 Nonliability of City Officials. No officer, official, member, employee, agent, or representatives of the City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, agent, or representative.

8.22 No Brokers. The City and Developer each represent and warrant to the other that it has not employed any broker and/or finder to represent its interest in this transaction. Each party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, cost, or expense (including court costs and reasonable attorneys' fees) in any manner connected with a claim asserted by any individual or entity for any commission or finder's fee in connection with this Agreement or arising out of agreements by the indemnifying party to pay any commission or finder's fee.

8.23 No Amendment of Lease. Nothing contained in this Agreement shall be deemed to amend or modify any of the terms or provisions of the Lease. Nothing contained in this Agreement shall constitute or be deemed to constitute a limit on any of Developer's obligations under the Lease, or any of Owner's rights or remedies against Developer under the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

CITY:

CITY OF SANTA FE SPRINGS
a California municipal corporation

By: _____
Mayor

DEVELOPER:

Le Fiell Manufacturing Company
a Sub Chapter "S" Corporation

By: _____
George A. Ray, Chairman of the Board

[end of signatures]

[illegible]

On _____, 2016, before me, _____, a 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.

Notary Public

[SEAL]

[illegible]

On _____, 2016, before me, _____, a 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.

Notary Public

[SEAL]

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS: BEING PARCEL 1 OF VESTING PARCEL MAP NO. 71304 AS PER MAP FILED IN MAP BOOK 384 PAGES 73 AND 74 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT B

SCOPE OF DEVELOPMENT

Developer and the City agree that the Development shall be undertaken in accordance with the terms of the Agreement, which include the following:

1. The Development. Developer shall install the New Digital Billboard and New Static Billboard in accordance with the terms of this Agreement. The New Digital Billboard consists of one (1) 50' tall, "bulletin" size freeway-oriented billboard with a total of two (2) digital displays (each display measuring 14' x 48' within the billboard frame) on the South bound 5 Freeway along Firestone Boulevard. The New Static Billboard consists of one (1) 50' tall, "bulletin" size freeway-oriented billboard with a total of two (2) static displays (each display measuring 14' x 48' within the billboard frame) on the South Firestone Boulevard. bound 5 Freeway along Before the issuance of final inspection of the Final Permits, Developer shall underground all utilities necessary for the New Billboards and the Site shall be maintained in accordance with the conditions at Paragraph 3 below.

2. Building Fees. Developer shall pay all applicable City building fees, as described at Section 2.4 of the Agreement, at the time that the building permit is issued for the installation of the New Digital and Static Billboard .

3. Maintenance and Access. Developer, for itself and its successors and assigns, hereby covenants and agrees to be responsible for the following:

(a) Maintenance and repair of the New Billboards (where authorized pursuant to the Agreement, and including but not limited to, the displays installed thereon, and all related on-site improvements and, if applicable, easements and rights-of-way, at its sole cost and expense), including, without limitation, landscaping, poles, lighting, signs and walls (as they relate to the Development) in good repair, free of graffiti, rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction over the Site, unless those federal, state, and local bodies have an exception for a legal nonconforming use. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal related to the Development; (ii) the care and replacement of all shrubbery, plantings, and other landscaping or the painted backing in a healthy condition if damaged by the Development; (iii) the ongoing maintenance by Developer of any access road to the New Billboards if damaged by the Development and to minimize dust caused by the Development; and (iii) the repair, replacement and repainting of the New Billboards' structures and displays as necessary to maintain such billboards in good condition and repair.

(b) Maintenance of the New Billboards and surrounding portion of the Site in such a manner as to avoid the reasonable determination of a duly authorized official of the City that a public nuisance has been created by the absence of adequate maintenance of the Development such as to be detrimental to the public health, safety or general welfare, or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within three hundred (300) feet of the Site.

(c) Developer shall reasonably coordinate with any neighboring property owners who share utilities or access roads to their separate respective billboards. The City may designate alternative access for planning purposes so long as such alternative access allows Developer to access its billboard and related utilities.

4. Other Rights of the City. In the event of any violation or threatened violation of any of the provisions of this Exhibit “B,” then in addition to, but not in lieu of, any of the rights or remedies the City may have to enforce the provisions of the Agreement, the City shall have the right, after complying with Section 4.4 of the Agreement, (i) to enforce the provisions hereof by undertaking any maintenance or repairs required by Developer under Paragraph 3 above (subject to the execution of a permit to enter in form reasonably acceptable to Owner) and charging Developer for any actual maintenance costs incurred in performing same, and (ii) to withhold or revoke, after giving written notice of said violation, any building permits, occupancy permits, certificates of occupancy, business licenses and similar matters or approvals pertaining to the Development or any part thereof or interests therein as to the violating person or one threatening violation.

5. No City Liability. The granting of a right of enforcement to the City does not create a mandatory duty on the part of the City to enforce any provision of the Agreement. The failure of the City to enforce the Agreement shall not give rise to a cause of action on the part of any person. No officer or employee of the City shall be personally liable to Developer, its successors, transferees or assigns, for any default or breach by the City under the Agreement.

6. Conditions of Approval. The following additional conditions shall apply to the installation of the New Digital Billboard and, where stated, landscaping adjacent to New Digital Billboard, which billboard and landscaping or painted backing adjacent to the billboard, respectively, shall conform to all applicable provisions of the Development Approvals and the following conditions, in a manner subject to the approval of the Director of Planning or his or her designee:

(a) A building permit will be required, and structural calculations shall be prepared by a licensed civil engineer and approved by the City Building Official.

(b) The Billboards shall be located in the portion of the Site shown on Exhibit “C”, and shall be of the dimensions described in Section 1, above.

(c) The size of each sign display of the New Billboards shall not exceed the dimensions set forth in the Ordinance, and shall not to exceed the maximum height set forth in the Ordinance, including all extensions, and shall be spaced at intervals from any other billboard on the same side of the freeway and measured parallel to the freeway as set forth in the Ordinance and depicted in the Site Plan and Elevations at Exhibit “C” approved by the City as part of the Development Approvals.

(d) The New Billboards’ pole shall have a column cover as depicted in the Elevations within Exhibit “C”.

(e) Plans and specifications for the proposed installation of the New Billboards shall be submitted to the City Planning and Building Departments for plan check and approval

prior to the issuance of building permits. Plans and specifications for the proposed installation of the undergrounding of all utilities, shall be submitted to the City Planning and Building Departments for plan check and approval prior to the issuance of electrical permits.

(f) Prior to the approval of the final inspection, all applicable conditions of approval and all mandatory improvements shall be completed to the reasonable satisfaction of the City.

(g) Developer shall maintain the New Billboards and use thereof in full compliance with all applicable codes, standards, policies and regulations imposed by the City, county, state or federal agencies by any duly and valid City, county or state ordinance with jurisdiction over the facilities, unless the Development is exempted as a legal nonconforming use.

(h) Developer shall, at all time, comply with the approval for the New Billboards from the California Department of Transportation Outdoor Advertising Division, and shall maintain acceptable clearance between proposed billboards and Southern California Edison distribution lines.

(i) Developer shall pay any and all applicable fees due to any public agency prior to the final issuance of the applicable building or electrical permits.

(j) The activities proposed in the Agreement shall be conducted completely upon the Site and shall not use or encroach on any public right-of-way.

(k) Developer shall ensure that all access to the New Billboards is kept restricted to the general public to the extent permitted under local laws and by the Development Approvals.

(l) If any portion of the landscaping or painted backing installed adjacent to the New Billboards is damaged by the Development or becomes damaged, unhealthy or otherwise in need of replacement, as determined by the City's Director of Planning or his or her designee, Developer shall ensure that the replacement is accomplished within fourteen (14) days of notification by the City, unless such time is extended by the City's Director of Planning or his or her designee if Developer shows unusual circumstances requiring more time to accomplish such replacement. Developer or Owner may trim such landscaping so as not to block the billboards or with the reasonable consent of the Director of Planning, the Developer at the Developer's own cost, can remove and relocate any landscaping.

(m) Developer shall be required to install all utilities underground in connection with the New Billboards in conformance with Ordinance 1036. Developer shall coordinate its work with the requirements of Southern California Edison to achieve the undergrounding of all utilities.

(n) Developer shall comply with all necessary federal National Pollutant Discharge Elimination System (NPDES) requirements pertaining to the proposed use, to the extent applicable.

(o) All graffiti shall be adequately and completely removed or painted over within 48 hours of notice to Developer of such graffiti being affixed on the Development.

(p) Prior to final sign off of the building permit for the New Billboards, the applicable landscaping or painted backing shall be installed at the Site.

(q) Developer shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to, the 0.3 foot-candles limitation over ambient light levels and ensuring additional flexibility in reducing such maximum light level standard given the lighting environment, the obligation to have automatic dimming capabilities, as well as providing the City's Director of Planning or his or her designee with a designated Developer employee's phone number and/or email address for emergencies or complaints that will be monitored 24 hours a day/7 days per week. Upon any reasonable complaint by the City's Planning Officer or designee, Developer shall dim the display to meet these guidelines and further perform a brightness measurement of the display using OAAA standards and provide the City with the results of same within 5 days of the City's complaint.

EXHIBIT C SITE PLAN OF SITE

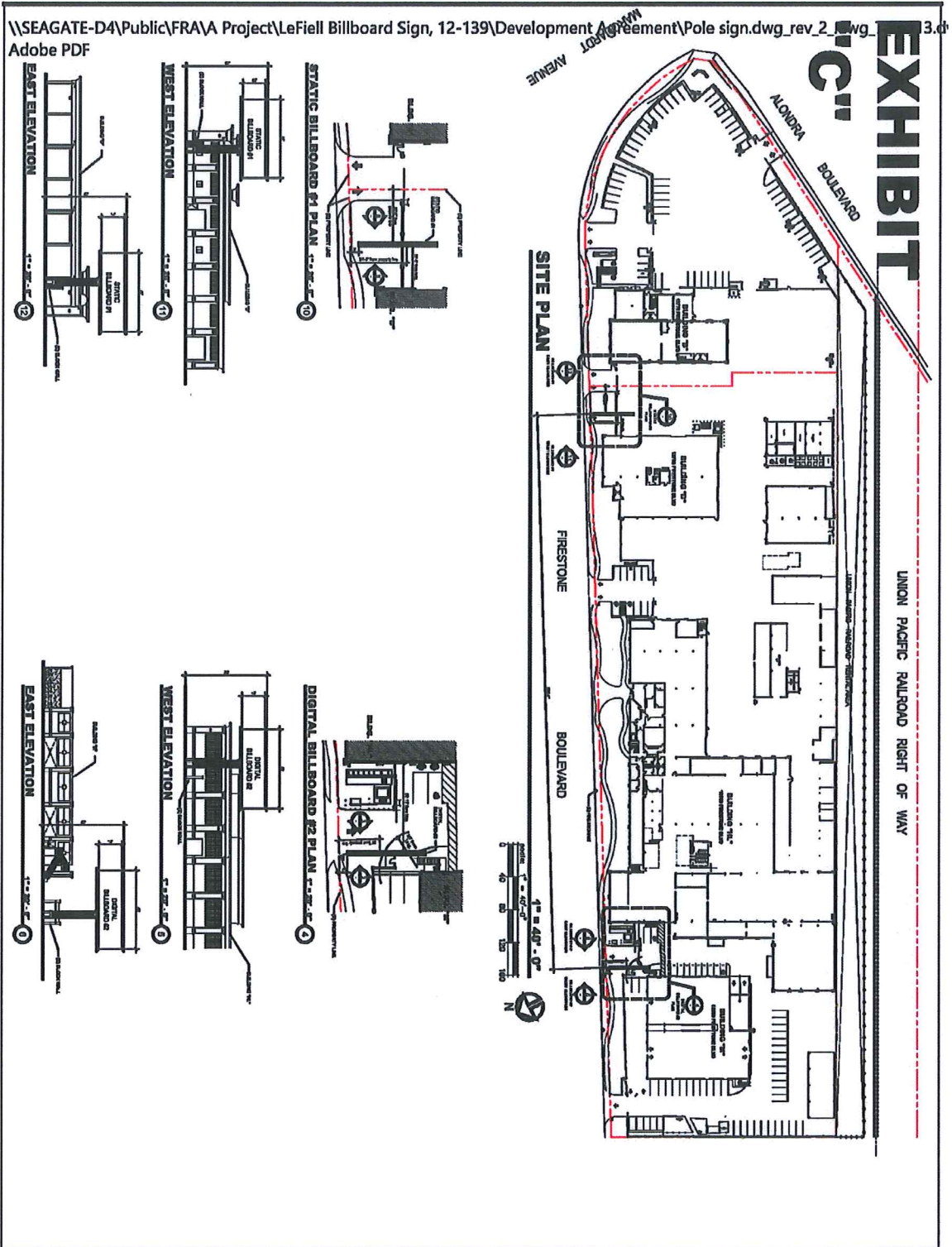


EXHIBIT D

SCHEDULE OF PERFORMANCE

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
1. City's Planning Commission holds public hearing and recommends approval of Agreement and Conditions of Approval		Recitals
2. City's City Council holds hearings to approve Agreement and first and second reading of Ordinance	May 26, 2016 (1 st Reading); June 9, 2016 (2 nd Reading), provided Developer has fully executed the Agreement	Recitals
3. Effective Date of this Agreement.	30 days following City Council's second reading of Ordinance, or July 10, 2016	N/A
4. Developer prepares and submits to City working drawings specifications and engineering, the City commences approval process.	Within 120 days of the Council's second reading of the Ordinance approving this Agreement	3.4
5. City to approve all construction and engineering drawings and specifications with a plan check approval, and issue a building permit and an electrical permit. City agrees to any necessary building or electrical permits need for Developer to acquire the Caltrans approvals. Developer agrees not to commence construction until it receives the applicable Caltrans approvals.	Within 30 days of City's receipt of Developer's construction drawings and specifications addressing all of City's comments.	_____
6. Developer to provide copy of Caltrans approval to City	Prior to commencing any inspections and work on the Development.	3.3, 3.4
7. Developer to submit proof of insurance to City.	Prior to commencing any inspections and work on the Development	6.1.2

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
8. Developer pays City first installment of Development Fee if Developer receives Final Permits	Within 1 year of Developer receiving Final Permits	2.6
9. Developer pays City second installment and subsequent annual installments of the Development Fee if Developer receives Final Permits.	Beginning within 2 years of Developer receiving Final Permits, and continuing throughout the Term. Each payment occurring at the end of each year of the Term.	2.6
10. Developer pays the Alternative Fee if in excess of the Development Fee.	Within 90 days of the end of each calendar year of the Term	2.6

It is understood that this Schedule of Performance is subject to all of the terms and conditions of the text of the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Developer and the City. Notwithstanding any extension of the Term in the manner described in, and subject to the provisions of Section 3.5 of the Agreement, the City Manager shall have the authority to approve extensions of time set forth in this Schedule of Performance without action of the City Council, not to exceed a cumulative total of 180 days.



ORDINANCE FOR PASSAGE

Ordinance No. 1073 – An Ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, INC.

RECOMMENDATION

1. That the City Council waive further reading and adopt Ordinance No. 1073, an ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, INC.

BACKGROUND

Ordinance No. 1073 was introduced and passed its first reading at the May 26, 2016 City Council meeting. Below is the substance of the agenda report for the proposed ordinance as it appeared at that meeting:

At a duly noticed hearing, before the City Council, on November 8, 2012, Ordinance No. 1036 was introduced. The second reading of Ordinance No. 1036 occurred on November 20, 2012. It became effective thirty (30) days after its second reading.

Ordinance No. 1036 improved and updated the City's existing billboard regulations, which were badly outdated and failed to anticipate and regulate 21st-century trends, such as electronic billboards, supergraphics (building wraps), and mobile billboards. Key elements of the ordinance included:

- (1) Updating the definition of billboards to include electronic billboards.
- (2) Limiting electronic billboards to the FOZ.
- (3) Requiring a Conditional Use Permit (CUP) and Development Agreement for all new billboards and expansion of existing billboards.
- (4) Limiting the placement of billboards to properties with a minimum area of 5 acres.
- (5) Creating definitions and regulations for supergraphics and mobile billboards.
- (6) Creating a mechanism for the City to generate additional revenues, either as a one-time payment, or payment over time, or a combination of both.
- (7) Allowing space on new billboards to be utilized for City-related activities, or to bring awareness to City and/or charitable causes.
- (8) Establishing a minimum distance between billboards.
- (9) Limiting the contents of messages beyond sexually explicit materials, alcohol and tobacco advertising.

Pursuant to section 155.384(A), of Ordinance No. 1036, billboards are allowed only after a valid Conditional Use Permit has first been obtained and a Developer Agreement has been approved

Conditional Use Permit

On March 9, 2015, the Applicant (Newport Diversified, INC) obtained approval of a Conditional Use Permit (CUP 751) from the Planning Commission allow the construction and operation of a new double-face billboard (50-foot tall with display area of 14' x 48') on the property located at 15718 Marquardt Avenue (*previous* APN: 7003-01-904). At the same meeting, the applicant concurrently applied for and received approval of Zone Variance (ZV 78) to vary from Section 155.384 (H)(5) to allow a reduction to the 1,000 foot separation requirements for billboards on the same side of the freeway and also to vary from Section 155.384 (H)(7) to allow a reduction to the 5-acres minimum size requirement.

Then on May 9, 2016, the Planning Commission, via Resolution No. 57-2016, recommended that the City Council adopt Ordinance No. 1073. City Council approval of Ordinance No. 1073 would allow for a development agreement (Development Agreement No. 03-2016) between the City of Santa Fe Springs and Newport Diversified, INC. The Development Agreement would set forth rules and regulations applicable to the proposed billboards.

Development Agreement

A city's exercise of its power to enter into a development agreement is a legislative act; therefore, development agreements must be approved by ordinance. Under California Government Code Sections 65864 et seq. ("Development Agreement Law") cities can enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

The main points of the Development Agreement (see attachment) are as follows:

1. The Developer pays an annual development fee to the City to mitigate potential impacts of the Development on the City and surrounding community.
2. The Developer is prohibited from utilizing any of the displays on the New Digital Billboard or the New Static Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs", adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance.

3. The City Council has the right to review the Agreement annually, or may, in its sole and absolute discretion, order a special review for compliance with the Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

LEGAL NOTICE OF PUBLIC HEARING

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code. Legal notice of the Public Hearing was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016, posted in Santa Fe Springs City Hall, the City Library and Town Center on April 28, 2016, published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required by the State Zoning and Development Laws and by the City's Zoning Regulations.

As of the date of this report, staff has not received any comments and/or inquiries regarding the proposal.

SUMMARY

Ordinance No. 1036 established standards for the installation of billboards on certain properties within the City, only after a valid Conditional Use Permit has been obtained and a development agreement approved. Since a city's exercise of its power to enter a development agreement is a legislative act, development agreements must be approved by ordinance. Ordinance No. 1073 provides the legal authority allowing the City to enter into Development Agreement No. 03-2016 with Newport Diversified, INC.

FISCAL IMPACT

Potential to generate additional source of revenue through negotiated development agreements.



Thaddeus McCormack
City Manager

Attachments:

1. Ordinance No. 1073
2. Development Agreement No. 03-2016

ORDINANCE NO. 1073

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS
ADOPTING A DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF SANTA FE SPRINGS AND NEWPORT DIVERSIFIED, INC

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY
ORDAIN AS FOLLOWS:

Section 1. The City Council hereby approves and adopts that certain Development Agreement by and between the City of Santa Fe Springs and Newport Diversified, INC, a copy of which is attached hereto as Exhibit "A", which exhibit is incorporated by reference herein, as an Ordinance of the City.

Section 2. The City Council hereby finds and determines that the subject Development Agreement is consistent with the City's General Plan.

Section 3. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

Section 4. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed no later than fifteen (15) days after passage hereof.

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JUNE, 2016.

AYES:
NOES:
ABSENT:

ATTEST:

MAYOR

CITY CLERK

DEVELOPMENT AGREEMENT NO. 03-2016

This Development Agreement (hereinafter “Agreement”) is entered into this ____ day of _____, 2016 (hereinafter the “Effective Date”), by and between the City of Santa Fe Springs (hereinafter “City”), and Newport Diversified INC., a California Corporation (hereinafter “Developer”).

RECITALS

A. California Government Code Sections 65864 *et seq.* (“Development Agreement Law”) authorizes cities to enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

B. Developer has a leasehold or license interest in that certain portion of real property, located adjacent to and on the western side of the southbound lanes of the 5 Freeway, at the Northeast corner of Alondra Boulevard and Marquardt Avenue in the City of Santa Fe Springs, as more specifically described in **Exhibit “A”** and depicted at **Exhibit “C”**, attached hereto and incorporated herein (the “Site”), upon which it seeks to install a new lawfully permitted double-sided 14 x 48 foot digital display which is oriented toward the 5 Freeway, as depicted in **Exhibit “C”** (the “New Digital Billboard”).

C. Developer and City Recognize that the Developer currently has a business display sign on the real property, described in Section B, and is qualified to enter into this Agreement in accordance with Development Agreement Law.

D. In exchange for the City approvals sought by Developer for the New Digital Billboard as provided on the Site herein, Developer is agreeable to paying to the City an annual Development Fee of \$58,225.00 or Alternative Fee, whichever is greater, as defined and provided in Sections 2.5 and 2.6 below, for the cost to the City to mitigate the impact of the installation of the New Digital Billboard.

E. The Site is located within the City’s M-2-FOZ, Heavy Manufacturing-Freeway Overlay Zone, designated by the General Plan as Industrial. Developer and the City agree that a development agreement should be approved and adopted to memorialize the property expectations of the City and Developer, as more particularly described herein.

F. On March 9, 2015, the Planning Commission of the City, at a duly noticed hearing, granted “Conditional Use Permit” for the construction and operation of a new 50-foot tall digital billboard with display area of 14’ x 48’ on property located at 15718 Marquardt Avenue (*previous* APN: 7003-01-904), in compliance with, and satisfying the requirements of, the California Environmental Quality Act (“CEQA”), on the basis that a Negative Declaration and Initial Study, which was also approved at the March 9, 2015 City Planning Commission meeting, concluded that although the proposed project could have a effect on the environment, the effects are considered

to be less than significant. Such CEQA determination considered the impacts of the digital billboard which is the subject of this Agreement.

G. On May 9, 2016, at a duly noticed public hearing, the Planning Commission adopted Resolution No.57-2016, recommending approval of this Agreement to the City Council.

H. On _____, the City Council of the City, at a duly noticed hearing to consider the approval of this Agreement, considered the proposal, heard testimony, and introduced Ordinance No.1073, which Ordinance approves this Agreement.

I. The City Council has found that this Agreement is in the best public interest of the City and its residents, adopting this Agreement constitutes a present exercise of the City's police power, and this Agreement is consistent with the City's General Plan. This Agreement and the proposed Development (as hereinafter defined) will achieve a number of City objectives, including utilizing the Site for a revenue-generating use. Upon any termination of the Term (as defined below) of this Agreement, Developer will remove the digital displays, and restore the Site to its pre-billboard condition, except the columns can be cut off one (1) foot below grade, if a new development agreement is not negotiated with the City.

J. On _____, the City Council held the second reading on, and adopted Ordinance No.1073, thereby approving this Agreement.

K. The City finds and determines that all actions required of the City precedent to approval of this Agreement by Ordinance No.1073 of the City Council have been duly and regularly taken.

L. The purpose of this Agreement is to set forth the rules and regulations applicable to the Development, which shall be accomplished in accordance with this Agreement, including the Scope of Development (Exhibit "B") which sets forth Scope of the Development and the Schedule of Performance (Exhibit "D").

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, when used in the Agreement. In addition to the terms defined in the Recitals above, the defined terms include the following:

1.1.1 "Agreement" means this Development Agreement and all attachments and exhibits hereto.

1.1.2 "City" means the City of Santa Fe Springs, a California municipal corporation.

1.1.3 “City Council” means the City Council of the City.

1.1.4 “Developer” means Newport Diversified INC. a California Corporation duly existing and operating, and its successors and assigns, doing business at 2301 Dupont Drive, Suite 500, Irvine, CA 92612.

1.1.5 “Development” means the installation of a New Digital Billboard on the Site and the undergrounding of all utilities from Southern California Edison’s electrical source or an electrical source located elsewhere on Owner’s property (e.g., from an electrical panel on a building situation on Owner’s property) to the New Digital billboard.

1.1.6 “Development Approvals” means the approved Development, based on the recommended approval by the Planning Commission on March 9, 2015, pursuant to Resolution No. 03-2016, and approval of the City Council by Ordinance No. 1073 on _____, as further described at Section 3.3 herein.

1.1.7 “Effective Date” means the date inserted into the preamble of this Agreement, which is 30 days following approval of this Agreement by ordinance of the City Council, provided this Agreement is signed by Developer and the City.

1.1.8 “Final Permits” shall mean all necessary/required permits and inspections by all governmental and utility agencies, to construct and operate the digital billboard, and are signed and dated by the Building Official, where applicable.

1.1.9 Gross Revenue - gross revenue is based solely on the revenue generated from the digital display (basic advertising area of the billboard), as recorded on the City of Santa Fe Springs building permits, and does not include neon channel letters. Developer shall not conceal advertising revenues derived from the digital display within the normal price range the Developer charges for any appurtenances that is installed on the Billboard. Gross revenue specifically excludes advertising agency fees paid to the advertiser’s advertising agency and or brokerage fees paid to the sales broker other than Developer.

1.1.10 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of the City, including, but not limited to, the City’s General Plan, Municipal Code and Zoning Code, which govern development and use of the Site, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of the New Digital Billboard, , and the design, improvement and construction standards and specifications applicable to the Development or the Site which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement. Land Use Regulations shall also include the federal National Pollutant Discharge Elimination System (“NPDES”) regulations and approvals from the California Department of Transportation Outdoor Advertising Division, to the extent applicable.

1.1.11 “Lease” means the lease or license agreement, as the case may be, for the Site between Owner, as landlord or licensor, and Developer, as tenant or licensee.

1.1.12 “Mortgagee” means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, a lender or each of their respective successors and assigns.

1.1.13 “Site” refers to the site described in Recital B and more specifically described on Exhibit “A” attached hereto and incorporated herein.

1.1.14 “Schedule of Performance” means the Schedule of Performance attached hereto as Exhibit “D” and incorporated herein.

1.1.15 “Scope of Development” means the Scope of Development attached hereto as Exhibit “B” and incorporated herein.

1.1.16 “Subsequent Land Use Regulations” means any Land Use Regulations effective after the Effective Date of this Agreement (whether adopted prior to or after the Effective Date of this Agreement) which govern development and use of the Site.

1.1.17 “Subsequent Development Approvals” means any Development Approvals sought by Developer in connection future changes desired to be made by Developer to the Development following its initial completion.

1.1.18 “Term” shall have the meaning provided in Section 2.3, unless earlier terminated as provided in this Agreement.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement: Exhibit “A” (Legal Description of Site), Exhibit “B” (Scope of Development), Exhibit “C1” (Site Plan of Site) and Exhibit “C” (Billboard Elevation) and, Exhibit “D” (Schedule of Performance).

2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. From and following the Effective Date, actions by the City and Developer with respect to the Development, including actions by the City on applications for Subsequent Development Approvals affecting the Site, shall be subject to the terms and provisions of this Agreement, provided, however, that nothing in this Agreement shall be deemed or construed: (i) to modify or amend the Lease, or any of Developer's obligations thereunder, or to bind or restrict Owner with respect to its ownership or operation of the Site except as expressly set forth herein with respect to the Development, or (ii) to impose any obligation whatsoever on Owner with respect to the Development, except as expressly set forth in this Agreement.

2.2 Interest in Site. The City and Developer acknowledge and agree that Developer is the tenant or licensee of the Site and thus is qualified to enter into and be a party to this Agreement under the Development Agreement Law. The City and Developer acknowledge and agree that Developer has a legal or equitable interest in the Site and thus is qualified to enter into and be a party to this Agreement under the Development Agreement Law. Additionally, prior to the execution of this Agreement, Developer has allowed the City to view a redacted copy of the Lease which demonstrates that Developer has a leasehold or license interest in the Site, which interest shall be maintained for the entire Term of this Agreement. If Developer's leasehold or license interest is prematurely and legally terminated by Owner in conformance with the Lease, then Developer shall have no further obligations under Section 3(a) of the Scope of Development, attached as Exhibit “B” herein, relative to the maintenance of landscaping thereon that particular Site, except as provided under Section 5.1. Additionally, if Developer's leasehold or license

interest is prematurely terminated by Owner, then Developer shall have no further obligations under this Agreement for that particular Site, except as provided under Section 5.1.

2.3 Term of Agreement. Unless earlier terminated as provided in this Agreement, the “Term” of this Agreement shall continue in full force and effect for: (i) twenty (20) years from approval of this Development Agreement and a Conditional Use Permit (CUP) with an additional one (1) ten year option upon mutual consent of Developer and City (ii) the expiration or earlier termination of the Lease, or (iii) the permanent removal of the New Digital Billboard constructed pursuant to the terms hereof, other than its removal for repair or replacement. . Developer shall completely remove the New Digital Billboard within the times and as provided under Section 5.1 herein. Within thirty (30) days after the termination of this Agreement, the parties shall execute a written cancellation of this Agreement which shall be recorded with the County Recorder pursuant to Section 8.1 below. If no extension or renewal of this Agreement is agreed to following its termination, then the digital displays shall come down and the lease area restored to its pre-billboard condition, except the columns can be cut off one (1) foot below grade.

2.4 Processing Fee. Upon six (6) months after the issuance of the Final Permits and all governmental and utility inspections approvals for the particular Site, the Developer shall pay the City a processing fee (“Processing Fee”) in the amount of Fifty-Thousand (\$50,000.00) dollars for that particular Site. The City shall retain and use the Processing Fee, or any part thereof, for any public purpose within the City’s discretion. The Processing Fee shall be separate from all fees which are standard and uniformly applied to similar projects in the City, including, but not limited to, business license fees (due by Developer to the City annually), one-time plan check fees and building permit fees, and any other fees imposed by Los Angeles County, as may be applicable.

2.5 Alternative Fee. The Alternative Fee shall be an amount equal to nine (9%) percent of the gross advertising revenue as gross revenue is defined in Section 1.1.9 above.

2.6 Development Fee. The potential impacts of the Development on the City and surrounding community are difficult to identify and calculate. Developer and the City agree that an annual development fee paid by Developer to the City would adequately mitigate all such potential impacts. The parties therefore agree that Developer shall pay an annual development fee to the City (“Development Fee”). The Development Fee for the Site shall equal the following amounts during the Term: Fifty - Eight Thousand Two Hundred Twenty Five Dollars (\$58,225) per annum for the New Digital Billboard.

2.6.1 Alternative Fee: For any calendar year of the Term the Alternative Fee, as defined Section 2.5 above, is an amount equal to nine percent (9%) of the gross advertising revenue made from the digital displays on the Site during the preceding calendar year of the Term. By way of example only, should the gross advertising revenue during any year of the Term total \$770,000 for the New Digital Billboard, then for that year Developer shall pay to the City for the New Digital Billboard the Alternative Fee of \$69,300 assuming no applicable deductions from Section 1.1.9 above (i.e., 9% of \$770,000 is \$69,300 in lieu of the Development Fee of \$ \$58,225).

2.6.2 Revenue Report & Payment of Alternative Fee or Development Fee: Within ninety (90) days following the end of each calendar year of the Term hereof, and ending within ninety (90) days after the termination of the Term, Developer shall furnish to the City a statement in writing (“Revenue Report”), certified by Developer to be correct, showing the total gross advertising revenues made from each sign face of the New Digital Billboard during the

preceding calendar year of the Term attributable to each sign display of the New Digital Billboard. If during any particular year of the Term the Alternative Fee is higher than the Development Fee at the time of calculating the Revenue Report, the Developer shall include along with the Revenue Report a payment corresponding to the Alternative Fee. If during any particular year of the Term the Alternative Fee is less than the Development Fee at the time of calculating the Revenue Report, the Developer shall include along with the Revenue Report a payment corresponding to the Development Fee.

2.6.2.1 Additional Revenue. While Developer is not precluded from generating additional revenue from wireless deployment on the billboard, other than wireless communication devices for the use of operating a billboard, Developer shall not enter any agreement with any party for additional revenue, including revenue derived from wireless deployment on the billboard, without first reaching an agreement with City regarding the additional revenue.

2.6.3 Audit of Alternative Fee. With prior written notice to Developer of not less than ten (10) business days, the City has the right to audit Developer's New Digital Billboard revenue and to view those portions of any advertising space contracts or invoices that only related to this Agreement, at Developer's Corporate office, on any normal workday between 9:00 a.m. and 4:00 p.m. once a year. City also has the option of having the contracts and invoices reviewed at City Hall, 11710 Telegraph Road, Santa Fe Springs, CA 90670, for the audit. Prior to the audit, the City shall sign a confidentiality agreement regarding the advertising space contracts and invoices. If the statement of total gross advertising revenue previously provided to the City shall be found to be inaccurate for prior calendar years of the Term, then and in that event, there shall be an adjustment and one party shall pay to the other on demand such sums as may be necessary to settle in full the accurate amount of the Alternative Fee, if any, that should have been paid to the City for the period or periods covered by such inaccurate statement or statements. If said audit discloses an underpayment of greater than three percent (3%) with respect to the amount of total gross advertising revenue reported by Developer for the period or periods of said report, then Developer shall immediately pay to the City the cost of such audit, plus ten percent (10%) interest per annum on the amount underpaid, but the application of the said interest is limited to the previous year before the time any underpayment should have been paid to the City; if the audit does not disclose an underpayment of greater than three percent (3%) with respect to the amount of total gross advertising revenue reported by Developer for the period or periods of said report, the cost of such audit shall be paid by the City.

2.7 Community Benefits. Developer shall also provide the following Community benefits during the entire Term of this Agreement.

2.7.1 City's Use of the Billboard. Developer shall provide up to five percent (5%) of non-swapmeet related advertising time per year per for the Site for public service announcements by the City on either side of the Billboard, subject to availability of space. The City shall be responsible for providing Developer with approved advertising copy and shall also be responsible for any costs associated with providing Developer with artwork in acceptable format per Developer's specifications. City's use is subject to the following conditions and parameters: all copy must be submitted to Developer at least five (5) days before the proposed display date and will be subject to Developer's standard advertising copy rejection and removal policies, which allow Developer, in its sole discretion, to approve or disapprove copy and remove copy once posted or displayed.

2.7.2 Discount Advertising. Developer shall offer a ten percent (10%) discount off its applicable rates for display of advertising on the Billboard to any business that is a member of the Santa Fe Springs Chamber of Commerce, and has a HQ / office in the City.

2.8 Prohibited Use. Developer shall not utilize any of the displays on the New Digital Billboard to advertise tobacco, marijuana, hashish, “gentlemen’s clubs,” adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance existing as of the Effective Date of this Agreement, or as may be amended or implemented from time-to-time after the Effective Date and equally-applicable to all billboard displays by any duly and valid City ordinance.

3. DEVELOPMENT AND IMPLEMENTATION OF THE DEVELOPMENT.

3.1 Rights to Develop. Subject to and during the Term of this Agreement, Developer shall have the right to develop the Site in accordance with, and to the extent of, the Development Approvals, the Land Use Regulations and this Agreement, provided that nothing in this Agreement shall be deemed to modify or amend any of the pre-existing Land Use Regulations, as more particularly set forth in Section 3.2 below.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement, the rules, regulations and official policies governing permitted uses of the Site, the density and intensity of use of the of the structure on the Site, the maximum height and size of proposed structures on the Site, and the design, improvement and construction standards and specifications applicable to the Site, shall be as set forth in the Land Use Regulations which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement.

3.3 Development Approvals. Developer shall, at its own expense and before commencement of demolition, construction or development of any structures or other work of improvement upon the Site, secure or cause to be secured the Development Approvals, a Conditional Use Permit and building permit(s) from the City, and any and all permits and approvals which may be required by any other governmental agency or utility affected by such construction, development or work to be performed by Developer pursuant to the Scope of Development; provided, however, that the City acknowledges that the City’s Planning Commission has approved a Negative Declaration for the project, thus complying with, and satisfying the requirements of, the California Environmental Quality Act (“CEQA”). Not by way of limiting the foregoing, in developing and constructing the Development, Developer shall comply with all: (1) applicable development standards in the City’s Municipal Code that were in affect at the time the Development Agreement and Conditional Use Permit were approved by the City’s Commission (2) applicable NPDES requirements pertaining to the Development, and (3) applicable building codes that were in affect at the time the Development Agreement and Conditional Use Permit were approved by the City’s Commission, except as may be permitted through approved variances and modifications. Developer shall pay all normal and customary fees and charges applicable to such permits, and any fees and charges hereafter imposed by the City in connection with the Development which are standard and uniformly-applied to similar projects in the City. Nothing contained in this Agreement shall be deemed to impose any obligation on Owner with respect to the Development Approvals or the Development.

3.4 Timing of Development; Scope of Development. Developer shall commence the Development within the time set forth in the Schedule of Performance, attached hereto as **Exhibit “D”**. “Commencement” of the Development is defined herein as commencement of construction or improvements under the City building permit for the construction of the New Digital Billboard on the Site, which shall occur as soon as possible following Developer’s receipt of all necessary Development Approvals and Final Permits. In the event that Developer fails to meet the schedule for Commencement of the Development, then after compliance with Section 4.4, either party hereto may terminate this Agreement by delivering written notice to the other party, and, in the event of such termination, neither party shall have any further obligation hereunder. However, if circumstances within the scope of Section 8.10 delay the Commencement or completion of the Development, then such delays shall not constitute grounds for any termination rights found within this Agreement. In such case, the timeline to commence or complete the relevant task shall be extended in the manner set forth at Section 8.10. Notwithstanding the above, Developer shall, at all times, comply with all other obligations set forth in this Agreement regarding the construction or improvement of the New Digital Billboard. Developer shall also maintain the New Digital Billboard at all times during the Term in accordance with the maintenance provisions set forth in Section 3 of the Scope of Development, attached as **Exhibit “B”** herein.

3.5 Changes and Amendments. Developer may determine that changes to the Development Approvals are appropriate and desirable. In the event Developer makes such a determination, Developer may apply in writing for an amendment to the Development Approvals to effectuate such change(s); provided that the City may request written consent from Owner if the modification is deemed material. The parties acknowledge that the City shall be permitted to use its inherent land use authority in deciding whether to approve or deny any such amendment request; provided, however, that in exercising the foregoing reasonable discretion, the City shall not apply a standard different than that used in evaluating requests of other developers. Accordingly, under no circumstance shall the City be obligated in any manner to approve any amendment to the Development Approvals. The City Manager shall be authorized to approve any non-substantive amendment to the Development Approvals without processing an amendment to this Agreement. All other amendments shall require the approval of the City Council. Nothing herein shall cause Developer to be in default if it upgrades the digital displays installed pursuant to this Agreement during the Term of this Agreement to incorporate newer technology; provided Developer shall secure all applicable ministerial permits to do so and such upgrade is consistent with the dimensions and standards for the displays, as provided under this Agreement, Land Use Regulations and Subsequent Land Use Regulations.

3.6 Reservation of Authority.

3.6.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges of every kind and nature imposed by the City to cover the estimated actual costs to the City of processing applications for Subsequent Development Approvals.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure. Notwithstanding the foregoing, if

such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(c) Changes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, as adopted by the City as Subsequent Land Use Regulations, if adopted prior to the issuance of a building permit for development of the New Digital Billboard. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(d) Regulations that are not in conflict with the Development Approvals or this Agreement.

(e) Regulations that are in conflict with the Development Approvals or this Agreement, provided Developer has given written consent to the application of such regulations to the Development.

(f) Applicable federal, state, county and multi-jurisdictional laws and regulations which the City is required to enforce against the Site or the Development, and that do not have an exception for existing signs or legal nonconforming uses.

3.6.2 *Future Discretion of the City.* This Agreement shall not prevent the City from denying or conditionally approving any application for a Subsequent Development Approval on the basis of the Land Use Regulations.

3.6.3 *Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.* In the event that applicable federal, state, county or multi-jurisdictional laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, and there is no exception for the legal nonconforming use, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such federal, state, county or multi-jurisdictional laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

3.7 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not subject to control by the City may possess authority to regulate aspects of the Development as contemplated herein, and this Agreement does not limit the authority of such other public agencies. Developer acknowledges and represents that, in addition to the Land Use Regulations, Developer shall, at all times, comply with all applicable federal, state and local laws and regulations applicable to the Development and that do not have an exception for a legal nonconforming use. To the extent such other public agencies preclude development or maintenance of the Development and do not have an exception for a legal nonconforming use, Developer shall not be further obligated under this Agreement except as provided in Section 4.1.

Notwithstanding the foregoing, if such action by another public agency materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

3.8 Public Improvements. Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Subsequent Development Approvals on the requirement that Developer pay subsequently required development fees, and/or construct certain subsequently required public infrastructure ("Exactions") at such time as the City shall determine, subject to the following conditions:

3.8.1 The payment or construction must be to alleviate an impact caused by the Development or be of benefit to the Development; and

3.8.2 The timing of the Exaction should be reasonably related to the development of the Development, and said public improvements shall be phased to be commensurate with the logical progression of the development of the Development, as well as the reasonable needs of the public.

3.8.3 It is understood, however, that if there is a material increase in cost to Developer, or such action by the City otherwise materially impacts Developer or its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

3.9 Fees, Taxes and Assessments. During the Term of this Agreement, the City shall not, without the prior written consent of Developer, impose any additional fees, taxes or assessments on all or any portion of the Development, except such fees, taxes and assessments as are described in or required by this Development Agreement and/or the Development Approvals. However, this Development Agreement shall not prohibit the application of fees, taxes or assessments upon the Site only and not on the New Digital Billboard or Developer directly, except as follows:

3.9.1 Developer shall be obligated to pay those fees, taxes or City assessments and any increases in same which exist as the Effective Date and applicable to the Development or are included in the Development Approvals;

3.9.2 Developer shall be obligated to pay any fees or taxes, and increases thereof, imposed on a City-wide basis such as, but not limited to, business license fees or taxes or utility taxes applicable to the Development;

3.9.3 Developer shall be obligated to pay all fees applicable to any permit applications as charged by the City at the time such application(s) are filed by Developer;

3.9.4 Developer shall be obligated to pay any fees imposed pursuant to any Uniform Code that existed when the permit applications are filed by Developer or that exist when Developer applies for any Subsequent Development Approvals.

3.10 Changes. Notwithstanding anything to the contrary herein, if there is a change in such fees as compared to those fees in effect as of the Effective Date, or if any additional fees are charged and such additional or increased fees materially change Developer's costs or

otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

4. REVIEW FOR COMPLIANCE.

4.1 Annual Review. The City Council shall have the right to review this Agreement annually at the City's sole cost, on or before the anniversary of the commencement of the Term, to ascertain the good faith compliance by Developer with the terms of this Agreement ("Annual Review"). However, no failure on the part of the City to conduct or complete an Annual Review as provided herein shall have any impact on the validity of this Agreement. Developer shall cooperate with the City in the conduct of such any Annual Review and provide the following information and documentation to the City at least thirty (30) days before the anniversary of the commencement of the Term: (1) any updates to Developer's contact information related to complaints concerning the billboards, as required in the conditions at **Exhibit "B"**, Section 6 herein, (2) status and amount of all payment obligations to the City required under this Agreement for the year in question and cumulatively beginning from the Commencement of the Development herein, (3) any easement or Lease changes that could in any way materially impact the City or the parties' obligations under this Agreement, but any disclosure shall be via a redact Lease per Section 2.2, (4) any utility changes that could in any way materially impact the City or the parties' obligations under this Agreement, and (5) any maintenance issues addressed or needing to be addressed per the requirements of Exhibit "B".

4.2 Special Review. The City Council may, in its sole and absolute discretion, order a special review of compliance with this Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

4.3 City Rights of Access. Subject to the City's execution of a permit to enter in a form reasonably acceptable to Owner, the City and its officers, employees, agents and contractors shall have the right, at their sole risk and expense, to enter the Site without interfering with any railroad or other right-of-way, and at all reasonable times with as little interference as possible, for the purpose of conducting the review under this Article 4, inspection, construction, reconstruction, relocation, maintenance, repair or service of any public improvements or public facilities located on the Site, or to perform any rights of the City under Section 4.2 above. Any damage or injury to the Site or to the improvements constructed thereon resulting from such entry shall be promptly repaired at the sole expense of the City. Notwithstanding the foregoing or any other provision in this Agreement (including without limitation Section 4.2 above) to the contrary, the City shall have no right whatsoever to enter the Site unless and until the City executes and delivers to Owner a permit to enter in a form reasonably acceptable to Owner (except that this provision is not intended to interfere with the City's police powers to address any nuisance, dangerous condition, or other condition pursuant to the City's ordinances). Notwithstanding anything to the contrary herein, in no event will the City's representatives ever climb up the pole of the New Digital Billboard during any inspection.

4.4 Procedure. Each party shall have a reasonable opportunity to assert matters which it believes have not been undertaken in accordance with this Agreement, to explain the basis for such assertion, and to receive from the other party a justification of its position on such matters. If, on the basis of the parties' review of any terms of this Agreement, either party concludes that the other party has not complied in good faith with the terms of this Agreement, then such party may issue a written "Notice of Non-Compliance" specifying the grounds therefore and all facts

demonstrating such non-compliance. The party receiving a Notice of Non-Compliance shall have thirty (30) days to cure or remedy the non-compliance identified in the Notice of Non-Compliance, but if such cure or remedy is not reasonably capable of being cured or remedied within such thirty (30) day period, then the party receiving a Notice of Non-Compliance shall commence to cure or remedy the non-compliance within such thirty (30) day period and thereafter diligently and in good faith prosecute such cure or remedy to completion. If the party receiving the Notice of Non-Compliance does not believe it is out of compliance and contests the Notice of Non-Compliance, it shall do so by responding in writing to said Notice of Non-Compliance within thirty (30) days after receipt of the Notice of Non-Compliance. If the response to the Notice of Non-Compliance has not been received in the office of the party alleging the non-compliance within the prescribed time period, the Notice of Non-Compliance shall be conclusively presumed to be valid. If a Notice of Non-Compliance is contested, the parties shall, for a period of not less than fifteen (15) days following receipt of the response, seek to arrive at a mutually acceptable resolution of the matter(s) occasioning the Notice of Non-Compliance. In the event that a cure or remedy is not timely completed, the party alleging the non-compliance may thereupon pursue the remedies provided in Section 5; provided, however, that if the Notice of Non-Compliance is contested and the parties are not able to arrive at a mutually acceptable resolution of the matter(s) by the end of the fifteen (15) day period, then either party shall have the right to seek a judicial determination of such contested matter. Neither party hereto shall be deemed in breach if the reason for non-compliance is due to "force majeure" as defined in, and subject to the provisions of, Section 8.10.

4.5 Certificate of Agreement Compliance. If, at the conclusion of an Annual Review or a Special Review, Developer is found to be in compliance with this Agreement, the City shall, upon request by Developer, issue within Ten (10) days of receipt of the request, a written confirmation ("Certificate") to Developer stating that, after the most recent Annual Review or Special Review, and based upon the information known or made known to the City Manager and the City Council, that (1) this Agreement remains in effect, and (2) Developer is in compliance. The Certificate, whether issued after an Annual Review or Special Review, shall be in recordable form if requested by Developer, and shall contain information necessary to communicate constructive record notice of the finding of compliance. Developer may record the Certificate with the County Recorder. Additionally, Developer may, at any time, request from the City a Certificate stating, in addition to the foregoing, which specific obligations under this Agreement have been fully satisfied with respect to the Site and City shall respond within Ten (10) days of receipt of the request. If the City fails to respond to a Developer's request pursuant to this Section 4.5, the Developer is presumed to be in compliance with this Agreement or any obligation that is the subject of the Developer's request.

5. DEFAULT AND REMEDIES.

5.1 Termination of Agreement.

5.1.1 Termination of Agreement for Material Default of Developer. The City, in its discretion, may terminate this Agreement for any material failure of Developer to perform any material duty or obligation of Developer hereunder or to comply in good faith with the terms of this Agreement (hereinafter referred to as "default" or "breach"); provided, however, the City may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 4.4. In the event of a termination by the City under this Section 5.1.1, Developer acknowledges and agrees that the City may retain all fees accrued up to the date of the termination,

including the Processing Fee and the Development Fee or Alternative Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee or Alternative Fee, as applicable, within sixty (60) days after the date of termination and removal of the New Digital Billboard that equates to the percentage of time elapsed in the year of the Term at the time of termination.

5.1.2 *Termination of Agreement for Material Default of City.* Developer, in its discretion, may terminate this Agreement for any material failure of the City to perform any material duty or obligation of the City hereunder or to comply in good faith with the terms of this Agreement; provided, however, Developer may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 4.4. In addition, Developer may terminate this Agreement if, despite Developer's good faith efforts, (1) it is unable to secure the necessary permits and/or compliance with requirements under laws necessary to effectuate the Development, or (2) any governmental agency has concluded a taking or regulatory taking of the Site and/or the Development or (3) the Lease is terminated, or (4) it is unable to profitably operate the Development. In the event of a termination by Developer under this Section 5.1.2, Developer acknowledges and agrees that the City may retain all fees, including the Processing Fee and the Development Fee or Alternative Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee or Alternative Fee, as applicable, within sixty (60) days after the date of termination and removal of the New Digital Billboard that is so terminated that equates to the percentage of time elapsed in the year of the Term at the time of termination.

5.1.3 *Rights and Duties Following Termination.* Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to (i) any obligations to have been performed prior to said termination of this Agreement, (ii) any default in the performance of the provisions of this Agreement which has occurred prior to said termination of this Agreement, (iii) Developer's obligation to remove the terminated New Digital Billboard pursuant to Section 2.3, or (iv) any continuing obligations to indemnify other parties.

6. INSURANCE, INDEMNIFICATION AND WAIVERS.

6.1 Insurance.

6.1.1 Types of Insurance.

(a) *Liability Insurance.* Beginning on the Effective Date hereof and until completion of the Term, Developer shall, at its sole cost and expense, keep or cause to be kept in force for Developer comprehensive broad form general liability insurance against claims and liabilities covered by the indemnification provisions of Section 6.2. Developer has agreed to indemnify the City hereunder to the extent of the liability insurance coverage with respect to its use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least One Million Dollars (\$1,000,000) for bodily injury or death to any one person, at least Two Million Dollars (\$2,000,000) for any one accident or occurrence, and at least One Million Dollars (\$1,000,000) for property damage. Developer shall also furnish or cause to be furnished to the City evidence that any contractors with whom Developer has contracted for the performance of any work for which Developer is responsible maintains the same coverage required of Developer.

(b) *Worker's Compensation.* Developer shall also furnish or cause to be furnished to the City evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries worker's compensation insurance as required by law.

(c) *Insurance Policy Form, Sufficiency, Content and Insurer.* All insurance required by express provisions hereof shall be carried only by responsible insurance companies qualified to do business by California with an AM Best Rating of no less than "A". All such policies shall be non-assignable and shall contain language, to the extent obtainable, to the effect that (i) the insurer waives the right of subrogation against the City and against the City's agents and representatives except as provided in this Section; (ii) the policies are primary and noncontributing with any insurance that may be carried by the City, but only with respect to the liabilities assumed by Developer under this Agreement; and (iii) the policies cannot be canceled or materially changed except after written notice by the insurer to the City or the City's designated representative as expeditiously as the insurance company agrees to provide such notice. Developer shall furnish the City with certificates evidencing the insurance required to be procured by the terms of this Agreement.

6.1.2 *Failure to Maintain Insurance and Proof of Compliance.* Developer shall deliver to the City, in the manner required for notices, copies of certificates of all insurance policies required of each policy within the following time limits:

(a) For insurance required above, within seven (7) days after the Effective Date or consistent with the requirements of **Exhibit "D"** (Schedule of Performance), Item No. 7.

(b) The City can request to see updated copies of the current certificates of all insurance policies required. The City reserves the right to obtain copies of the entire insurance policy, including endorsements.

If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish the City with required proof that the insurance has been procured and is in force and paid for, the City, after complying with the requirements of Section 4.4, may view such failure or refusal to be a default hereunder.

6.2 Indemnification.

6.2.1 *General.* To the extent of its liability coverage required under Section 6.1.1(a) above, Developer shall indemnify the City and Owner, and their respective officers, employees, and agents against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Developer, its agents, employees, subcontractors, or invitees, hereunder, upon the Site.

(a) Developer will defend any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein and will pay all costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection

therewith, which attorneys will be the attorneys hired by the insurance company where insurance coverage applies.

(b) Developer will promptly pay any judgment rendered against the City or Owner or their respective officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Developer hereunder, and Developer agrees to save and hold the City and Owner and their respective officers, agents, and employees harmless therefrom.

6.2.2 *Exceptions.* The foregoing indemnity shall not include claims or liabilities arising from the negligence or willful misconduct of the City, or its officers, agents or employees who are directly responsible to the City.

6.2.3 *Additional Coverage.* Without limiting the generality of the foregoing, Developer's indemnity obligation shall include any liability arising by reason of:

(a) Any accident or other occurrence in or on the Site causing injury to any person or property whatsoever caused by Developer;

(b) Any failure of Developer to comply with performance of all of the provisions of this Agreement;

(c) Any harm, delays, injuries or other damages incurred by any party as a result of any subsurface conditions on the Site caused solely by Developer, including but not limited to, the presence of buried debris, hazardous materials, hydrocarbons, or any form of soil contamination.

6.2.4 *Loss and Damage.* Except as set forth below, the City shall not be liable for any damage to property of Developer, Owner or of others located on the Site, nor for the loss of or damage to any property of Developer, Owner or others by theft or otherwise. Except as set forth below, the City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of Site or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of Site, or by any other cause of whatsoever nature. The foregoing two (2) sentences shall not apply (i) to the extent the City or its agents, employees, subcontractors, invitees or representatives causes such injury or damage when accessing the Site, or (ii) to the extent covered in any permits to enter executed by the City, or (iii) under the circumstances set forth in Section 6.2.2 above.

6.2.5 *Period of Indemnification.* The obligations for indemnity under this Section 6.2 shall begin upon the Effective Date and shall survive termination of this Agreement.

6.3 Waiver of Subrogation. Developer and the City mutually agree that neither shall make any claim against, nor seek to recover from the other or its agents, servants, or employees, for any loss or damage to Developer or the City or to any person or property relating to this Agreement, except as specifically provided hereunder, which include but is not limited to a claim or liability to the extent arising from the negligence or willful misconduct of the City or Developer, as the case may be, or their respective officers, agents, or employees who are directly responsible to the City and Developer, as the case may be.

7. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering Site or any portion thereof or the Development or any improvement on the Site thereon by any mortgage, deed of trust or other security device securing financing with respect to the Site. The City acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and the City agrees upon request, from time to time, to meet with Developer or Owner and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. Subject to compliance with applicable laws, the City will not unreasonably withhold its consent to any such requested interpretation or modification, provided the City determines such interpretation or modification is consistent with the intent and purposes of this Agreement. Upon reasonable approval by the City Attorney, the City authorizes the City Manager to execute any Notices of Consent to Assignment on behalf of the City or similar financial documentation. Any Mortgagee of the Site shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Development of the Site or any mortgage of the Site made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Development of the Site or any mortgage or deed of trust encumbering the Site, or any part thereof, which Mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from the City of any default by Developer in the performance of Developer's obligations under this Agreement.

(c) If the City timely receives a request from a Mortgagee requesting a copy of any Notice of Non-Compliance given to Developer under the terms of this Agreement, the City shall make a good faith effort to provide a copy of that Notice of Non-Compliance to the Mortgagee within ten (10) days of sending the Notice of Non-Compliance to Developer. The Mortgagee shall have the right, but not the obligation, to cure the non-compliance during the period that is the longer of (i) the remaining cure period allowed such party under this Agreement, or (ii) sixty (60) days.

(d) Any Mortgagee who comes into possession of the Development or the Site, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Development or the Site, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; except that (i) to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by the City, the performance thereof shall continue to be a condition precedent to the City's performance hereunder, and (ii) in the event any Mortgagee seeks to develop or use any portion of the Development or the Site acquired by such Mortgagee by foreclosure, deed of trust, or deed in lieu of foreclosure, such Mortgagee shall strictly comply with all of the terms, conditions and requirements of this Agreement and the Development Approvals applicable to the Development or the Site or such part thereof so acquired by the Mortgagee.

8. MISCELLANEOUS PROVISIONS.

8.1 Recordation of Agreement. This Agreement shall be recorded in “short form” version with the County Recorder by the City Clerk within 10 days of execution, as required by Government Code Section 65868.5. Amendments approved by the parties, and any cancellation, shall be similarly recorded.

8.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

8.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then that term, provision, covenant or condition of this Agreement shall be stricken and the remaining portion of this Agreement shall remain valid and enforceable if that stricken term, provision, covenant or condition is not material to the main purpose of this Agreement, which is to allow the Development to be permitted and operated and to provide the Development Fee to the City; otherwise, this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

8.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning, to achieve the objectives and purposes of the parties hereto. The rule of construction, to the effect that ambiguities are to be resolved against the drafting party or in favor of the non-drafting party, shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

8.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

8.6 Singular and Plural. As used herein, the singular of any word includes the plural.

8.7 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

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

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

8.10 Force Majeure. Notwithstanding any provision to the contrary herein, neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, rains, winds,

wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government actions and regulations (other than those of the City), court actions (such as restraining orders or injunctions), or other causes beyond the party's reasonable control. If any such events shall occur the term of this Agreement then the time for performance shall be extended for the duration of each such event, provided that the Term of this Agreement shall not be extended under any circumstances for more than five (5) years beyond the date it would have otherwise expired, and further provided that if such delay is longer than six (6) months, Developer may terminate this Agreement upon written notice to the City and the City shall return to Developer any portion of the Development fee paid for any period after the effective date of such termination.

8.11 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

8.12 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

8.13 Litigation. Any action at law or in equity arising under this Agreement or brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, or such other appropriate court in said county. Service of process on the City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside California. In the event of any action between the City and Developer seeking enforcement of any of the terms and conditions to this Agreement, the prevailing party in such action shall be awarded, in addition to such relief to which such party is entitled under this Agreement, its reasonable litigation costs and expenses, including without limitation its expert witness fees and reasonable attorneys' fees.

8.14 Covenant Not To Sue. The parties to this Agreement, and each of them, agree that this Agreement and each term hereof are legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

8.15 Development as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the Development is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between the City and Developer is that of a government entity regulating the development of private property, on the one hand, and the holder of a legal or equitable interest in such private property on the other hand. The City agrees that by its approval of, and entering into, this Agreement, that it is not taking any action which would transform this private development into a "public work" development, and that nothing herein shall be interpreted to convey upon Developer any benefit which would transform Developer's private development into a public work

project, it being understood that this Agreement is entered into by the City and Developer upon the exchange of consideration described in this Agreement, including the Recitals to this Agreement which are incorporated into this Agreement and made a part hereof, and that the City is receiving by and through this Agreement the full measure of benefit in exchange for the burdens placed on Developer by this Agreement.

8.16 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

8.17 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by the City of its power of eminent domain or Developer's right to seek and collect just compensation or any other remedy available to it.

8.18 Amendments in Writing/Cooperation. This Agreement may be amended only by written consent of both parties specifically approving the amendment and in accordance with the Government Code provisions for the amendment of development agreements. The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters. Minor, non-material modifications may be approved on behalf of the City by the City Manager upon reasonable approval by the City Attorney.

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

8.20 Notices. All notices under this Agreement shall be effective when delivered by United States Postal Service mail, registered or certified, postage prepaid return receipt requested, and addressed to the respective parties as set forth below, or to such other address as either party may from time to time designate in writing by providing notice to the other party:

If to the City:	City of Santa Fe Springs 11710 E. Telegraph Road Santa Fe Springs, CA 90670 Attn: City Manager
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If to Developer:	Newport Diversified Inc.
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2301 Dupont Drive
Suite 500
Irvine, CA 92612
Attn: Greg Danz

8.21 Nonliability of City Officials. No officer, official, member, employee, agent, or representatives of the City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, agent, or representative.

8.22 No Brokers. The City and Developer each represent and warrant to the other that it has not employed any broker and/or finder to represent its interest in this transaction. Each party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, cost, or expense (including court costs and reasonable attorneys' fees) in any manner connected with a claim asserted by any individual or entity for any commission or finder's fee in connection with this Agreement or arising out of agreements by the indemnifying party to pay any commission or finder's fee.

8.23 No Amendment of Lease. Nothing contained in this Agreement shall be deemed to amend or modify any of the terms or provisions of the Lease. Nothing contained in this Agreement shall constitute or be deemed to constitute a limit on any of Developer's obligations under the Lease, or any of Owner's rights or remedies against Developer under the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

CITY:

CITY OF SANTA FE SPRINGS
a California municipal corporation

By: _____
Mayor

DEVELOPER:

Newport Diversified, Inc
a California Corporation

By: _____
Greg Danz, President

[end of signatures]

[illegible]

On _____, 2016, before me, _____, a 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.

Notary Public

[SEAL]

[illegible]

On _____, 2016, before me, _____, a 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.

Notary Public

[SEAL]

EXHIBIT "A"
LEGAL DESCRIPTION OF SITE

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

THAT PORTION OF THE WEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 IN FRACTIONAL SECTION OF 21; TOWNSHIP 3 SOUTH, RANGE 11 WEST, IN RANCHO LOS COYOTES, IN THE CITY OF SANTA FE SPRINGS, AS SHOWN ON MAP RECORDED IN BOOK 1 PAGE 493 ET SEQ. OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE DESCRIBED IN PARCEL 6 OF THE RELINQUISHMENT OF HIGHWAY RIGHT OF WAY (251) RECORDED IN BOOK D2219 PAGE 787 OF OFFICIAL RECORDS, IN SAID OFFICE, SOUTH 60 DEGREES 02' 52" EAST 42.14 FEET; THENCE THEREON SOUTH 60 DEGREES 02' 52" EAST 52.14 FEET TO THE WESTERLY TERMINUS OF THAT COURSE DESCRIBED IN SAID PARCEL 6 AS NORTH 83 DEGREES 47' 14" EAST 221.07 FEET; THENCE ALONG LAST COURSE NORTH 83 DEGREES 47' 14" EAST 197.39 FEET; THENCE NORTH 56 DEGREES 56' 13" WEST 288.56 FEET TO A POINT IN THAT CERTAIN COURSE DESCRIBED IN SAID PARCEL 6 AS SOUTH 0 DEGREE 09' 40" EAST 170.69 FEET, SAID POINT BEING DISTANT ALONG LAST SAID COURSE NORTH 0 DEGREE 09' 40" WEST 152.76 FEET FROM THE SOUTHERLY TERMINUS THEREOF; THENCE SOUTHERLY ALONG LAST SAID COURSE TO THE POINT OF BEGINNING.

EXHIBIT B
SCOPE OF DEVELOPMENT

Developer and the City agree that the Development shall be undertaken in accordance with the terms of the Agreement, which include the following:

1. The Development. Developer shall install the New Digital Billboard in accordance with the terms of this Agreement. The New Digital Billboard consists of one (1) 50' tall, "bulletin" size freeway-oriented billboard with a total of two (2) digital displays (each display measuring 14' x 48' within the billboard frame) on the 5 Freeway. Before the issuance of final inspection of the Final Permits, Developer shall underground all utilities necessary for the New Digital and the Site shall be maintained in accordance with the conditions at Paragraph 3 below.

2. Building Fees. Developer shall pay all applicable City building fees, as described at Section 2.4 of the Agreement, at the time that the building permit is issued for the installation of the New Digital Billboard.

3. Maintenance and Access. Developer, for itself and its successors and assigns, hereby covenants and agrees to be responsible for the following:

(a) Maintenance and repair of the New Digital (where authorized pursuant to the Agreement, and including but not limited to, the displays installed thereon, and all related on-site improvements and, if applicable, easements and rights-of-way, at its sole cost and expense), including, without limitation, landscaping, poles, lighting, signs and walls (as they relate to the Development) in good repair, free of graffiti, rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction over the Site, unless those federal, state, and local bodies have an exception for a legal nonconforming use. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal related to the Development; (ii) the care and replacement of all shrubbery, plantings, and other landscaping or the painted backing in a healthy condition if damaged by the Development; (iii) the ongoing maintenance by Developer of any access road to the New Digital Billboard if damaged by the Development and to minimize dust caused by the Development; and (iii) the repair, replacement and repainting of the New Digital Billboard's structures and displays as necessary to maintain such billboards in good condition and repair.

(b) Maintenance of the New Digital Billboard and surrounding portion of the Site in such a manner as to avoid the reasonable determination of a duly authorized official of the City that a public nuisance has been created by the absence of adequate maintenance of the Development such as to be detrimental to the public health, safety or general welfare, or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within three hundred (300) feet of the Site.

(c) Developer shall reasonably coordinate with any neighboring property owners who share utilities or access roads to their separate respective billboards. The City may

designate alternative access for planning purposes so long as such alternative access allows Developer to access its billboard and related utilities.

4. Other Rights of the City. In the event of any violation or threatened violation of any of the provisions of this Exhibit “B,” then in addition to, but not in lieu of, any of the rights or remedies the City may have to enforce the provisions of the Agreement, the City shall have the right, after complying with Section 4.4 of the Agreement, (i) to enforce the provisions hereof by undertaking any maintenance or repairs required by Developer under Paragraph 3 above (subject to the execution of a permit to enter in form reasonably acceptable to Owner) and charging Developer for any actual maintenance costs incurred in performing same, and (ii) to withhold or revoke, after giving written notice of said violation, any building permits, occupancy permits, certificates of occupancy, business licenses and similar matters or approvals pertaining to the Development or any part thereof or interests therein as to the violating person or one threatening violation.

5. No City Liability. The granting of a right of enforcement to the City does not create a mandatory duty on the part of the City to enforce any provision of the Agreement. The failure of the City to enforce the Agreement shall not give rise to a cause of action on the part of any person. No officer or employee of the City shall be personally liable to Developer, its successors, transferees or assigns, for any default or breach by the City under the Agreement.

6. Conditions of Approval. The following additional conditions shall apply to the installation of the New Digital Billboard and, where stated, landscaping adjacent to New Digital Billboard, which billboard and landscaping or painted backing adjacent to the billboard, respectively, shall conform to all applicable provisions of the Development Approvals and the following conditions, in a manner subject to the approval of the Director of Planning or his or her designee:

(a) A building permit will be required, and structural calculations shall be prepared by a licensed civil engineer and approved by the City Building Official.

(b) The Billboard shall be located in the portion of the Site shown on Exhibit “C1”, and shall be of the dimensions described in Section 1, above.

(c) The size of each sign display of the New Digital Billboard shall not exceed the dimensions set forth in the Ordinance, and shall not to exceed the maximum height set forth in the Ordinance, including all extensions, and shall be spaced at intervals from any other billboard on the same side of the freeway and measured parallel to the freeway as set forth in the Ordinance and depicted in the Site Plan and Elevations at Exhibit “C1” and Exhibit C” approved by the City as part of the Development Approvals.

(d) The New Digital Billboard pole shall have a column cover as depicted in the Elevations within Exhibit “C”.

(e) Plans and specifications for the proposed installation of the New Digital Billboard shall be submitted to the City Planning and Building Departments for plan check and approval prior to the issuance of building permits. Plans and specifications for the proposed

installation of the undergrounding of all utilities, shall be submitted to the City Planning and Building Departments for plan check and approval prior to the issuance of electrical permits.

(f) Prior to the approval of the final inspection, all applicable conditions of approval and all mandatory improvements shall be completed to the reasonable satisfaction of the City.

(g) Developer shall maintain the New Digital Billboard and use thereof in full compliance with all applicable codes, standards, policies and regulations imposed by the City, county, state or federal agencies by any duly and valid City, county or state ordinance with jurisdiction over the facilities, unless the Development is exempted as a legal nonconforming use.

(h) Developer shall, at all time, comply with the approval for the New Digital Billboard from the California Department of Transportation Outdoor Advertising Division, and shall maintain acceptable clearance between proposed billboards and Southern California Edison distribution lines.

(i) Developer shall pay any and all applicable fees due to any public agency prior to the final issuance of the applicable building or electrical permits.

(j) The activities proposed in the Agreement shall be conducted completely upon the Site and shall not use or encroach on any public right-of-way.

(k) Developer shall ensure that all access to the New Digital Billboard is kept restricted to the general public to the extent permitted under local laws and by the Development Approvals.

(l) If any portion of the landscaping or painted backing installed adjacent to the New Digital Billboard is damaged by the Development or becomes damaged, unhealthy or otherwise in need of replacement, as determined by the City's Director of Planning or his or her designee, Developer shall ensure that the replacement is accomplished within fourteen (14) days of notification by the City, unless such time is extended by the City's Director of Planning or his or her designee if Developer shows unusual circumstances requiring more time to accomplish such replacement. Developer or Owner may trim such landscaping so as not to block the billboards or with the reasonable consent of the Director of Planning, the Developer at the Developer's own cost, can remove and relocate any landscaping.

(m) Developer shall be required to install all utilities underground in connection with the New Digital Billboard in conformance with Ordinance 1036. Developer shall coordinate its work with the requirements of Southern California Edison to achieve the undergrounding of all utilities.

(n) Developer shall comply with all necessary federal National Pollutant Discharge Elimination System (NPDES) requirements pertaining to the proposed use, to the extent applicable.

(o) All graffiti shall be adequately and completely removed or painted over within 48 hours of notice to Developer of such graffiti being affixed on the Development.

(p) Prior to final sign off of the building permit for the New Digital Billboard, the applicable landscaping or painted backing shall be installed at the Site.

(q) Developer shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to, the 0.3 foot-candles limitation over ambient light levels and ensuring additional flexibility in reducing such maximum light level standard given the lighting environment, the obligation to have automatic dimming capabilities, as well as providing the City's Director of Planning or his or her designee with a designated Developer employee's phone number and/or email address for emergencies or complaints that will be monitored 24 hours a day/7 days per week. Upon any reasonable complaint by the City's Planning Officer or designee, Developer shall dim the display to meet these guidelines and further perform a brightness measurement of the display using OAAA standards and provide the City with the results of same within 5 days of the City's complaint.

EXHIBIT C BILLBOARD ELEVATION

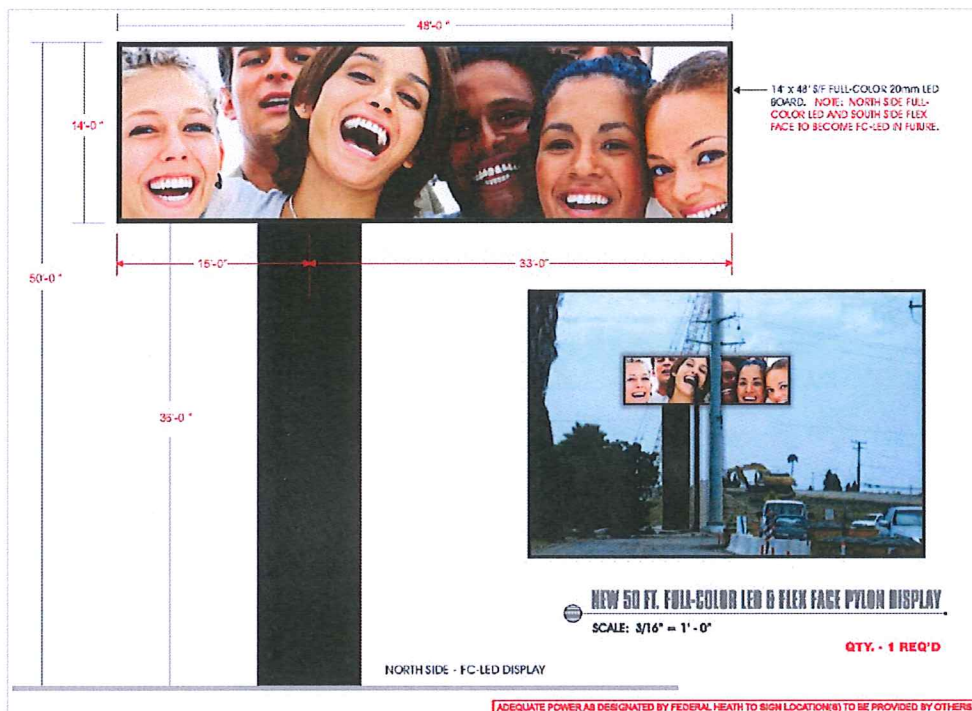
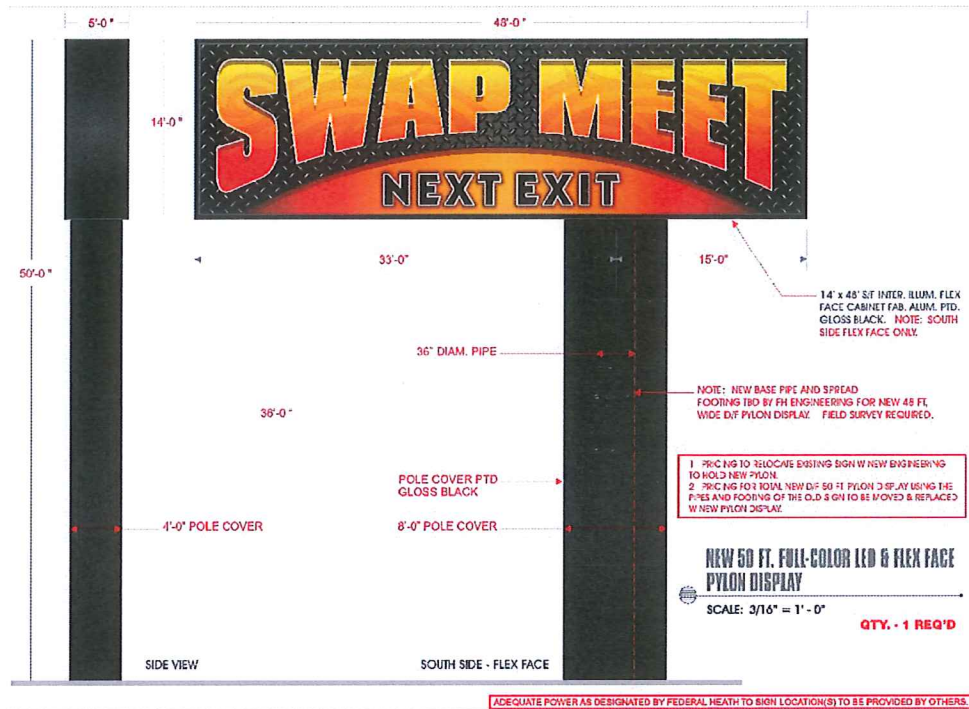


EXHIBIT D
SCHEDULE OF PERFORMANCE

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
1. City's Planning Commission holds public hearing and recommends approval of Agreement and Conditions of Approval		Recitals
2. City's City Council holds hearings to approve Agreement and first and second reading of Ordinance	May 26, 2016 (1 st Reading); June 9, 2016 (2 nd Reading), provided Developer has fully executed the Agreement	Recitals
3. Effective Date of this Agreement.	30 days following City Council's second reading of Ordinance, or July 10, 2016.	N/A
4. Developer prepares and submits to City working drawings specifications and engineering, the City commences approval process.	Within 120 days of the Council's second reading of the Ordinance approving this Agreement	3.4
5. City to approve all construction and engineering drawings and specifications with a plan check approval, and issue a building permit and an electrical permit. City agrees to any necessary building or electrical permits need for Developer to acquire the Caltrans approvals. Developer agrees not to commence construction until it receives the applicable Caltrans approvals.	Within 30 days of City's receipt of Developer's construction drawings and specifications addressing all of City's comments.	_____
6. Developer to provide copy of Caltrans approval to City	Prior to commencing any inspections and work on the Development.	3.3, 3.4
7. Developer to submit proof of insurance to City.	Prior to commencing any inspections and work on the Development	6.1.2

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
8. Developer pays City first installment of Development Fee if Developer receives Final Permits	Within 1 year of Developer receiving Final Permits	2.6
9. Developer pays City second installment and subsequent annual installments of the Development Fee if Developer receives Final Permits.	Beginning within 2 years of Developer receiving Final Permits, and continuing throughout the Term. Each payment occurring at the end of each year of the Term.	2.6
10. Developer pays the Alternative Fee if in excess of the Development Fee.	Within 90 days of the end of each calendar year of the Term	2.6

It is understood that this Schedule of Performance is subject to all of the terms and conditions of the text of the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Developer and the City. Notwithstanding any extension of the Term in the manner described in, and subject to the provisions of Section 3.5 of the Agreement, the City Manager shall have the authority to approve extensions of time set forth in this Schedule of Performance without action of the City Council, not to exceed a cumulative total of 180 days.



ORDINANCE FOR ADOPTION

Ordinance No. 1074 - Zone Change Case No. 136

A request for approval to change the zoning designation on 2.00 acres (Net)) of a 3.94-acre (Net) property, from C-4, Community Commercial to M-2, Heavy Manufacturing, on the property at 13210 Telegraph Road (APN: 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road.
(Overton Moore Properties)

RECOMMENDATIONS

That the City Council take the following actions:

Adopt Ordinance No. 1074 which implements Zone Change Case No, 135, a request for approval to change the zoning designation on 2.00 acres (Net)) of a 3.94-acre (Net) property, from C-4, Community Commercial to M-2, Heavy Manufacturing, on the property at 13210 Telegraph Road (APN: 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road.

LOCATION/BACKGROUND

The project site consist of 4.05-acre (Gross) and is currently undeveloped, covered in dirt, sparse grass, and ruderal vegetation. The project site is fenced off on the north, west, and east sides by a chain link fence and on the south side by a concrete block wall. There are two oil wells on the site. A bowling alley sign reminiscent of the site's previous use is located in the northern part of the property. The sign is old, dilapidated, and will not contribute to the identification of the project. Mitigation measures identified in Section 3.5 of the IS/MND calls for the sign to be taken off-site to the Valley Relic Museum where it will be preserved.

The site has an address of 13210 Telegraph Road (APN: 8011-013-017), and was once occupied by a ±34,000 sq. ft. building that housed a bowling alley called Premier Lanes. The bowling alley was demolished in 2010 and since that time, the site has remained undeveloped. The current zoning is C4, Community Commercial with a General Plan Land Use Designation of industrial. Overton Moore Properties is currently in escrow to purchase the property with the intent of developing two building on the site: the first building will be constructed along the Telegraph Road and Painter Avenue street frontages and the second building at the rear of the site, with frontage only on Painter Avenue. The first building is a build-to-suit for an 18,557 sq. ft. Aldi supermarket. The second building is a speculative, concrete tilt-up industrial building of 41,046 sq. ft.

The applicant, Overton Moore Properties, is requesting approval of Zone Change Case No. 136, a request to change the zoning designation on 2.00 acres (Net)) of the 3.94-acre (Net) property, from C-4, Community Commercial to M-2, Heavy Industrial.

Concurrently, the applicant is also approval of General Plan Amendment Case No. 26, a request for approval to amend the Land Use Map of the City's General Plan, on 2.00 acres (Net) of a 3.94-acre (Net) property, from Commercial to Industrial on the property at 13210 Telegraph Road (APN: 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road.

PREVIOUS ACTIONS BY PLANNING COMMISSION

On May 9, 2016, the Planning Commission held a Public Hearing on Zone Change Case No. 136 and General Plan Amendment Case No. 26, and after opening the Public Hearing, listening to a presentation from Staff and receiving comments, the Planning Commission approved the proposed Zone Change and General Plan Amendment, and with a recommendation that the City Council approve the subject Zone Change and General Plan Amendment. The Commission's recommendation was embodied in Resolutions 58-2016 and 56-2016, respectively.

The Commission also approved Tentative Parcel Map Case No. 73846 and Development Plan Approval Case No. 911. Tentative Parcel Map Case No. 73846 was a request for approval to subdivide the existing one parcel property of 3.94 acres (Net) into two parcels: (Parcel 1 of 1.94 acre (Net) and Parcel 2 of 2.00 acres (Net). Development Plan Approval Case No. 911 was a request for development plan approval to allow the construction of a ±41,046 sq. ft. concrete tilt-up, spec building and appurtenant improvements on Parcel 2 of Tentative Parcel Map No. 73846.

The Commission also approved and adopted the proposed Initial Study/Mitigated Negative Declaration, and Mitigation Monitoring and Reporting Program (IS/MND/MMRP), which, based on the findings of the Initial Study and the proposed mitigation measures, indicates that there is no substantial evidence that the approval of Zone Change Case No. 136, General Plan Amendment Case No. 26, Tentative Parcel Map Case No. 73846, and Development Plan Approval Case No. 911, will have significant adverse effects that cannot be mitigated to levels of insignificance.

PREVIOUS ACTIONS BY CITY COUNCIL

At the City Council meeting of May 26, 2016, Ordinance No. 1074 was introduced and passed it first reading on Zone Change Case No. 136. At said meeting, the City Council also adopted Resolution No. 56-2016, regarding General Plan Amendment Case No. 26.

ZONING ORDINANCE REQUIREMENTS

Section 155.825 of the Zoning Regulations stipulates that, in considering any request for a change of zone, the Commission shall satisfy itself that the following conditions prevail before recommending that the change be granted:

1. That there is a real need in the community for more of the types of uses permitted by the zone requested than can be accommodated in the areas

already zoned for such use.

2. That the property involved in the proposed change of zone is more suitable for the uses permitted in the proposed zone than for the uses permitted in the present zone classification.
3. That the proposed change of zone would not be detrimental in any way to persons or property in the surrounding area, nor to the community in general.
4. That the proposed change of zone will not adversely affect the master plan of the city.

STREETS AND HIGHWAYS

The property is located at the southeast corner of Painter Avenue and Telegraph Road. Painter Avenue and Telegraph Road are designated as a "Major" arterial within the Circulation Element of the City's General Plan.

ZONING & GENERAL PLAN LAND USE DESIGNATION

The subject property is currently zoned C4, Community Commercial with a general plan land use designation of "Commercial." The Zoning, General Plan and Land Use of the surrounding properties are as follows:

Table I-Surrounding Zoning, General Plan Land Use Designation

Surrounding Zoning, General Plan Designation			
Direction	Zoning District	General Plan	Land Use
North	C-4 , Community Commercial	Commercial	7-11, Carl's Jr, restaurant, retail
South	M-2, Manufacturing, Heavy	Industrial	Super Et, trailer repair and service
East	C-4 , Community Commercial	Commercial	Shopping Center (Gateway Plaza)
West	M-2, Manufacturing, Heavy	Industrial	All Black Co., metal finishing and coating Magnus Industries, drill bits and sawblades

LEGAL NOTICE OF PUBLIC HEARING

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 et seq. and 65854 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.866 of the City's Municipal Code. Legal notice of the Public Hearing for the proposed zone change was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016. The legal notice was also posted at Santa Fe Springs City Hall, the City Library and the City's Town Center and published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required

by the State Zoning and Development Laws and by the City's Zoning Ordinance.

ZONING ORDINANCE REQUIREMENTS – FINDINGS

1. *That there is a real need in the community for more of the types of uses permitted by the zone requested than can be accommodated in the areas already zoned for such use.*

Currently, the industrial vacancy rate in the City is 1.14 %, which is a historic low. Most of the recent development in the City and surrounding areas has occurred in larger buildings greater than 100,000 sq. ft. The proposed zone change of the southerly portion of the site will allow for the development of an approximately 40,000 sq. ft. building. This will allow the City to attract and maintain small businesses/owners.

2. *That the property involved in the proposed change of zone is more suitable for the uses permitted in the proposed zone than for the uses permitted in the present zone classification.*

Because of the proximity of the present zone to the commercial corridor along Telegraph Road and the physical barriers (wall and grade difference) of the commercial property to the east, the present zone designation isolates the southern portion of the property. The southern portion of the property has more identity with the adjacent Industrial/Manufacturing zone designation allowing for a better transition from industrial to commercial towards the intersection of Painter Avenue and Telegraph Road. Moreover, the southern portion of the property only has minimal street frontage along Painter Avenue, which has minimal traffic counts. This lack of identity along a major street makes this portion of the site not suitable for commercial tenants.

3. *That the proposed change of zone would not be detrimental in any way to persons or property in the surrounding area, nor to the community in general.*

The permitted uses in the proposed M-2, Heavy Manufacturing Zone will be compatible as well as complimentary to the surrounding neighbors. Immediately South and West of the site are industrial properties that are already zoned M-2, Heavy Manufacturing. Immediately to the East is the back of a large Walmart store, with no through access, thus resulting not only in a physical barrier, but a clear delineation between the existing Commercial zoning to the East and the proposed Industrial Zone.

4. *That the proposed change of zone will not adversely affect the master plan of the city.*

The General Plan is the *master plan of the city*. The General Plan provides the overall direction for the future development of the City. It is a comprehensive planning document that addresses the many aspects of community life in the City of Santa Fe

Springs. It is a long range plan in that it seeks to provide for the needs of the community into the future. The General Plan is also flexible enough to respond to the changing needs and concerns of those who live, work and frequent Santa Fe Springs.

The General Plan consists of six mandatory elements, including: 1) Land Use; 2) Housing; 3) Open Space/Conservation; 4) Safety; 5) Circulation, and; 6) Noise. There is no evidence to suggest that the proposed Zone Change will *adversely affect the master plan of the city*.

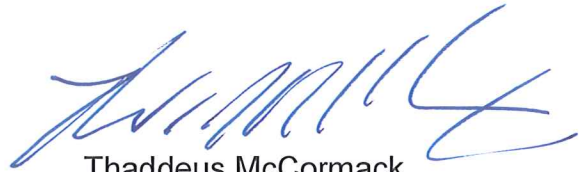
The following table (Table II) illustrates how the proposed Change of Zone will be consistent with the goals and policies of the General Plan.

Table II General Plan Consistency Analysis

<u>Element</u>	<u>Policy</u>	<u>Project Consistency/Comment</u>
<u>Land Use</u>	Policy 9.1a: Consideration of providing an adequate tax base from property tax or sales tax revenue.	Consistent: The annual taxes on the property is 69,339.18. When building are constructed, the annual tax will increase. The proposed grocery store would also generate sales tax.
	Goal 11: Support and encourage the viability of the industrial and commercial areas of Santa Fe Springs.	Consistent: A portion of the property will remain commercial with the remaining being developed with industrial users in mind.
<u>Safety</u>	Policy 5.3: Review all new developments with regards to urban fire risks	Consistent: The proposed buildings will be reviewed for design features to reduce the demand for fire department's services, including fire hydrant placement, emergency access, and the installation of sprinklers within each building.
<u>Circulation</u>	Goal 3, Policy 3.7: Minimize pedestrian and vehicular conflicts	Consistent: Both buildings will incorporate meandering sidewalks instead of having the sidewalks next to the curb. This will create a barrier between pedestrian and traffic.
	Goal 1, Policy 1.6: Limit driveway access on arterial streets to maintain a desired quality of flow.	Consistent: An existing driveway located close to the intersection will be removed and replaced by a driveway that is further away from the intersection.
	Goal 1, Policy 1.8 and 2.4: Require that proposals for major new developments include a future traffic impact analysis which identifies measures to mitigate and identified project impacts, and adhere to the City's Congestion Management Plan.	Consistent: A traffic analysis was required for the development of the two proposed buildings.
	Goal 1, Policy 2.4: Require that proposals for major developments include future traffic impacts analysis which adheres to the City's Congestion Management Plan.	Consistent: A traffic analysis was required for the development of the two proposed buildings.

STAFF REMARKS

Based on the reasons enumerated above, Staff believes that Zone Change Case No. 136 meets and satisfies the criteria for the subject change of zone request.



Thaddeus McCormack
City Manager

Attachments:

1. Location Map - Aerial Photograph
2. Ordinance No. 1074
Exhibit "A" – Zone Change Map-Existing
Zone Change Map-Proposed



CITY OF SANTA FE SPRINGS-Aerial Photograph
Zone Change Case No. 136
13210 Telegraph Road



ORDINANCE NO. 1074

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS
AMENDING TITLE 15 OF THE CODE OF ORDINANCES OF THE CITY, "THE
ZONING ORDINANCE" OF THE CITY, BY PLACING CERTAIN PROPERTIES
WITHIN THE CITY INTO THE M-2, HEAVY MANUFACTURING" ZONE
(ZONE CHANGE CASE NO. 136)**

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY
ORDAIN AS FOLLOWS:

SECTION 1. Attached hereto and, by this reference, made a part hereof, is a map entitled "Exhibit A." The property which is the subject of this Ordinance is shown on said map as currently being in the C-4, Community Commercial, Zone, and more specifically described as the 2.00 acres (Net) of a 3.94-acre (Net) property (APN: 8011-013-017), at 13210 Telegraph Road, at the southeast corner of Painter Avenue and Telegraph Road.

SECTION 2. Title 15 of the Code of Ordinances of the City of Santa Fe Springs, which chapter is the Zoning Ordinance of the City, is amended by placing 2.00 acres (Net) of a 3.94-acre (Net) property shown upon "Exhibit A" as being in the M-2, Heavy Manufacturing, Zone.

SECTION 3. The City Clerk shall certify to the adoption of this Ordinance, including the vote for and against and shall post a certified copy of this ordinance, within 15 days after its passage to be posted in at least three (3) public places within the City as established by ordinance, and, in compliance with Section 36933 of the Government Code.

PASSED and ADOPTED this _____ day of _____, 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN

Richard Moore, Mayor

ATTEST:

Janet Martinez, City Clerk

EXHIBIT "A" – ORDINANCE NO. 1074
Zone Change Case No. 136

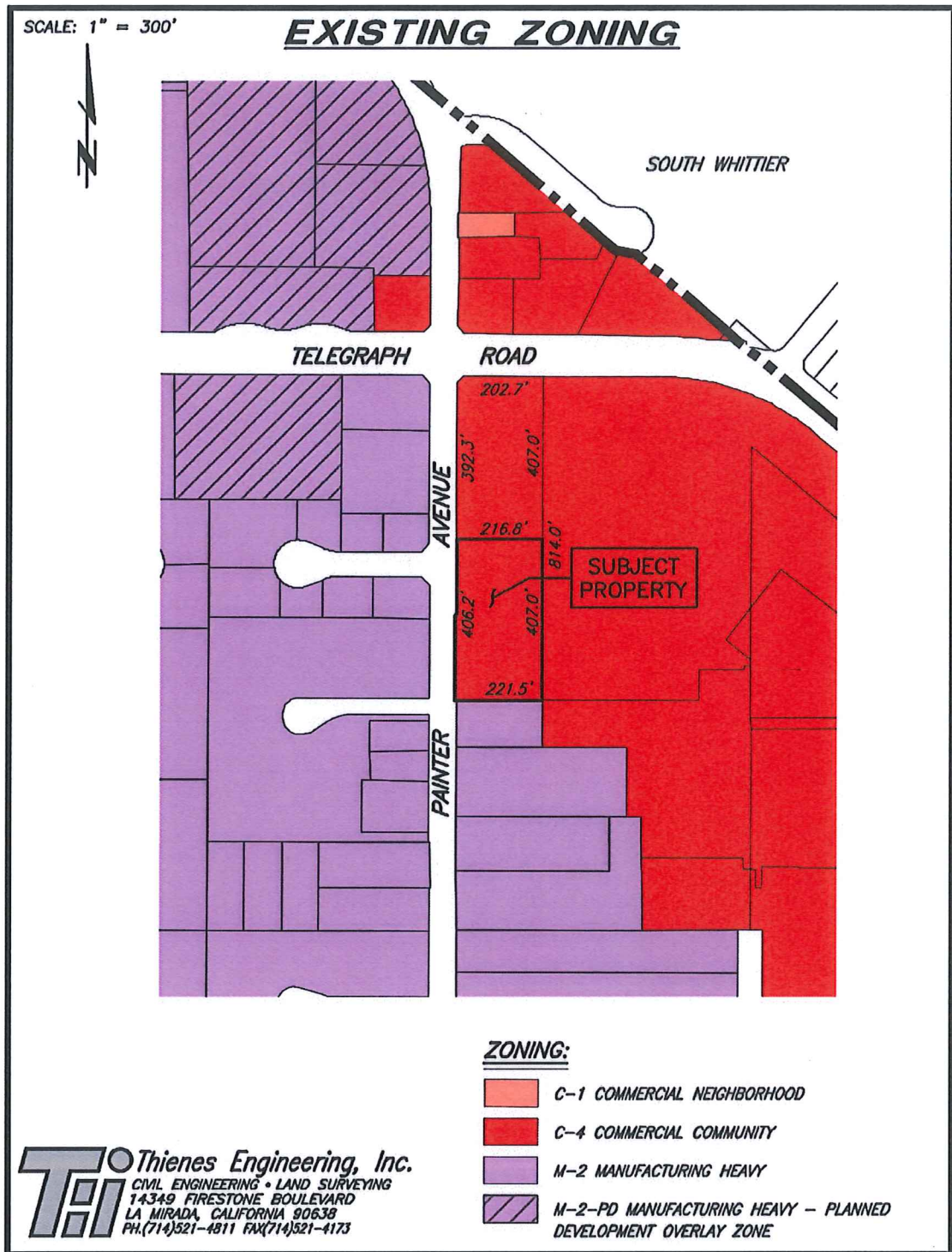
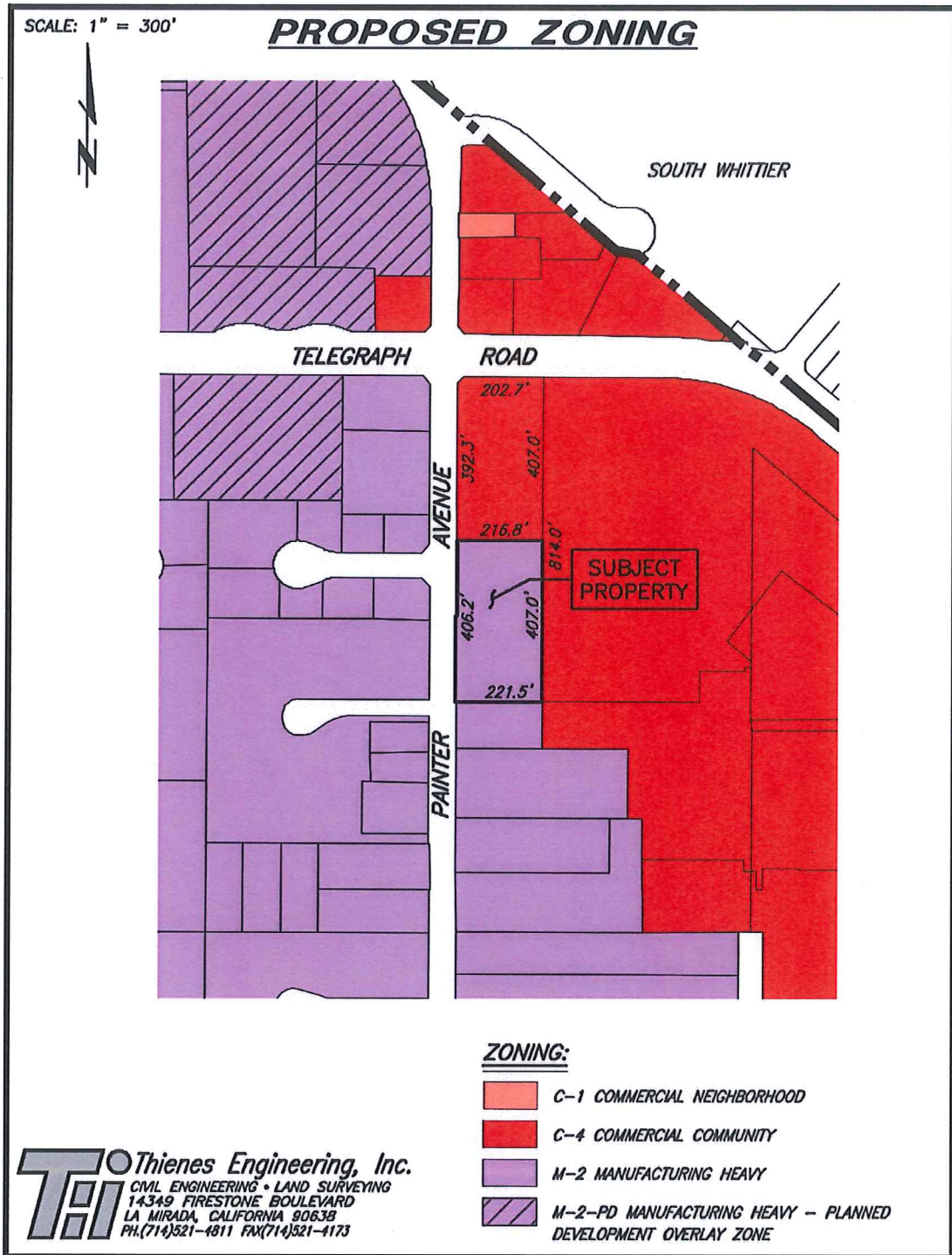


EXHIBIT "A" - ORDINANCE NO. 1074
Zone Change Case No. 136





City of Santa Fe Springs

City Council Meeting

June 9, 2016

NEW BUSINESS

Extend the Care Ambulance Transport and Billing Services Agreement through December 31, 2016.

RECOMMENDATIONS

That the City Council extend the Care Ambulance Transport Agreement through December 31, 2016 or when the Los Angeles County Department of Health Services terminates their agreement with Care Ambulance Service, Inc., whichever comes first.

Background

The current agreement for Basic and Advanced Life Support Transport and Billing Services between the City of Santa Fe Springs and Care Ambulance expired May 31, 2016. This agreement generally mirrors the same time period as the agreement between the Los Angeles County Department of Health Services (DHS) and the transport agency assigned to provide service to Exclusive Operating Area 5 in which the City of Santa Fe Springs is assigned to. The Department of Fire-Rescue was recently notified by DHS that they are currently seeking County Board of Supervisor approval for an extension of the term of their current agreements through December 31, 2016 to allow additional time to complete the RFP process.

The Los Angeles County Department of Health Services (DHS) is held responsible for the provision of "Emergency Ambulance Transportation Services 9-1-1 Response" to all residents of Los Angeles County. As a result, DHS created nine Exclusive Operating Areas (EOA) for contract Ambulance Operators, as authorized by Health and Safety Code Section 1797.224. Santa Fe Springs is currently assigned to EOA 5.

The Department of Health Services is in the process of issuing a Request for Proposals (RFP) to solicit bids for an agreement for Emergency Ambulance 9-1-1 response for each EOA. Typically, the Department of Health Services completes this process every ten years in which a new RFP is prepared and contracts are awarded. The term of the new agreement shall be January 1, 2017 through December 31, 2026 commencing upon execution by the Director or his/her designee as authorized by the Board of Supervisors.

The City of Santa Fe Springs and Care Ambulance has a separate transport and billing services agreement. This agreement states Care Ambulance is the provider of ambulance transport and related billing services for the City of Santa Fe Springs. In the agreement it states the City will receive revenue from Care Ambulance during situations where a patient is transported in a basic life support ambulance and the



City of Santa Fe Springs

City Council Meeting

June 9, 2016

ambulance crew is supplemented by a City of Santa Fe Springs Department of Fire-Rescue Firefighter/Paramedic. The revenue received is the difference between what Care Ambulance charges for an Advanced Life Support (ALS) transport versus what would have been paid for a Basic Life Support (BLS) transport. This rate is set annually by the Los Angeles County Emergency Medical Services Agency.

The City's current transport Agreement with Care Ambulance, effective July 1, 2006 through May 31, 2016, coincides with the DHS agreement with Care Ambulance to provide EMS transport services to EOA 5. Upon completion of the RFP and award of contract by the Department of Health Services, a revised transport and billing agreement between the City of Santa Fe Springs and the recognized transport provider agency will be developed and brought forward to the City Council for review and approval.

Fiscal Impact

The result of not temporarily extending the current transport and billing services agreement may result in reduced revenues provided by Care Ambulance for Advance Life Support (ALS) services rendered by City of Santa Fe Springs Fire-Rescue Firefighter/Paramedic personnel.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack", is written over a horizontal line.

Thaddeus McCormack
City Manager

Attachment(s)

1. Care Ambulance Advanced Life Support Pass-through and Billing Services Agreement, effective July 1, 2006 through May 31, 2016
2. Contract Extension Agreement
3. Exclusive Operating Area 5 - Map

A G R E E M E N T

THIS AGREEMENT, dated for purposes of identification only this _____ day of _____, 2006, is made and entered into by and between the

CITY OF SANTA FE SPRINGS, a municipal corporation,
hereinafter referred to as "SANTA FE SPRINGS,"

A
N
D

CARE AMBULANCE SERVICE, INC., a California Corporation, hereinafter referred to
as "CONTRACTOR."

W I T N E S S E T H :

WHEREAS, COUNTY OF LOS ANGELES issued a Request for Proposals for
Emergency Medical Transportation and Related Services to obtain an exclusive primary provider
of ambulance transport services for the City of Santa Fe Springs and other adjacent cities.

WHEREAS, CONTRACTOR submitted a Proposal that was accepted by the County of
Los Angeles, and

WHEREAS, CONTRACTOR is an ambulance provider that is fully licensed and
otherwise qualified to perform the work required by this Agreement; and

WHEREAS, SANTA FE SPRINGS desired to utilize the services of CONTRACTOR to
provide ambulance transport and related billing services in accordance with all applicable laws.

SECTION 1. BILLING

A. CONTRACTOR agrees to identify code, bill and collect all fees on behalf of
SANTA FE SPRINGS for emergency response services rendered by SANTA FE SPRINGS.
Such fees shall only apply to those patients not covered under the paramedic subscription plan
offered and administered by SANTA FE SPRINGS. SANTA FE SPRINGS agrees to provide, in

the format of its choice, as is reasonably to contractor, the necessary information for the CONTRACTOR to determine which patients are not covered under the subscription plan and, therefore, subject to billing on behalf of SANTA FE SPRINGS. CONTRACTOR further agrees that all amounts billed and collected on behalf of SANTA FE SPRINGS will be separately identified within the accounting records in sufficient detail to allow for verification by SANTA FE SPRINGS pursuant to Section 7 AUDITS and that such records will be retained for the current year of operation and for the six (6) years thereafter. CONTRACTOR shall, on or before the close of business on the last day of every calendar month, remit all funds collected on behalf of SANTA FE SPRINGS during the immediately preceding calendar month, less any setoff amounts owed by SANTA FE SPRINGS to CONTRACTOR. CONTRACTOR shall bill and collect all accounts in accordance with current practices of CONTRACTOR or as otherwise reasonably directed by SANTA FE SPRINGS.

B. The services covered by this Agreement include situations where a patient is transported in a basic life support ambulance of CONTRACTOR and the ambulance crew is supplemented by the SANTA FE SPRINGS paramedic. CONTRACTOR shall bill patients or their insurance service for ALS service.

C. Upon receipt of payment by the patient or third party payors, CONTRACTOR shall pay SANTA FE SPRINGS the difference between what was paid for ALS transport versus what would have been paid for BLS transport.

D. SANTA FE SPRINGS is only entitled to be reimbursed for use of its paramedic when a paramedic is actually provided and a paramedic is medical necessary due to the condition of the patient.

E. If after payment is made by CONTRACTOR to SANTA FE SPRINGS, an overpayment is assessed against CONTRACTOR by any third party payor claiming ALS (i.e., the paramedic) was not medically necessary, SANTA FE SPRINGS shall refund to CONTRACTOR the amount of such overpayment, whether calculated individually or through statistical sampling.

F. To the extent permitted by law, SANTA FE SPRINGS shall be responsible to provide CONTRACTOR a copy of any Trip Ticket or Prehospital Care Report form completed by its paramedic when the paramedic is in the CONTRACTOR's vehicle used to transport a patient.

SECTION 2. COMPLIANCE WITH LAWS.

In the performance of this Agreement, CONTRACTOR shall abide by and conform to (and shall ensure that CONTRACTOR'S employees, agents and representatives, if any, shall abide by and conform to) any and all applicable laws, statutes, safety rules, regulations and practices of the United States, the State of California, the Charter and Ordinances of the City of Santa Fe Springs, and any other local laws. Such compliance includes, but is not limited to, the California Health and Safety Code, the California Vehicle Code, the County of Los Angeles Department of Health Services policies and procedures.

SECTION 3. LAWS GOVERNING CONSTRUCTION OF TERMS.

This Agreement shall be governed by the laws of the State of California. Any legal action concerning or arising out of this Agreement shall be filed in a court of the State of California having jurisdiction of the subject matter, and venue shall be in the County of Los Angeles, State of California.

SECTION 4. DISPUTES BETWEEN CONTRACTOR AND SANTA FE SPRINGS

Either party hereto may give the other party written notice of any dispute with respect to this Agreement. Upon receipt of such notice, the parties shall meet and confer in good faith to attempt to resolve such dispute. The SANTA FE SPRINGS Fire Chief shall cause a record to be kept of the proceedings conducted and information presented during such meeting. In the event that such dispute cannot be resolved by the parties within 30 days, any such dispute arising out of or relating to this Agreement, or the breach thereof, shall be settled by binding arbitration in accordance with California Code of Civil Procedure Sections 1280 et seq. The award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be selected from JAMS and the arbitration shall be conducted in accordance with JAMS' current rules for streamlined arbitration. Notwithstanding any other provision of this Agreement, in the case of a dispute involving a claim for equitable relief, a court with equitable jurisdiction may grant temporary restraining orders and preliminary injunctions to preserve the status quo existing before the events which are the subject of the dispute. Any final equitable or other relief shall be ordered in the arbitration proceeding. During the arbitration, each party shall pay an equal share of the fee and expenses of any arbitrator and any administrative fee of JAMS. The prevailing party shall be entitled to an award of reasonable attorneys' fees, costs and expenses, including the costs of appeal incurred by the prevailing party, in addition to all other remedies and relief to which the substantially prevailing party may be entitled.

SECTION 5. ASSIGNMENT AND DELEGATION

CONTRACTOR may not delegate or assign the rights or obligations hereunder, either in whole or in part, without prior written consent of SANTA FE SPRINGS, which consent may be withheld with impunity by SANTA FE SPRINGS. Any attempted assignment or delegation in derogation of this paragraph shall be void.

SECTION 6. INDEMNITY

CONTRACTOR agrees to indemnify, defend (at SANTA FE SPRINGS option) and hold harmless SANTA FE SPRINGS, their officers, agents, employees, representatives and SANTA FE SPRINGS-designated volunteers from and against any and all claims, demands, defense costs, actions, litigation, liability, or consequential damages of any kind or nature arising out of or in connection with the performance of, or failure to perform under the terms of this Agreement by CONTRACTOR and/or its employees, officers, representatives and agents, products, suppliers and subcontractors, except only those which arise out of the sole, active negligence of SANTA FE SPRINGS.

SANTA FE SPRINGS agrees to indemnify, defend (at CONTRACTORS option) and hold harmless CONTRACTOR, their officers, agents, employees, representatives and CONTRACTOR-designated volunteers from and against any and all claims, demands, defense costs, actions, litigation, liability, or consequential damages of any kind or nature arising out of or in connection with the performance of, or failure to perform under the terms of this Agreement by SANTA FE SPRINGS and/or its employees, officers, representatives and agents, products, suppliers and subcontractors, except only those which arise out of the sole, active negligence of CONTRACTOR.

SECTION 7. AUDITS

A. At any time during normal business hours, and with minimal interruption and in convenience to CONTRACTOR's business operations, and as often as may reasonably be deemed necessary, SANTA FE SPRINGS' representatives may observe CONTRACTOR's business office operations and CONTRACTOR shall make available to SANTA FE SPRINGS for its examination, its records with respect to all matters covered by this Agreement, and SANTA FE SPRINGS may audit, examine, copy and make excerpts or transcripts from such records, records of personnel, daily logs, conditions of employment, and other data, including but not limited to financial records, related to all matters covered by this Agreement. SANTA FE SPRINGS' representatives may, at any time and without notification, directly observe the CONTRACTOR's operation of the ambulance dispatch center, and a SANTA FE SPRINGS representative may ride as "observer" on any of the CONTRACTOR's ambulance units at any time.

B. SANTA FE SPRINGS' right to observe and inspect operations or records in CONTRACTOR's business office shall be restricted to normal business hours and reasonable notification shall be given CONTRACTOR in advance of any such visit.

SECTION 8. INDEPENDENT CONTRACTOR

The performance of CONTRACTOR's services hereunder shall be in the capacity of an independent contractor and not as an officer, agent, or employee of SANTA FE SPRINGS. CONTRACTOR agrees that SANTA FE SPRINGS shall not be liable or responsible for any benefits, including, but not limited to, worker's compensation, disability, retirement, life, unemployment, health or any other benefits and CONTRACTOR agrees that he shall not sue or

file a claim, petition or application relative to any of the above against SANTA FE SPRINGS or any of its officers, employees, agents, representatives or sureties.

SECTION 9. COMPENSATION TO CONTRACTOR

A. CONTRACTOR will not be compensated by SANTA FE SPRINGS for its services under this Agreement, except that CONTRACTOR may bill for ambulance service necessitated by work related injuries of SANTA FE SPRINGS employees. CONTRACTOR will bill patients for services provided in accordance with rates established by the County of Los Angeles.

B. SANTA FE SPRINGS assumes no financial liability for the cost of services to be provided to patients pursuant to this Agreement, including financial liability for the cost of dry runs (non-transports).

C. Pursuant to 42 USC Sections 1320-a-7b (b), as consideration for CONTRACTOR's agreement to provide billing services for SANTA FE SPRINGS, SANTA FE SPRINGS shall provide CONTRACTOR with the use and support of dispatching services necessary to fulfill the obligations of this Agreement. The parties acknowledge that the total value of the services rendered by CONTRACTOR to SANTA FE SPRINGS for billing services and the value of services rendered by SANTA FE SPRINGS to CONTRACTOR under this Agreement for dispatching services are impractical to determine with any reasonable degree of specificity. Consequently, the parties agree that the value of the services each party renders to the other under this Paragraph 9C shall be deemed equivalent and neither party shall owe the other party any further monetary consideration.

SECTION 10. NOTICES

Any notice or demand required or permitted to be given by the terms of this Agreement, or by any law or statute may be given by SANTA FE SPRINGS by depositing said notice or demand in the U.S. Mail, postage prepaid, addressed to CONTRACTOR at CONTRACTOR's address set forth below or any new address provided by CONTRACTOR in writing to SANTA FE SPRINGS. Service of said notice or demand on CONTRACTOR shall be complete five (5) days after deposit of said notice or demand in the mail.

Any notice or demand required or permitted by the terms of this Agreement or by any law or statute may be given by CONTRACTOR by delivering said notice or demand to SANTA FE SPRINGS at: 11710 E. Telegraph Road, Santa Fe Springs, CA 90670. Attention: City Clerk. Service of said notice or demand shall be complete when received at the office of the City Clerk. A copy of said Notice shall also be mailed to the Santa Fe Springs Fire Chief, at 11300 Greenstone Avenue, Santa Fe Springs, CA 90670.

SECTION 11. TERM

This Agreement shall become effective on July 1, 2006 and continue in full force and effect through May 31, 2016.

Notwithstanding any of the foregoing provisions, either party may cancel or terminate this Agreement, at any time, with or without cause, by giving at least thirty (30) days prior written notice thereof to the other.

Notices and communications regarding this Agreement shall be sent to the following addresses:

SANTA FE SPRINGS

City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attn: City Clerk

CONTRACTOR

Care Ambulance Service, Inc.
1517 W. Braden Court
Orange, CA 92868

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the dates hereinafter respectively set forth.

CITY OF SANTA FE SPRINGS
A municipal corporation

By [Signature]
Mayor

DATE OF EXECUTION:

July 24, 2006

ATTEST:

[Signature]
City Clerk

"SANTA FE SPRINGS"

CARE AMBULANCE SERVICE, INC.,
A California Corporation

DATE OF EXECUTION:

Aug 7, 2006

By [Signature]

Printed Name RIC W RICHARDSON

Title CO - CEO

"CONTRACTOR"

Care Ambulance Transport and Billing Contract Extension Agreement

This **CONTRACT EXTENSION AGREEMENT** ("Extension") is dated as of June 9, 2016 (the "Effective Date"), by and between City of Santa Fe Springs, located at 11710 E. Telegraph Rd, Santa Fe Springs, California 90670 ("Santa Fe Springs"), and Care Ambulance Service, Inc., located at 1517 W. Braden Court, Orange, California 92868 ("Care Ambulance"), (collectively, the "Parties").

WHEREAS the Parties entered into a City of Santa Fe Springs Care Ambulance Service Agreement on July 24, 2006 (the "Original Contract").

WHEREAS the Parties hereby agree to extend the term of the Original Contract in accordance with the terms of the Original Contract as well as the terms provided herein.

In consideration of the mutual covenants contained herein, each of Santa Fe Springs and Care Ambulance mutually covenant and agree as follows:

- The Original Contract, which is attached hereto as a part of this Extension, will end on May 31, 2016.
- The parties agree to extend the Original Contract for an additional period, which will begin immediately upon the expiration of the original time period and will end on December 31, 2016 or until the termination of Los Angeles County's Agreement with Care Ambulance Service, INC., whichever comes first.
- This Extension binds and benefits both Parties and any successors or assigns. This document, including the attached Original Contract, is the entire agreement between the Parties.

All other terms and conditions of the Original Contract remain unchanged.

This Agreement shall be signed on behalf of the City of Santa Fe Springs by Richard Moore, its Mayor, and on behalf of Care Ambulance Service, Inc. by _____.

City of Santa Fe Springs

Care Ambulance Service, INC.

By _____
Mayor – Richard Moore

By _____

Printed Name _____

Date of Execution: June 9, 2016

Title _____

Emergency Ambulance Transportation Services 9-1-1 Response EOA 5 - Los Angeles County Fire Department and The Jurisdiction Fire Departments of Cities of La Habra Heights, Santa Fe Springs and Montebello

Cohort: 01/01/2014 - 12/31/2014

BOUNDARIES:

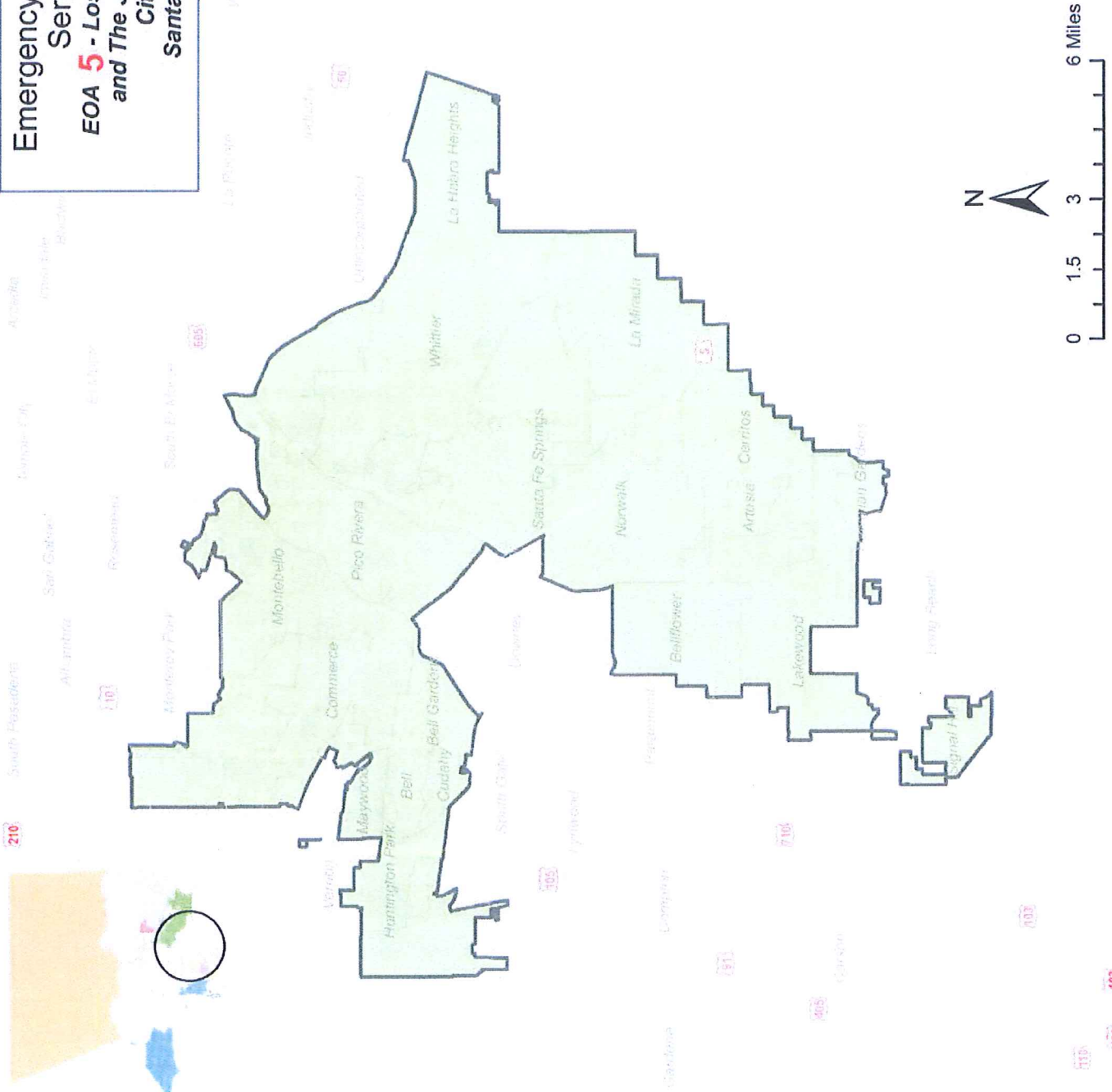
- Northern: Los Angeles City Limit, Unincorporated Area
- Western: Los Angeles City Limit, Vernon City Limit, Southgate City Limit, Downey City Limit, Paramount City Limit
- Southern: Long Beach City Limit
- Eastern: Orange County Line

DEMOGRAPHIC DATA:

Population: 1,254,632
% Below Poverty: 15.3%
Incident: 65,038 (Rate: 5.18%)
ALS (% per inc): 26,117 (40.16%)
BLS (% per inc): 22,773 (35.01%)
Non Transport (% per inc): 16,148 (24.83%)
Estimated County Responsible Transports: 8,680

Sources:

- *Incident Data: Los Angeles County Fire Department, La Habra Heights, Santa Fe Springs, Montebello
- *Population and poverty data: 2010 Census data





City of Santa Fe Springs

City Council Meeting

June 9, 2016

NEW BUSINESS

Aquatic Center Pool Deck Resurfacing – Final Payment

RECOMMENDATION

That the City Council approve the Final Payment (less 5% Retention) to Sundek of Anaheim, California in the amount of \$54,630.70 for the subject project.

BACKGROUND

The City Council, at their meeting of May 12, 2016, awarded a contract to Sundek of Anaheim, California in the amount of \$57,506.00 for the above subject.

The project includes the protection of all structures, pools and drainage system, scarifying existing paint to prepare coating using dustless vacuum equipment, inspection of coping, grind/removal of rust underneath coping and treating with epoxy bond coat, install moisture vapor barrier underneath coping, pressure wash to prepare for coating, open structural cracks on deck and underneath coping using V-Shape crack chaser diamond wheel, install primer coat, install base coat, install classic texture, install custom scorelines to disguise and incorporate cracks, install acrylic color sealer, and install new no diving tiles and depth tiles.

The following payment detail represent the Final Payment (less 5% Retention) due per terms of the contract for the work which has been completed and found to be satisfactory.

FISCAL IMPACT

The Aquatic Center Pool Deck Resurfacing Project is fully funded through the Bond Capital Improvement Project Fund.


Thaddeus McCormack
City Manager

Attachment:
Payment Detail

Report Submitted By: Noe Negrete, Director
Department of Public Works

Date of Report: April 18, 2016


ITEM NO. 11

Item No.	Description	Contract			Completed This Period		Completed to Date		
		Quantity	Units	Unit Price	Total	Quantity	Amount	Quantity	Amount
Contract Work									
1.	-Protection of any structure, pools, Fencing and surrounding areas -Diamond/Scarify existing paint to prepare concrete for SUNDEK coating -Use dustless equipment HEPA Vacuum dust control -Inspect coping for any loose and hollow -Grind/ remove rust areas underneath of coping and treat them using Universal bond coat and 7007 -Install moisture vapor barrier underneath of coping -Scarify areas of eroding concrete and base with Universal bond coat to ensure proper bond -Pressure wash to prepare concrete for SUNDEK coating -Open structural cracks on deck and underneath of coping using V-Shape crack chaser diamond wheel -Epoxy all cracks underneath of coping (Epoxy crack repair and combination of Poly-urea Crack repair) -Protect Deck channel drain system between concrete deck slabs -Install SUNDEK Primer coat -Install SUNDEK Base coat (s) -Install SUNDEK Classic Texture -Installation of SUNDEK classic texture on cantilever coping -Open and urethane hairline cracks on deck -Install Custom scorelines to disguise and incorporate cracks -Apply SUNDEK acrylic color sealer in color of choice -install 32 NO DIVING s and FT tiles to code next to existing depth markers -Apply SUNDEK Clear sealer to protect coating and reduce maintenance to all textured areas	1	L.S.		\$57,506.00	100%	\$57,506.00	100%	\$57,506.00

Total

\$57,506.00

\$57,506.00

\$57,506.00

Total Completed Items to Date: \$57,506.00

CONTRACT PAYMENTS:
Total Items Completed to Date
Less 5% Retention
Final Payment

\$57,506.00
~~\$2,875.30~~
\$54,630.70

Invoice Date	Invoice No.	Invoice Due Date	Invoice Pay Date	Amount
5/23/2016	Final Payment	6/7/2016	6/16/2016	\$54,630.70

Finance Please Pay:	\$54,630.70
Project Account:	455-397-S035-4800
Recommended by:	Robert Garcia
Approved by:	



NEW BUSINESS

Facility Use Agreement for Athletic Fields with Norwalk/Santa Fe Springs Saints Youth Football & Cheer

RECOMMENDATION

That the City Council approve the Facility Use Agreement For Athletic Fields between the City of Santa Fe Springs and Norwalk/Santa Fe Springs Saints Youth Football & Cheer for the right to use the Little Lake Park for a period of time, commencing July 10, 2016, through November 30, 2016, and July 10, 2017, through November 30, 2017.

BACKGROUND

The City of Santa Fe Springs has granted use of Little Lake Park and other public facilities to the Norwalk/Santa Fe Springs Saints Youth Football & Cheer (NSFS Saints) for the purpose of serving the public interest of providing an organized youth football program. Over the past 54 years, the NSFS Saints has provided a football and cheer program for various ages.

When the NSFS Saints were founded, which was shortly after the City's incorporation, they utilized Little Lake Park. Over the years, they have also used Los Nietos Park and the Santa Fe Springs Athletic Fields for practices. Approximately eight years ago, the NSFS Saints returned to Little Lake Park and have been using it for its practices. There is also a concession stand that is used by the organization for vending of items to help raise funds and a storage room to store practice equipment.

This Facility Use Agreement for the Athletic Fields has been developed to formalize the partnership between the City of Santa Fe Springs and the NSFS Saints. This Agreement outlines the responsibilities of both parties and memorializes certain practices that both parties have informally adopted and are currently utilizing.

ANALYSIS

The agreement was drafted in cooperation with the NSFS Saints to ensure that it would be an agreement that benefitted both parties. The following highlights key parts of the agreement that is before the City Council:

- As stated above the term of this Facility Use Agreement for Athletic Fields is as follows:
 1. Little Lake Park – Commencing July 10, 2016, through November 30, 2016; and re-commencing July 10, 2017, through November 30, 2017.
 2. The cheer squad will abide by the same start dates, however they will have



City of Santa Fe Springs

City Council Meeting

June 9, 2016

access to Little Lake Park until February for practice due to cheer competitions.

- The NSFS Saints will pay a flat rate of \$2,000 for use of Little Lake Park during the terms set forth in the agreement.
- The NSFS Saints will provide a Facility Rental Application to clearly indicate when Little Lake Park will be used.
- The NSFS Saints must provide a master calendar of events, in writing, to the City's Parks & Recreation Services Division for the purposes of scheduling City facilities.
- The NSFS Saints must provide a copy of the Certificate of Insurance of \$2 million of liability insurance and a copy of policy endorsement that verifies the City is named as an additional insured and indemnifies the City, its employees, and agents.
- The NSFS Saints must also provide proof of required health permits to operate and handle food from the concession stand/kitchen.
- The NSFS Saints agree to scheduled and unscheduled inspections of the areas of Little Lake Park that the NSFS Saints use (fields, snack bar, and storage room).
- This agreement may be terminated at any time by either party giving to the other party at least fifteen (15) days written notice of termination. The City may renew this agreement every two years; provided that NSFS Saints Youth Football & Cheer utilizes the facility in conformance with all regulations and this Facility Use Agreement for Athletic Fields.

FISCAL IMPACT

This NSFS Saints \$2,000 payment will offset some of the costs incurred by the organization due to their use of Little Lake Park.

The Mayor may call upon Wayne Bergeron, Community Services Supervisor, to answer any questions the Council may have regarding the proposed Facility Use Agreement for Athletic Fields with the NSFS Saints Football organization.



City of Santa Fe Springs

City Council Meeting

June 9, 2016

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack", is written over the printed name.

Thaddeus McCormack
City Manager

ATTACHMENT:

Facility Use Agreement for Athletic Fields with Norwalk/Santa Fe Springs Saints



COMMUNITY SERVICES DEPARTMENT
PARKS & RECREATION SERVICES DIVISION

FACILITY USE AGREEMENT FOR ATHLETIC FIELDS

THIS AGREEMENT, made and entered into this ____ day of _____, 20____, by and between the City of Santa Fe Springs, a municipal corporation duly organized and existing under the laws of the State of California (hereinafter referred to as "AGENCY") and Norwalk Santa Fe Springs Saints Youth Football & Cheer, (hereinafter referred to as "ORGANIZATION").

RECITALS:

- A. It is AGENCY's desire to serve the public interest of the community by providing a program of organized youth sports; and
- B. The goal and purpose of ORGANIZATION is to provide a football sports program to the youth of the community;
- C. In consideration of the mutual covenants and conditions contained herein, the parties do hereby agree as follows:

1. TERM OF AGREEMENT

AGENCY grants ORGANIZATION the right to use the Little Lake Park located at 10900 Pioneer Boulevard, in Santa Fe Springs, including the use of the grass field areas of the located within the four baseball diamonds, the concession stand/kitchen, and equipment storage room (hereinafter "Subject Facilities"). AGENCY grants ORGANIZATION the right to use the Little Lake Park for a period of time, commencing in July 10, 2016 and terminating in November 30, 2016 and renewing July 10, 2017 and terminating November 30, 2017.

Specifically, the ORGANIZATION will utilize Little Lake Park Monday – Friday from 6:00 p.m. – 8:30 p.m. for football and cheer practice from mid-July until mid-September. From mid-September until the completion of the football season at the end of November practices will be held Tuesday–Thursday from 6:00 p.m. – 8:30 p.m.; however, cheer will use the park for practice Tuesday-Thursday from 6:00 p.m. – 8:30 p.m. through February.

This AGREEMENT shall remain in effect through November 30, 2017, unless terminated earlier at any time by either party giving to the other party at least fifteen (15) days written notice of termination. AGENCY may renew this AGREEMENT every two years; provided that ORGANIZATION operates the facility designated below in conformance with all and regulations applicable thereto.

2. USE OF FACILITIES

ORGANIZATION's right to use the Subject Facilities will begin on the above stated date and upon submission of the following to the Agency:

- A. Facility Rental Application
- B. Payment in the amount of \$2,000 for one season (amount does not include field usage outside of the approved dates)
- C. 501(c)(3) designation from the I.R.S. or a nonprofit designation from the California Franchise Tax Board and/or the California Secretary of State.
- D. Complete list of names, addresses and telephone numbers of the current Board of Directors or other responsible persons of ORGANIZATION.
- E. Name and contact information of ORGANIZATION's liaison or designee who will work directly with designated City staff. All correspondence will be made through liaison. Requests made by any other member of the organization will not be honored until confirmation has been received by liaison or designee.
- F. Master calendar of events to include:
 - Practice dates & times (for both football and cheer)
- G. One copy of the Certificate of Insurance (\$2 million liability) listing AGENCY as an additional insured and a copy of the policy endorsement including verbiage verifying AGENCY is named as an additional insured.

The above requested documents must be submitted at least two weeks prior to use. If the documents are not submitted, AGENCY may withhold use of the Subject Facility.

3. RESPONSIBILITY FOR ACTIVITIES

ORGANIZATION shall provide the personnel necessary to supervise and conduct the activities as set forth in this AGREEMENT at the Subject Facilities, and shall furnish and supply any and all equipment and material, which may be necessary for such activities conducted at the Subject Facilities. Athletic Field Lining and Marking must be done with prior written approval of AGENCY. Any user failing to comply with established guidelines and notification is subject to invoicing for all damages occurring to fields and termination of this AGREEMENT.

4. ORGANIZATION'S RESPONSIBILITIES

- A. ORGANIZATION agrees to observe all rules and regulations as set forth in this AGREEMENT.
- B. Modifications to Park Fields and Facilities: The removal, alteration, painting or addition to any facility or grounds, must be approved by AGENCY. This will include any proposed changes altering design or appearance of the existing landscape of demised premises. No trees, shrubs, or ground covers shall be planted, trimmed or removed without written consent from AGENCY. Any requests to modify or improve park fields and facilities shall

be submitted for approval to the Parks & Recreation Services Division, at least sixty (60) days prior to the date of any proposed changes.

- C. ORGANIZATION agrees to erect no fences or advertising matter of any kind on AGENCY grounds without prior approval by the Parks & Recreation Services Division. Banners/advertising may only be displayed during the season; however, banners displaying registration information, may be posted prior to the beginning of the season.
- D. Closure of Fields - Fields may be scheduled for closure and rehabilitation to allow for recovery due to heavy usage. The dates and times of closure to be determined by both the Community Services & Public Works Departments.
- E. There will be no use of AGENCY athletic fields when facilities are unplayable due to rain or other conditions. Any user failing to comply with a decision to postpone use is subject to invoicing for all damages occurring to the field and termination of this AGREEMENT and the ability to use the Subject Facilities. ORGANIZATION (Public Works staff) will determine whether fields can be used after rain.
- F. Any damages to the Subject Facilities or appurtenant AGENCY facilities caused by ORGANIZATION or its use of the Subject Facilities, will be ORGANIZATION's responsibility to replace or repair. In the event ORGANIZATION fails or refuses to replace or repair damage, AGENCY may cause such replacement and/or repair to be undertaken and ORGANIZATION agrees to reimburse AGENCY for the costs incurred to do so.
- G. AGENCY has provided two (2) keys to access the equipment storage room to the ORGANIZATION.
- H. AGENCY will assign City staff during season hours, as identified in Item 1 of this agreement, who will supervise facilities and grant facility access to ORGANIZATION.
- I. ORGANIZATION must provide proof of required health permits to operate and handle food from concession stand/kitchen.
- J. ORGANIZATION is responsible for controlling their players and parents while using the Subject Facilities.
- K. No power vehicles/equipment other than City operated are permitted on the fields.
- L. Any violation of this AGREEMENT by ORGANIZATION and/or any league run by ORGANIZATION using the Subject Facilities, shall lose their privilege and use of the Subject Facilities.

5. LEGAL RESPONSIBILITIES

ORGANIZATION shall keep itself informed of City, State and Federal Laws, ordinances and regulations, which in any manner affect the performance of its activities pursuant to this AGREEMENT. ORGANIZATION shall at all times observe and comply with all such laws, ordinances and regulations. Neither AGENCY, nor its officers, volunteers, attorneys, agents or employees shall be liable at law or in equity as a result of ORGANIZATION's failure to comply with this section.

6. USE OF PREMISES

The Subject Facilities shall be used only for those athletic events as set forth in Paragraph 2 above. ORGANIZATION shall not permit the Subject Facilities or any part thereof to be used for:

- A. The conduct of any offensive, noisy or dangerous activity.
- B. The creation or maintenance of a public nuisance.
- C. Anything which fails to comply with public regulations or rules of any public authority at any time, applicable to the Subject Facility; or
- D. Any purpose or in any manner which will obstruct, interfere with or infringe upon the rights of the residents of adjoining properties.

Under no circumstance may the ORGANIZATION sub-lease field usage to outside travel teams or host division games outside approved calendar of events without AGENCY approval.

Subject Facilities does not include the use of the Betty Wilson Center. Use of the Betty Wilson Center requires another facility use rental application and additional fees.

7. EXCLUSIVE RIGHT

This AGREEMENT does not give the ORGANIZATION any right to the exclusive use of the Subject Facilities, restrooms, or any other public facility. ORGANIZATION agrees that the rights herein granted **shall not** be assigned to or transferable to any persons, teams or leagues.

8. MAINTENANCE

- A. ORGANIZATION shall be responsible for all damages or injury to property or equipment caused by ORGANIZATION, its agents, employees, volunteers, participants and/or any other individual at the Subject Facilities during ORGANIZATION's use of the Subject Facilities.
- B. All maintenance such as field preparation to include lining of the fields, marking of the fields and setup of temporary equipment will be performed by ORGANIZATION.

- C. ORGANIZATION is responsible for the facility being free of trash and/or debris caused by group usage upon conclusion of each day's use.
- D. ORGANIZATION is responsible for the daily maintenance of the storage area, office, and concession area (including snack bar & kitchen).
- E. ORGANIZATION is required to report any damage to persons or property or acts of vandalism to AGENCY immediately.
- F. ORGANIZATION is required to leave the concession area (including snack bar & kitchen) neat and clean upon the conclusion of the season in preparation for turnover to any other sports organization or the AGENCY.

9. INSPECTION

- A. ORGANIZATION and AGENCY shall conduct a joint safety walk to inspect the Subject Facilities prior to each use by ORGANIZATION to ensure that it is free from any defects and/or hazards that may pose a danger to participants, spectators and/or any other person who is at the Subject Facilities as part of ORGANIZATION's use of the Subject Facilities. ORGANIZATION shall immediately notify AGENCY of any defect or hazard identified so that AGENCY has sufficient time to warn of the defect or hazard and/or remediate the defect or hazard prior to ORGANIZATION's use of the Subject Facilities. ORGANIZATION's agrees that should it fail to conduct any such inspection and/or fail to timely notify AGENCY of any defect or hazard identified, ORGANIZATION shall be solely responsible for any damage or injury, whether to persons or property, arising from the defect or hazard.
- B. AGENCY shall have the right to enter the Subject Facilities utilized hereunder as needed. However, AGENCY's exercise of the right to enter shall not create any duty on the party of AGENCY to inspect the Subject Facilities for defects or hazards under section A herein.

10. IMPROVEMENTS

The removal, alteration, or addition to any facility or grounds must be approved and performed by AGENCY. This shall include any proposed changes that would alter the design or appearance of the existing landscape of the Subject Facilities. No trees, shrub, or ground covers shall be planted, trimmed or removed without written consent from AGENCY.

Furthermore, all requests for removal, alternation, or addition to any facility or grounds must be submitted to AGENCY for consideration and review at least (10) days prior to the date any proposed change(s) is needed.

Assistance by ORGANIZATION, its agents, employees, or its participants with any such removal, alteration, addition, or painting shall be solely at the discretion and with prior written consent of AGENCY.

Nothing in this section shall be interpreted as prohibiting the normal maintenance of the facility by ORGANIZATION as specified in section 8.

11. TITLE TO IMPROVEMENTS

All alterations and additions to the Subject Facilities or surrounding grounds shall become the property of AGENCY. Nothing contained in this paragraph shall authorize ORGANIZATION to make or place any alterations, changes or improvements on the Subject Facilities without the prior written consent of AGENCY.

12. SIGNS

No signs shall be raised on the Subject Facilities described herein unless written approval is obtained from AGENCY. Such a request for approval shall be directed to the Parks & Recreation Services Division Manager. No sponsor advertising sign shall be installed on buildings or grounds without the prior written consent of AGENCY.

13. TERMINATION OF THIS AGREEMENT

Notwithstanding the TERM, ORGANIZATION or AGENCY may, at any time, terminate this AGREEMENT by serving on the other party such written termination at least fifteen (15) days in advance of such termination.

14. NOTICE

All notices respecting this AGREEMENT shall be served by certified mail, postage prepaid, addressed as follows:

To AGENCY:

City of Santa Fe Springs
Community Services Department
Attention: Director of Community Services
9255 S. Pioneer Boulevard
Santa Fe Springs, CA 90670

To ORGANIZATION:

Norwalk Santa Fe Springs Saints Youth
Football & Cheer
Attention: President
P.O. Box 2521
Santa Fe Springs, CA 90670

Notice shall be deemed to have been served seventy-two (72) hours after the same has been deposited in the United States Postal Service.

15. ATTORNEYS FEES

Should any litigation or other legal action be commenced between the parties hereto to interpret or enforce the provisions of this AGREEMENT, in addition to any other relief to which the party may be entitled in law or equity, the prevailing party in such litigation or legal action shall be entitled to recover costs of suit and reasonable attorney's fees.

16. GOVERNING LAW

This AGREEMENT will be governed by and constructed in accordance with the laws of the State of California.

17. ASSIGNMENT

Neither this AGREEMENT nor any duties, rights or obligations under this AGREEMENT may be assigned by ORGANIZATION, either voluntarily or by operation of law without the express written consent of AGENCY.

18. INSURANCE

ORGANIZATION shall maintain insurance in conformance with the requirements set forth below. ORGANIZATION will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth herein, ORGANIZATION agrees to amend, supplement or endorse the existing coverage to do so.

ORGANIZATION acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required (\$2 million). Any insurance proceeds available to ORGANIZATION in excess of the limits and coverage identified in this AGREEMENT and which is applicable to a given loss, claim or demand, will be equally available to AGENCY.

ORGANIZATION shall provide the following types and amounts of insurance:

- A. Commercial General Liability Insurance: ORGANIZATION shall maintain commercial general liability insurance including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations. The limits of ORGANIZATION's insurance shall apply to this Agreement as if set forth herein, but in no event shall provide combined single limits of coverage of not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate. There shall be no cross liability exclusion for claims or suits by one insured against another.

ORGANIZATION and AGENCY agree to the following with respect to insurance provided by ORGANIZATION:

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Best's rating of A- or better and a minimum financial size VII.

1. ORGANIZATION agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insured AGENCY, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992 or similarly worded endorsement. ORGANIZATION also agrees to require all contractors, and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this AGREEMENT shall prohibit ORGANIZATION, or ORGANIZATION's employees, or agents, from waiving the right of subrogation prior to a loss. ORGANIZATION agrees to waive subrogation rights against AGENCY regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this AGREEMENT are intended to apply to the full extent of the policies. Nothing contained in this AGREEMENT or any other agreement relating to AGENCY or its operations limits the application of such insurance coverage.
4. None of the coverage 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 AGENCY and approved of in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, modification and additional requirements by AGENCY, as the need arises. ORGANIZATION shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect AGENCY's protection without AGENCY's prior written consent.
7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverage required and an additional insured endorsement to ORGANIZATION's general liability policy, shall be delivered to AGENCY at or prior to the execution of this AGREEMENT. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, AGENCY has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by AGENCY shall be charged to and promptly paid by ORGANIZATION or deducted from sums due ORGANIZATION, at AGENCY option.
8. Certificate(s) are to reflect that the insurer will provide 30 days' notice to AGENCY of any cancellation of coverage. ORGANIZATION agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "attempt" (as opposed to being required) to comply with the requirements of the certificate.

9. It is acknowledged by the parties of this AGREEMENT that all insurance coverage required to be provided by ORGANIZATION or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to AGENCY. ORGANIZATION shall ensure that each policy of insurance required herein reflects this AGREEMENT and is written into each policy.
10. ORGANIZATION agrees to ensure that its sub consultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by ORGANIZATION, provide the same minimum insurance coverage required of ORGANIZATION. ORGANIZATION 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.
11. ORGANIZATION agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein. If ORGANIZATION's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to AGENCY. At that time AGENCY shall review options with ORGANIZATION, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions. To the extent AGENCY agrees to any deductible or self-insured retention under any policy required under this AGREEMENT to which AGENCY is named as an additional insured, ORGANIZATION shall be required to modify the policy to permit AGENCY to satisfy the deductible or self-insured retention in the event ORGANIZATION is unable or unwilling to do so as a means to ensure AGENCY can avail itself to the coverage provided under each policy.
12. AGENCY reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving ORGANIZATION ninety (90) days advance written notice of such change. If such change results in substantial additional cost to ORGANIZATION, AGENCY will negotiate additional compensation proportional to the increased benefit to AGENCY.
13. For purposes of applying insurance coverage only, this AGREEMENT will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this AGREEMENT.
14. ORGANIZATION acknowledges and agrees that any actual or alleged failure on the part of AGENCY to inform ORGANIZATION of non-compliance with any insurance requirement in no way imposes any additional obligations on AGENCY nor does it waive any rights hereunder in this or any other regard.
15. ORGANIZATION will renew the required coverage annually as long as AGENCY, or its employees or agents face an exposure from operations of any type pursuant to this AGREEMENT. This obligation applies whether or not the AGREEMENT is canceled or terminated for any reason. Termination of this obligation is not effective until AGENCY executes a written statement to that effect.
16. ORGANIZATION shall provide proof that policies of insurance required herein expiring during the term of this AGREEMENT have been renewed or replaced with other

policies providing at least the same coverage and upon the same terms and conditions herein. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from ORGANIZATION's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to AGENCY within five days of the expiration of the coverage.

17. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements, or as a waiver of any coverage normally provided by any given policy. 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 limiting or all-inclusive.
18. These insurance requirements are intended to be separate and distinct from any other provision in this AGREEMENT and are intended by the parties here to be interpreted as such.
19. The requirements in this Section supersede all other sections and provisions of this AGREEMENT to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
20. ORGANIZATION agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge AGENCY or ORGANIZATION for the cost of additional insurance coverage required by this AGREEMENT. Any such provisions are to be deleted with reference to AGENCY. It is not the intent of AGENCY to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against AGENCY for payment of premiums or other amounts with respect thereto.

ORGANIZATION agrees to provide immediate notice to AGENCY of any claim or loss against ORGANIZATION arising out of the work performed under this AGREEMENT. AGENCY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve AGENCY.

19. INDEMNIFICATION

ORGANIZATION shall indemnify, defend, and hold harmless AGENCY, its City Council, each member thereof, present and future, members of boards and commissions, its officers, agents, employees and volunteers from and against any and all liability, claims, allegations, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, economic loss, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. ORGANIZATION's obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of ORGANIZATION, its officers, employees, agents, participants, representative or vendors. It is further agreed, ORGANIZATION's obligations to indemnify, defend and hold harmless will apply even in

the event of concurrent active or passive negligence on the part of AGENCY, its City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting from the sole negligence or willful misconduct of AGENCY, its officers, employees or agents relating to ORGANIZATION's use of the Subject Facility under this AGREEMENT. In the event AGENCY, its officers, employees, agents and/or volunteers are made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this AGREEMENT, and upon demand by AGENCY, ORGANIZATION shall have an immediate duty to defend AGENCY at ORGANIZATION's cost or at AGENCY's option, to reimburse AGENCY for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters.

20. INDEPENDENT CONTRACTOR

Volunteer administrators, volunteer coaches, parents, contractors, employees and/or officers and directors of ORGANIZATION shall not be deemed to be employees or agents of AGENCY as a result of the performance of this AGREEMENT.

21. ENTIRE AGREEMENT OF THE PARTIES

This AGREEMENT supersedes any and all agreements, either oral or written, between the parties hereto with respect to the use of the Subject Facility by ORGANIZATION and contains all of the covenants and conditions between the parties with respect to the use of the Subject Facility. Each party to this AGREEMENT acknowledges that no representations, inducements, promises or agreement, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this AGREEMENT has been made by the parties. Modification of this AGREEMENT can only be made in writing, signed by both parties to this AGREEMENT.

ORGANIZATION: Norwalk Santa Fe Springs Youth Football & Cheer

By: _____
(Signature)

(Print Name)

(Title)

CITY OF SANTA FE SPRINGS
A Municipal Corporation

Richard J. Moore
Mayor

ATTEST:

Janet Martinez, CMC
City Clerk

APPROVED AS TO FORM:

Steve Skolnik
City Attorney



City of Santa Fe Springs

City Council Meeting

June 9, 2016

NEW BUSINESS

City Investments Update from PFM Asset Management LLC

RECOMMENDATION

That the City Council receive and file this report.

BACKGROUND

Earlier this year PFM Asset Management LLC (PFMAM) began providing investment portfolio advisory services to the City. As a result, PFMAM became primarily responsible for investing the City's idle reserve funds. This action came after the Council adopted a revamped Investment Policy, serving as the City's guiding document for investment decisions and reporting requirements.

PFMAM

PFMAM manages over \$56 billion for public agencies nationwide, including \$3.3 billion for 48 cities in California. They tailor investment strategies based on client policies and optimize investment returns while complying with both the requirements of the California Government Code and the City's Investment Policy.

This evening, Sarah Meacham from PFMAM will provide a brief overview of the City's current investments, including performance and future outlook. On a going forward basis, she will be providing a quarterly presentation regarding the City's investments.


Thaddeus McCormack
City Manager



City of Santa Fe Springs

City Council Meeting

June 9, 2016

PRESENTATION

Recognition of Battle of the Books Event Winners

RECOMMENDATION

That the City Council recognize the 2016 Battle of the Books Event Winners from Lakeview Elementary School.

BACKGROUND

For 10 years, the Santa Fe Springs City Library has celebrated reading by hosting a Battle of the Books. Fourth and fifth grade students from four local schools (Rancho Santa Gertrudes, Lakeview, Jersey Avenue, and Cresson Elementary schools) participate. Students read 30 books during the course of the school year and two teams are chosen to represent each school. Questions about the book are asked and students must say the title and author of the book where the answer is found. The team with the most correct answers wins the perpetual trophy that is proudly displayed at the school during the following school year. The winning school name and team name are added to the trophy that year.

Preparation for Battle of the Books is intense. Schools perform mock battles in order to better prepare themselves. Literacy staff read and prepare the questions and visit each school to help them prepare for the battle. During the summer, the new list of books is chosen by Library staff and released at the beginning of the school year.

Although the competition was intense, the Leaders of Literature (L.O.L) from Lakeview Elementary School won the 2016 Battle of the Books, making Lakeview the Battle of the Books champions for back to back school years. We would like to recognize the winning team members for their hard work.

The Mayor may wish to call upon Ryan Peña, Librarian I, to assist with this presentation.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager



City of Santa Fe Springs

City Council Meeting

June 9, 2016

PRESENTATION

Recognition of SFS Art Fest 2016 Sponsors and Winners of the "Spring Into Action" Bookmark Contest.

RECOMMENDATION

That the City Council recognize the 2016 SFS Art Fest event sponsors and winners of the Spring Into Action Bookmark Contest.

BACKGROUND

The City of Santa Fe Springs hosted its 4th annual SFS Art Fest event on Friday, May 13, 6-11 p.m. and Saturday, May 14, 2016, from noon – 8 p.m. It was held at the Clarke Estate which consisted of just under 300 artists, 37 artist vendors, and 14 local food vendors. The event featured four artists, Cartoonist Lalo Alcaraz, Photographer George Rodriguez, Sculptor Raymond Persinger and Painter Maria Kane. Both days consisted of various entertainment and Saturday offered an array of educational art workshops.

Guests were welcomed with a renewed ambience of art, color and props. Newly added life-size sculptures were added throughout the entire venue and guests were able to enjoy additional entertainment inside the Clarke Estate courtyard.

The Heritage Arts Advisory Committee (HAAC) has been instrumental in providing community artists, vendors and food vendors to come sell and exhibit their talents in the community. Also, this year the HAAC approved allowing the submittal of art for middle school students. In addition, as part of the Heritage Arts in Public Places educational grants, the Library was able to offer a bookmark competition for children K-12 and the first place-winning bookmark designs will be printed professionally to use in our summer reading program. The contest allowed youth the freedom to use their imagination to create an item that has practical use and can be distributed throughout the community. Designs were judged on originality, design and thematic consistency.

With the HAAC's support and the tremendous generosity of numerous business and residential donors, donations from the local schools, service clubs, and community organizations the SFS Art Fest would not have been possible. We wish to thank these sponsors who generously provided monetary and in-kind support and made the 2016 SFS Art Fest one of the very best.

The Mayor may wish to call on Ed Ramirez, Family and Human Services Manager to assist with the presentation.

Report Submitted By: Ed Ramirez, Family and Human Services Manager

Community Services Department

Date of Report: June 2, 2016

ITEM NO. 20B



City of Santa Fe Springs

City Council Meeting

June 9, 2016

FISCAL IMPACT

Monetary and in-kind event sponsorships totaling \$9,850.00

Monetary Sponsors

Bumblebee Seafoods	\$250
Crepes & Grapes	\$250
Community Bank	\$250
Friendly Hills Bank	\$250
Ian Calderon	\$250
Norwalk/ La Mirada Plumbing Heating & Air Conditioning	\$250
SFS Women's Club	\$250
LeFiell	\$500
Heraeus Precious Metals	\$500
Newport Diversified Inc.	\$500
Republic Services	\$500
Santa Fe Springs Firefighters Association	\$500
Santa Fe Springs Swap Meet	\$500
Simpson's Advertising	\$500
Serv-Wel Disposal & Recycling	\$1,000
CJ Construction	\$2,000
Don Knabe	\$4,000

Report Submitted By: Ed Ramirez, Family and Human Services Manager
Community Services Department Date of Report: June 2, 2016



City of Santa Fe Springs

City Council Meeting

June 9, 2016

Triangle Distribution	\$2,000
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In-Kind Sponsors

Pacific Tent	\$2,000
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RAD Customs Signs	\$1,000
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Total Monetary Donations: \$12,250.00

Total In-Kind Donations: \$ 3,000.00

TOTAL DONATIONS: \$15,250.00

Bookmark Contest Winners

Second place winners:

Kindergarten – 2nd grade: Zoey Marquez

Grades 3-5: Denise Lopez

Grades 6-8: Amanda Soto

Grades 9-12: Lexi Cid

First Place Winners are:

Kindergarten – 2nd grade: Melissa Chiapa

Grades 3-5: Emily Rizo

Grades 6-8: Alyssa Cobarubbias

Grades 9-12: Katrina Santos

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager



City of Santa Fe Springs

City Council Meeting

June 9, 2016

PRESENTATION

To the 2016 Teachers of the Year

Roger Block, Little Lake City School District
Julie Frausto, St. Paul High School
Carlee Anne Moyer, Los Nietos Middle School

RECOMMENDATION

The Mayor may wish to call upon Julie Herrera, Public Relations Specialist, to assist with the presentation.

BACKGROUND

Each year, local school districts and St. Paul High School select and recognize a Teacher of the Year for their remarkable accomplishments in the field of education. This year's recipients have been invited to tonight's Council meeting to be recognized by the City Council for their outstanding contributions to the youth of our community. School Principals have been invited to assist with the introductions.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager

Attachment(s)

None.



City of Santa Fe Springs

City Council Meeting

June 9, 2016

PRESENTATION

Presentation to St. Paul High School Girls Varsity Basketball Team

RECOMMENDATION

The Mayor may wish to call upon Robert Miller; Team Coach for St. Paul's Girls Varsity Basketball Team, to assist with this presentation.

BACKGROUND

The Girls Varsity Basketball Program at St. Paul is renowned as one of the most well run athletic programs in the state. The team has accomplished many accolades through the leadership of Coach Robert Miller. This year the team won the 4AA CIF Championship, earning their first title in the school's history.

The St. Paul Girls Varsity Basketball Team has been invited to tonight's Council meeting to be recognized for their great sports achievement.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager

Attachment(s)

None




APPOINTMENTS TO COMMITTEES AND COMMISSIONS

Committee	Vacancies	Councilmember
Beautification	1	Rounds
Beautification	3	Sarno
Beautification	2	Trujillo
Community Program	1	Moore
Community Program	1	Rounds
Community Program	3	Sarno
Community Program	4	Trujillo
Community Program	3	Zamora
Heritage Arts	1	Zamora
Historical	3	Sarno
Historical	3	Trujillo
Historical	3	Zamora
Parks & Recreation	1	Trujillo
Parks & Recreation	2	Sarno
Senior Citizens	1	Moore
Senior Citizens	1	Rounds
Senior Citizens	2	Sarno
Senior Citizens	4	Trujillo
Senior Citizens	3	Zamora
Sister City	1	Moore
Sister City	3	Sarno
Sister City	2	Trujillo
Youth Leadership	1	Sarno
Youth Leadership	1	Trujillo
Youth Leadership	2	Zamora

Applications Received: Shaun Rojas

Recent Actions: Laurie Rios Appointed to Family & Human Services Committee


Thaddeus McCormack
City Manager

Attachments:
Committee Lists
Prospective Members

Prospective Members for Various Committees/Commissions

Beautification

Frankie Aguayo Jr.

Community Program

Frankie Aguayo Jr.

Frank Aguayo

Family & Human Services

Heritage Arts

Frankie Aguayo Jr.

Historical

Personnel Advisory Board

Parks & Recreation

Linda Vallejo

Frankie Aguayo Jr.

Frank Aguayo

Planning Commission

Delmy Johana Coca

Francis Carbajal

Bryan Collins

Senior Citizens Advisory

Sister City

Jeannette Wolfe

Frankie Aguayo Jr.

Traffic Commission

Delmy Johana Coca

Francis Carbajal

Bryan Collins

Youth Leadership

Shaun Rojas

BEAUTIFICATION COMMITTEE

Meets the fourth Wednesday of each month, except July, Aug, Dec.

9:30 a.m., Town Center Hall

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Juliet Ray	(16)
	Paula Minnehan	(16)
	Annie Petris	(17)
	Guadalupe Placencia	(17)
	Gloria Campos	(17)
Zamora	Mary Reed	(16)
	Charlotte Zevallos	(16)
	Doris Yarwood	(16)
	Vada Conrad	(17)
	Joseph Saiza	(17)
Rounds	Sadie Calderon	(16)
	Rita Argott	(16)
	Mary Arias	(17)
	Marlene Vernava	(17)
	Vacant	(17)
Sarno	Vacant	(16)
	Irene Pasillas	(16)
	Vacant	(16)
	May Sharp	(17)
	Vacant	(17)
Trujillo	Mary Jo Haller	(16)
	Vacant	(16)
	Margaret Bustos*	(16)
	Vacant	(17)
	A.J. Hayes*	(17)

**Indicates person currently serves on three committees*

COMMUNITY PROGRAM COMMITTEE

Meets the third Wednesday in Jan., May, and Sept., at 7:00 p.m., Town Center Hall, Meeting Room #1

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	George Felix, Jr.	(16)
	Vacant	(16)
	Mary Jo Haller	(17)
	Gabriela Garcia	(17)
	Bryan Collins	(17)
Zamora	Vacant	(16)
	Mary Anderson	(17)
	Dolores H. Romero*	(17)
	Vacant	(16)
	Vacant	(17)
Rounds	Mark Scoggins*	(16)
	Marlene Vernava	(16)
	Vacant	(16)
	Anthony Ambris	(17)
	Johana Coca*	(17)
Sarno	Jeanne Teran	(16)
	Miguel Estevez	(16)
	Vacant	(16)
	Vacant	(17)
	Vacant	(17)
Trujillo	Lydia Gonzales	(16)
	Vacant	(16)
	Vacant	(16)
	Vacant	(17)
	Vacant	(17)

**Indicates person currently serves on three committees*

FAMILY & HUMAN SERVICES ADVISORY COMMITTEE

Meets the third Wednesday of the month, except Jul., Aug., Sept., and Dec., at 5:45 p.m., Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 15 Residents Appointed by City Council

5 Social Service Agency Representatives Appointed by the Committee

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Arcelia Miranda	(16)
	Martha Villanueva	(17)
	Margaret Bustos*	(17)
Zamora	Lydia Gonzales	(16)
	Tina Delgado	(17)
	Gilbert Aguirre	(17)
Rounds	Annette Rodriguez	(16)
	Janie Aguirre	(17)
	Ted Radoumis	(17)
Sarno	Debbie Belmontes	(16)
	Linda Vallejo	(16)
	Hilda Zamora	(17)
Trujillo	Dolores H. Romero*	(16)
	Laurie Rios	(16)
	Bonnie Fox	(17)

Organizational Representatives:
(Up to 5)

Nancy Stowe
Evelyn Castro-Guillen
Elvia Torres
(SPIRITT Family Services)

**Indicates person currently serves on three committees*

HERITAGE ARTS ADVISORY COMMITTEE

Meets the Last Tuesday of the month, except Dec., at 9:00 a.m., at the Gus Velasco Neighborhood Center Room 1

Qualifications: 18 Years of age, reside or active in the City

Membership: 9 Voting Members
6 Non-Voting Members

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Laurie Rios	6/30/2016
Zamora	Vacant	6/30/2016
Rounds	Pauline Moore	6/30/2016
Sarno	Francis Carbajal	6/30/2016
Trujillo	Amparo Oblea	6/30/2016

Committee Representatives

Beautification Committee	Marlene Vernava*	6/30/2017
Historical Committee	Sally Gaitan	6/30/2017
Planning Commission	Vacant	6/30/2017
Chamber of Commerce	Debbie Baker	6/30/2017

Council/Staff Representatives

Council Liaison	
Council Alternate	Richard Moore
City Manager	Thaddeus McCormack
Director of Community Services	Maricela Balderas
Director of Planning	Wayne Morrell

**Indicates person currently serves on three committees*

HISTORICAL COMMITTEE

Meets Quarterly - The 2nd Tuesday of Jan., April, July, and Oct., at 5:30 p.m.,
Heritage Park Train Depot

Qualifications: 18 Years of age, reside or active in the City

Membership: 20

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Astrid Shesterkin	(16)
	Tony Reyes	(16)
	Amparo Oblea	(17)
	George Felix, Jr.	(17)
Zamora	Vacant	(16)
	Vacant	(16)
	Vacant	(17)
	Larry Oblea	(17)
Rounds	Pauline Moore	(16)
	Linda Vallejo	(16)
	Mark Scoggins*	(17)
	Janice Smith	(17)
Sarno	Vacant	(16)
	Vacant	(16)
	Vacant	(17)
	Sally Gaitan	(17)
Trujillo	Vacant	(16)
	Vacant	(16)
	Merrie Hathaway	(17)
	Vacant	(17)

**Indicates person currently serves on three committees*

PARKS & RECREATION ADVISORY COMMITTEE

Meets the First Wednesday of the month, except Jul., Aug., and Dec., 7:00 p.m., Town Center Hall, Meeting Room #1

Subcommittee Meets at 6:00 p.m.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Mary Tavera	(16)
	Adrian Romero	(17)
	William Logan	(17)
	Ralph Aranda	(17)
	Kurt Hamra	(17)
Zamora	Francis Carbajal	(16)
	Bernie Landin	(16)
	Michele Carbajal	(16)
	Sally Gaitan	(17)
	Steve Gonzalez	(17)
Rounds	Kenneth Arnold	(16)
	Richard Legarreta, Sr.	(16)
	Johana Coca*	(16)
	Tim Arnold	(17)
	Mark Scoggins*	(17)
Sarno	Vacant	(16)
	Debbie Belmontes	(16)
	Lisa Garcia	(17)
	Vacant	(16)
	David Diaz-Infante	(17)
Trujillo	Miguel Estevez	(16)
	Andrea Lopez	(16)
	Vacant	(17)
	Anthony Ambris	(17)
	Arcelia Miranda	(17)

**Indicates person currently serves on three committees*

PERSONNEL ADVISORY BOARD

Meets Quarterly on an As-Needed Basis

Membership: 5 (2 Appointed by City Council, 1 by
Personnel Board, 1 by Firemen's Association,
1 by Employees' Association)

Terms: Four Years

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Council	Angel Munoz	6/30/2017
	Ron Biggs	6/30/2017
Personnel Advisory Board	Vacant	6/30/2017
Firemen's Association	Jim De Silva	6/30/2017
Employees' Association	Anita Ayala	6/30/2017

PLANNING COMMISSION

Meets the second Monday of every Month at 4:30 p.m.,
Council Chambers

Qualifications: 18 Years of age, reside or active in the City

Membership: 5

APPOINTED BY

NAME

Moore

Ken Arnold

Rounds

Ralph Aranda

Sarno

John Mora

Trujillo

Frank Ybarra

Zamora

Gabriel Jimenez

SENIOR CITIZENS ADVISORY COMMITTEE

Meets the Second Tuesday of the month, except Jul., Aug., Sep., and Dec., at 9:30 a.m.,
Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Vacant	(16)
	Yoko Nakamura	(16)
	Paul Nakamura	(16)
	Astrid Shesterkin	(17)
	Vacant	(17)
Zamora	Rebecca Lira	(16)
	Vacant	(16)
	Vacant	(16)
	Amelia Acosta	(17)
	Vacant	(17)
Rounds	Vacant	(16)
	Bonnie Fox	(16)
	Gilbert Aguirre	(17)
	Lorena Huitron	(17)
	Janie Aguirre	(17)
Sarno	Gloria Duran*	(16)
	Vacant	(16)
	Hilda Zamora	(17)
	Vacant	(17)
	Ed Duran	(17)
Trujillo	Vacant	(16)
	Vacant	(16)
	Vacant	(17)
	Margaret Bustos*	(17)
	Vacant	(17)

**Indicates person currently serves on three committees*

SISTER CITY COMMITTEE

Meets the First Monday of every month, except Dec., at 6:45 p.m., Town Center Hall, Mtg. Room #1. If the regular meeting date falls on a holiday, the meeting is held on the second Monday of the month.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Martha Villanueva	(16)
	Laurie Rios	(16)
	Mary K. Reed	(17)
	Peggy Radoumis	(17)
	Vacant	(17)
Zamora	Charlotte Zevallos	(16)
	Francis Carbajal	(16)
	Michele Carbajal	(17)
	Doris Yarwood	(17)
	Lucy Gomez	(17)
Rounds	Manny Zevallos	(16)
	Susan Johnston	(16)
	Robert Wolfe	(16)
	Ted Radoumis	(17)
	Dominique Velasco	(17)
Sarno	Vacant	(16)
	Vacant	(16)
	Vacant	(16)
	Vacant	(17)
	Cathy Guerrero	(17)
Trujillo	Vacant	(16)
	Andrea Lopez	(16)
	Dolores H. Romero*	(17)
	Marcella Obregon	(17)
	Vacant	(17)

**Indicates person currently serves on three committees*

TRAFFIC COMMISSION

Meets the Third Thursday of every month, at 6:00 p.m., Council Chambers

Membership: 5

Qualifications: 18 Years of age, reside or active in the City

APPOINTED BY	NAME
Moore	Albert J. Hayes
Rounds	Ted Radoumis
Sarno	Alma Martinez
Trujillo	Greg Berg
Zamora	Nancy Romo

YOUTH LEADERSHIP COMMITTEE

Meets the First Monday of every month, at 6:30 p.m., Gus Velasco Neighborhood Center

Qualifications: Ages 13-18, reside in Santa Fe Springs

Membership: 20

APPOINTED BY	NAME	Term Expires in Year Listed or upon Graduation
Moore	Richard Aguilar	(17)
	Evony Reyes	(16)
	Zachary Varela	(17)
	Lexi Cid	(17)
Zamora	Metztli Mercado-Garcia	(17)
	Danniela Chavez	(17)
	Vacant	()
	Vacant	()
Rounds	Gabriel Perez	(16)
	Jennisa Casillas	(17)
	Laurence Ordaz	(16)
	Sarah Garcia	()
Sarno	Anissa Rodriguez	(16)
	Vacant	()
	Vacant	()
	Alyssa Madrid	(16)
Trujillo	Paul Legarreta	(17)
	Victoria Nunez	(16)
	Richard Uribe	(16)
	Vacant	()