

MEMORANDUM

TO: City Council
FROM: City Manager
DATE: February 18, 2016
SUBJECT: Comments on Agenda Items, Meeting of February 23, 2016

ITEM 3. A Closed Session will be held at 6:30 p.m.

ITEM 8.A. Outgoing Traffic Safety Commissioner Jack Ochoa will be recognized for his two years of service to the City.

ITEM 8.B. Public Safety Director Brian Villalobos will update the City Council on the past month's public safety matters.

ITEM 8.C. An update will be provided by staff on matters related to the dissolution of redevelopment.

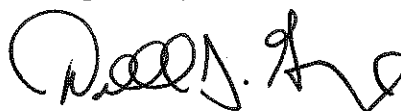
ITEM 8.D. This item asks the City Council to appoint Mr. David Cosgrove of Rutan & Tucker as the City's new attorney. Mr. Cosgrove will replace Jeff Melching. The attached resolution will confirm this new designation. Upon completion of Item 8.D, the Council will break for a 15-minute reception for Mr. Melching and Mr. Cosgrove.

ITEM 12.D (Consent). This is a second reading of an ordinance adopting code amendments revising Chapter 19.40, Landscaping, of the Duarte Development Code. The revisions are primarily to implement regulations related to water efficient landscaping, in compliance with new State requirements.

ITEM 12.E (Consent). This is a resolution approving the renewal of the General Services Agreement with the County of Los Angeles. This agreement enables the City of Duarte to contract with the County of Los Angeles for miscellaneous and sundry services as needed. The City has the opportunity to approve this contract every five years. Any service to be provided by this agreement requires a written request by the City for the specific services, and written acceptance by the County. This agreement does not apply to services for which we already have a separately negotiated agreement, such as animal control, animal impound, parole, or Sheriff's services. Instead, this agreement is for services such as direct assessment collection and industrial waste inspections, which are used on an as-needed basis. This agreement would also allow us to contract with L.A. County Departments such as Public Works, should we need their assistance on a major project or during an emergency such as El Niño.

ITEM 14. This is a resolution for the Council to consider authorizing the execution of a Purchase and Sale Agreement for the purchase of the property located at 956 Huntington Drive from Southern Pacific Realty Partners III, LLC. This property assembly will result in the City having a valuable development asset that will total about 56,000 square fee (approximately 45,000 square feet in the 946, 952, and 962 Huntington Drive properties, and 11,000 square feet in the 956 Huntington Drive piece).

Respectfully submitted,



Darrell J. George
City Manager

RESOLUTION NO.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
DUARTE UPDATING CITY ATTORNEY DESIGNATION**

WHEREAS, the City of Duarte contracts for City Attorney services with the law firm of Rutan & Tucker, LLP; and

WHEREAS, pursuant to that agreement and subsequent resolutions of the City Council, the City previously made designations of Rutan and Tucker attorneys to serve as City Attorney and Assistant City Attorneys; and

WHEREAS, the City Council desires to restate and update those designations;

NOW, THEREFORE, the City Council of the City of Duarte resolves as follows:

Section 1. The City Council hereby designates David Cosgrove of Rutan & Tucker as City Attorney to replace Jeffrey Melching. Mr. Cosgrove shall file a Form 700 Assuming Office Statement with the City Clerk within thirty (30) days of the date of this Resolution. Mr. Melching shall file a Form 700 Leaving Office Statement within thirty (30) days of the date of this Resolution.

Section 2. William Marticorena of Rutan & Tucker shall continue to serve as Senior Assistant City Attorney.

Section 3. The following Rutan & Tucker attorneys shall continue to serve as Assistant City Attorneys: Alisha Patterson, William Ihrke, and Noam Duzman.

Section 5. All prior Resolutions on the designation of Rutan & Tucker attorneys as the City Attorney and as Assistant City Attorneys are superseded.

Section 6. The City Clerk shall certify to the adoption of this Resolution and this Resolution shall take effect upon its adoption.

PASSED, APPROVED, AND ADOPTED this 23rd day of February, 2016.

Mayor Pro Tem Margaret Finlay

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF DUARTE) ss.

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 16-05 was adopted by the City Council of the City of Duarte at a regular meeting of said Council held on the 23rd day of February, 2016, by the following vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California



City of Duarte

Council Warrant Register by Account

By Fund

Payment Dates 2/10/2016 - 2/23/2016

Account Number	Vendor Name	Item Description	Payment Number	Project Account Key	Amount
Fund: 100 - GENERAL FUND					
100-1005-7614	SMART & FINAL	Food Supplies - Bkfst with An	204096		39.89
100-1005-7642	MARGARET FINLAY	Conf/Meeting Expense Reim	204149		84.92
100-1005-7642	MARGARET FINLAY	Conf/Meeting Expense Reim	204149		86.52
100-1010-7612	MMASC	Jackie Ruiz Membership	204109		85.00
100-1010-7614	SMART & FINAL	Food Supplies - CM Office	204096		26.98
100-1010-7650	ALEX ROMO AUTO & TRUCK	Flat Tire Repair	204129		28.20
100-1010-7965	TOWNSEND PUBLIC AFFAIRS	Consulting Fee - Jan 2016	204184		5,000.00
100-1010-7980	MANAGEMENT ACTION PRO	Management Consulting Ser	204164		7,500.00
100-1015-7682	BURKE, WILLIAMS & SORENS	Labor Legal 1/16	204133		830.50
100-1205-7614	WALMART COMMUNITY/RF	PS Office Supplies	204190		14.96
100-1205-7615	SMART & FINAL	El Nino Meeting - Refreshme	204096		17.25
100-1205-7650	ALEX ROMO AUTO & TRUCK	Veh 24 Service/Repairs	204129		283.09
100-1205-7761	SUPERIOR CT OF CAL CO OF	Citation Revenue Tax 12/201	204180		2,422.75
100-1205-7761	DATA TICKET INC	Admin Citation Processing 1	204143		42.50
100-1205-7761	DATA TICKET INC	Parking Citation Processing 1	204143		2,316.60
100-1205-7779	AIDA TORRES	La Verne Tour - Warehouse	204183		123.66
100-1205-7779	AIDA TORRES	Meals - Cabrerias, Planning	204183		38.75
100-1205-7779	THAI CITY	Probation Laser Tag Trip Din	204182		87.20
100-1205-7779	WALMART COMMUNITY/RF	DART Supplies	204190		27.94
100-1205-7779	WALMART COMMUNITY/RF	CMT Event/Dart Event	204190		65.06
100-1205-7779	DUARTE PIZZA COMPANY	DART Event 1/16/16	204145		44.90
100-1205-7779	FSP DESIGNS	20 Youthworks Uniforms	204152	201616-Youth Programs-Cal	106.14
100-1205-7779	THAI CITY	Dart Cleanup Lunch	204182		87.20
100-1205-7780	DUARTE-AZUSA ANIMAL HO	Emergency Animal Care	204147		50.00
100-1205-7780	DUARTE-AZUSA ANIMAL HO	Emergency Animal Care	204147		100.00
100-1205-7781	ONE STOP FUEL & WASH	Fuel-Sheriff's	204169		44.84
100-1205-7781	ONE STOP FUEL & WASH	Fuel-Sheriff's	204169		49.00
100-1205-7781	ONE STOP FUEL & WASH	Fuel-Sheriff's	204169		58.43
100-1205-7781	ONE STOP FUEL & WASH	Fuel-Sheriff's	204169		44.77
100-1205-7781	ONE STOP FUEL & WASH	Fuel-Sheriff's	204169		26.55
100-1205-7781	ONE STOP FUEL & WASH	Fuel-Sheriff's	204169		37.00
100-1205-7787	MOUNTAIN VISTA PLAZA	Public Safety Lease	204166		9,020.32
100-1405-7613	RICOH USA INC	Lg Format Copier 2/1/16 - 4/	204113		49.30
100-1405-7650	ALEX ROMO AUTO & TRUCK	Veh 18 Service/Repairs	204129		261.65
100-1405-7800	CHARLES ABBOTT ASSOCIAT	Building & Safety Services 1/	204137		12,100.31
100-1405-7801	COUNTY OF LOS ANGELES D	Industrial Waste Services 12/	204140		926.78
100-1405-7965	KOSMONT COMPANIES	Trade Area Evalution-Groce	204160		12,431.21
100-1405-7969	RKA CONSULTING GROUP	City Engineer 2015/16 LLD 9/	204173		95.00
100-1405-7969	RKA CONSULTING GROUP	City Engineer-Metro Gold Lin	204173	250000 - City Engineer - Gol	300.00
100-1405-7969	RKA CONSULTING GROUP	City Engineer 11/15	204173		1,987.50
100-1405-7969	RKA CONSULTING GROUP	City Engineer Plan Check 12/	204173		115.00
100-1405-7975	SETH SMIGELSKI	Fish Cyn Photos-Economic D	204177		400.00
100-1405-7975	HOLDING & CO PHOTOGRAP	Final-Website Photography	204154		4,000.00
100-1405-7980	FODDRILL CONSTRUCTION C	LIGHT POLE/FIXTURE INSTAL	204151		9,800.00
100-1410-7621	AIRGAS USA LLC	Welding Cylinder Rental	204092		39.77
100-1410-7621	AIRGAS USA LLC	Welding Cylinder Rental	204127		39.77
100-1410-7630	SIMON EQUIPMENT RENTAL	Trencher Rental	204176		106.27
100-1410-7650	ALEX ROMO AUTO & TRUCK	BIT Inspection Repairs	204129		465.64
100-1410-7650	ALEX ROMO AUTO & TRUCK	Veh 2 BIT Inspection Repairs	204129		158.81
100-1410-7650	HOSE-MAN INC	Skid Steer Hose Repair	204156		105.00
100-1410-7656	SUNWEST ENGINEERING	Underground Fuel Tank Insp	204179		145.00
100-1410-7810	A1 MAINTENANCE SERVICES	Las Brisas Sweeping 1/2016	204124		58.00
100-1410-7810	A1 MAINTENANCE SERVICES	Las Posadas Sweeping 1/201	204124		58.00

Council Warrant Register by Account

Payment Dates: 2/10/2016 - 2/23/2016

Account Number	Vendor Name	Item Description	Payment Number	Project Account Key	Amount
100-1410-7814	SUPERIOR PROPERTY SERVIC	Graffiti Removal 12/15	204100		146.23
100-1410-7980	SOUTHEAST CONSTRUCTION	Sand-El Nino Sandbags	204117	201617-Other Exp-El Nino C	256.70
100-1410-7980	SOUTHEAST CONSTRUCTION	Sand-El Nino Sandbags	204117	201617-Other Exp-El Nino C	256.70
100-1410-7980	ACOSTA GROWERS INC	Pops Rd Plg Lot Plants	204126		790.25
100-1410-7980	LANDSCAPE WAREHOUSE IN	Pops Rd Irrigation	204163		2,486.58
100-1410-7980	LANDSCAPE WAREHOUSE IN	Pops Rd Irrigation	204163		92.94
100-1410-7980	LANDSCAPE WAREHOUSE IN	Pops Rd Landscape	204163		371.62
100-1410-7980	CAL BLEND SOILS INC	Sand-3rd St Sandbags	204135	201617-Other Exp-El Nino C	1,294.38
100-1410-7980	VULCAN CONSTRUCTION M	Sand-El Nino Sandbags	204189	201617-Other Exp-El Nino C	64.32
100-1410-7980	VULCAN CONSTRUCTION M	Sand-El Nino Sandbags	204189	201617-Other Exp-El Nino C	68.28
100-1410-7980	VULCAN CONSTRUCTION M	Sandbag Sand	204189	201617-Other Exp-El Nino C	69.60
100-1410-7980	IRONWOOD UNLIMITED INC	Pops Rd Landscape	204157		1,058.17
100-1605-7002	PAMELA ROMERO	CPR Stipend	204174		76.92
100-1605-7728	SMART & FINAL	Job Shadow Refreshments	204096		172.49
100-1605-7728	CALIFORNIA STATE DEPART	Fingerprint Apps	204136	201605 - Duarte's Promise -	15.00
100-1605-7728	CMC LIVESCAN & NOTARY SE	Fingerprint/Livescan Service	204103	201605 - Duarte's Promise -	20.00
100-1605-7730	HOLIDAY GOO INC	Easter Supplies	204155		885.08
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		5.80
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		12.40
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		4.40
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		12.40
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		4.40
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		12.40
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		12.40
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		4.40
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		12.40
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		30.25
100-1605-7733	THE ABBEY PRESS COMPANI	Motivational Books	204091		4.40
100-1605-7733	U.S. BANK	SC Netflix	204121		8.71
100-1605-7733	WALMART COMMUNITY/RF	SC Ping Pong Balls	204190		10.20
100-1605-7733	KELLY BARNES	SC - Desserts for Valentine's	204132		324.75
100-1605-7733	SMART & FINAL	SC Supplies	204096		107.58
100-1605-7733	SMART & FINAL	SC Supplies	204096		70.60
100-1605-7733	SMART & FINAL	SC Christmas Party Favors - 2	204116		91.96
100-1605-7733	SMART & FINAL	SC - Misc Supplies	204116		54.63
100-1605-7735	U.S. BANK	Hotel - LV Boxing Tourname	204121		1,532.16
100-1605-7735	SMART & FINAL	TC Snack Bar Supplies	204096		93.96
100-1605-7736	AGI ACADEMY	Instructor Fee-Critical Read	204102		144.90
100-1605-7736	ALEX FUENTES	Instructor Fee-Circus Gymna	204105		204.75
100-1605-7736	ALEX FUENTES	Instructor Fee-Circus Gymna	204105		204.75
100-1605-7737	U.S. BANK	Deposit for Skyspace	204121		200.00
100-1605-7739	WEBER'S PRINTING	SC Feb 2016 Newsletter	204192		216.78
100-1605-7980	SMART & FINAL	Staff Training	204096		93.94
100-1605-7980	DUARTE PIZZA COMPANY	Staff Training 1/21/16	204145		130.30
100-1605-7980	DUARTE PIZZA COMPANY	Staff Training 1/22/16	204145		130.30
100-1605-7980	SPORT SUPPLY GROUP INC	Basketball Equipment	204118		226.65
100-1605-7980	SPORT SUPPLY GROUP INC	Basketball Equipment	204118		2,167.15
100-1605-7980	SCMAF-SAN GABRIEL VALLEY	YS Fees for Tournament	204095		630.00
100-1610-7618	SMART & FINAL	Building Supplies	204116		192.28
100-1610-7618	SMART & FINAL	SC Coffee Supplies	204096		129.03
100-1610-7618	LA COUNTY SANDBAGS	Futsal Court Straw	204161		330.04
100-1610-7618	LA PLUMBING SUPPLY INC	SC - Plumbing Supplies	204162		305.16
100-1610-7618	WAXIE SANITARY SUPPLY	Building Supplies	204191		1,717.50
100-1610-7618	WAXIE SANITARY SUPPLY	Supplies	204191		11.41
100-1610-7618	WAXIE SANITARY SUPPLY	Building Supplies	204191		2,312.85
100-1610-7652	DEWEY PEST CONTROL INC	TC Pest Control Feb 2016	204144		164.00
100-1610-7652	DEWEY PEST CONTROL INC	North Yard Pest Control Feb	204144		38.00
100-1610-7652	CHARLIE'S FENCE CO	Duarte Park Sports Fence Re	204138		3,600.00
100-1610-7652	UNITED SITE SERVICES	Portable Toilet Rental/Sports	204187		82.17
100-1610-7652	MERRY PLUMBING COMPAN	TC Water Heater	204165		1,474.87

Council Warrant Register by Account

Payment Dates: 2/10/2016 - 2/23/2016

Account Number	Vendor Name	Item Description	Payment Number	Project Account Key	Amount
100-1610-7652	DIGITAL NETWORKS GROUP	Wireless Mic Repair	204104		305.00
100-1610-7652	JOE'S JANITORIAL SERVICE	TC Floor - Stripped and Wax	204159		450.00
100-1610-7652	AIR-TRO INC	HVAC Service/Repair-PS	204128		226.71
100-1610-7652	ELWIN KISHIMOTO	Senior Ctr Kiln Repair	204106		500.00
100-1610-7652	ACCO ENGINEERED SYSTEMS	HVAC Maint-CH/SC/CC	204125		3,170.00
100-1610-7652	ACCO ENGINEERED SYSTEMS	HVAC Maint-TC	204125		963.00
100-1610-7652	CINTAS CORPORATION #693	Chemicals-Public Safety 12/1	204139		82.61
100-1610-7652	CINTAS CORPORATION #693	Chemicals-TC 12/15	204139		100.62
100-1610-7652	CINTAS CORPORATION #693	Chemicals-Duarte Pk Bldg 12	204139		64.47
100-1610-7652	CINTAS CORPORATION #693	Chemicals-CH 12/15	204139		155.51
100-1610-7652	CINTAS CORPORATION #693	Chemicals-SC 12/15	204139		374.42
100-1610-7652	CINTAS CORPORATION #693	Chemicals-ROP Bldg 12/15	204139		103.02
100-1610-7652	EXECUTIVE ELEVATOR INC	SC Elevator Maint 1/2016	204148		127.00
100-1610-7652	BURRTEC WASTE SERVICES L	Trash Svcs-Montessori 2/15	204134	210039- Bldg Maint Services	119.44
100-1610-7830	U.S. BANK	SC Elevator 911 - Vonage	204121		18.48
100-1610-7830	OFFICE SOLUTIONS INC	Surge Protector	204111		32.02
100-1805-7610	U.S. BANK	Airline, K Petersen, Public Pe	204121		311.96
100-1805-7610	KRISTEN PETERSEN	K Petersen, Public Pension C	204170		153.31
100-1805-7980	KRISTEN PETERSEN	K Petersen iphone mophie re	204170		129.59
100-1810-7610	THE PUBLIC RETIREMENT JO	Michelle Brown Seminar Reg	204120		200.00
100-1810-7611	WESTERN REGION IPMA-HR	M Brown IPMA-HR Conferen	204123		325.00
100-1810-7611	RALPHS GROCERY COMPANY	Worker's Comp Training Sna	204171		23.55
100-1810-7660	CALIFORNIA STATE DEPART	Fingerprint Apps	204136		64.00
100-1810-7660	CMC LIVESCAN & NOTARY SE	Fingerprint/Livescan Service	204103		40.00
100-1810-7671	U.S. BANK	Assoc Planner APA Job Posti	204121		90.00
100-1810-7673	IRWINDALE INDUSTRIAL CLI	DOT Physicals - P Olivas	204158		50.00
100-1810-7980	NAVIA BENEFIT SOLUTIONS	FSP Processing Fee 1/2016	204167		743.00
100-1815-7632	U.S. BANK	R Breceda - Adobe Creative	204121		49.99
100-1815-7632	U.S. BANK	Admin - Adobe Creative Clou	204121		49.99
100-1815-7632	U.S. BANK	Levon L - Adobe Creative Clo	204121		49.99
100-1815-7820	TYLER TECHNOLOGIES INC	Finance System Support 1/1	204186		12,600.00
100-1825-7613	CURO MANAGED PRINT PRO	NCR Forms (Request for Serv	204142		350.95
100-1825-7613	OFFICE SOLUTIONS INC	Copier Paper	204111		101.37
100-1825-7613	GRAND PRINTING INC	Business Cards	204153		786.98
100-1825-7613	OFFICE SOLUTIONS INC	Copier Paper	204111		204.05
100-1825-7980	SHRED-IT USA LLC	Document Shredding	204175		70.29
100-1830-8100	VISION COMMUNICATIONS	Radio Removal/Install #16 to	204122		324.34
100-2120	Noel Macalintal	Gazebo Rental Deposit Refu	204110		50.00
100-2120	Merissa Baca	CC Rental Dep Refund	204107		500.00
100-2120	Stacie Ocampo	ROP Rental Dep Refund	204119		150.00
100-2120	SECARD POOLS INC	Refund Pool Deposit 2015-4	204115		500.00
100-2121	OLD TOWN SIGN COMPANY	Military Banner	204168		109.00
100-4302	Minnie Shields	Citation Overpayment	204108		50.00
100-4408	DUARTE UNIFIED SCHOOL DI	Nextel Lease Feb 2016	204146	250004 - Property Rent - Nex	1,462.48
100-4801	Sarai Gonzalez	Class Refund, Parents and M	204114		40.00
Fund 100 - GENERAL FUND Total:					124,048.36

Council Warrant Register by Account**Payment Dates: 2/10/2016 - 2/23/2016**

Account Number	Vendor Name	Item Description	Payment Number	Project Account Key	Amount
Fund: 220 - GAS TAX FUN					
220-2210-7812	SUPERIOR PAVEMENT MARK	Mt Olive/Hunt Dr Striping	204181		427.20
220-2210-7813	TRAFFIC MANAGEMENT INC	No Parking Signs - Goldline	204185		1,613.20
Fund 220 - GAS TAX FUN Total:					2,040.40

Council Warrant Register by Account

Payment Dates: 2/10/2016 - 2/23/2016

Account Number	Vendor Name	Item Description	Payment Number	Project Account Key	Amount
Fund: 240 - LIGHTING AND LANDSCAPE DISTRICT FUND					
240-2405-7877	STATE OF CALIFORNIA DEPT	Traffic Signal Maint 10/15 - 1	204178		378.50
240-2405-7888	SOUTHEAST CONSTRUCTION	Encanto Pk Electrical Box	204117		84.48
240-2405-7888	RAYVERN LIGHTING SUPPLY I	Street Light Repairs	204172		782.27
240-2405-7888	B & K ELECTRIC WHOLESALE	Street Light Repairs	204131		115.32
240-2405-7888	B & K ELECTRIC WHOLESALE	Street Light Repairs	204131		78.02
240-2410-7906	WEST COAST ARBORISTS INC	Citywide Tree Trim	204193		70.90
240-2410-7909	WEST COAST ARBORISTS INC	Residential Tree Trimming	204193		1,758.75
240-2426-7810	A1 MAINTENANCE SERVICES	Mikes Ctr Sweeping 1/2016	204124		747.00
240-2427-7887	VALLEYCREST LANDSCAPE M	Landscape Renovation - Ran	204188		9,814.28
Fund 240 - LIGHTING AND LANDSCAPE DISTRICT FUND Total:					13,829.52

Council Warrant Register by Account

Payment Dates: 2/10/2016 - 2/23/2016

Account Number	Vendor Name	Item Description	Payment Number	Project Account Key	Amount
Fund: 440 - PROPOSITION A TRANSIT FUND					
440-4405-7636	RED DOT UNIFORMS	Uniforms	204112		25.17
440-4405-7636	RED DOT UNIFORMS	Uniforms	204112		74.64
440-4405-7650	ALEX ROMO AUTO & TRUCK	Veh 30 PM Service/Repairs	204129		1,997.05
440-4405-7650	AUTOZONE	South Yard Supplies	204130		37.18
440-4405-7673	IRWINDALE INDUSTRIAL CLI	DOT Physicals - R Cameron	204158		50.00
440-4405-7814	SUPERIOR PROPERTY SERVIC	Graffiti Removal 12/15	204100		438.72
440-4405-7887	ALEX ROMO AUTO & TRUCK	Veh 33 Service/Repair	204129		422.23
440-4405-7887	FLEET SERVICE SPECIALIST LL	Bus 103 Pm Service/Repair	204150		1,248.97
440-4405-7887	FLEET SERVICE SPECIALIST LL	Bus 104 PM Service/Repair	204150		695.01
440-4405-7887	FLEET SERVICE SPECIALIST LL	Bus 102 A/C Service/Repair	204150		448.91
440-4405-7887	CREATIVE BUS SALES	Bus 102 Tensioner/Pulley Idl	204141		621.30
440-4405-7965	MOORE & ASSOCIATES INC	Dial A Ride RFP	204101		2,750.00
440-4405-7965	MOORE & ASSOCIATES INC	Dial A Ride RFP	204101		750.00
Fund 440 - PROPOSITION A TRANSIT FUND Total:					9,559.18
Grand Total:					149,477.46

Report Summary

Fund Summary

Fund	Payment Amount
100 - GENERAL FUND	124,048.36
220 - GAS TAX FUN	2,040.40
240 - LIGHTING AND LANDSCAPE DISTRICT FUND	13,829.52
440 - PROPOSITION A TRANSIT FUND	9,559.18
Grand Total:	149,477.46

Account Summary

Account Number	Account Name	Payment Amount
100-1005-7614	Office Supplies	39.89
100-1005-7642	Travel & Exp - Finlay	171.44
100-1010-7612	Publications and Dues	85.00
100-1010-7614	Office Supplies	26.98
100-1010-7650	Vehicle Maintenance	28.20
100-1010-7965	Professional Services	5,000.00
100-1010-7980	Other Expenses	7,500.00
100-1015-7682	Labor Counsel	830.50
100-1205-7614	Office Supplies	14.96
100-1205-7615	Emergency Supplies	17.25
100-1205-7650	Vehicle Maintenance	283.09
100-1205-7761	Parking Ticket Collect	4,781.85
100-1205-7779	Youth Programs	580.85
100-1205-7780	Animal Control	150.00
100-1205-7781	Contract Law Enforceme	260.59
100-1205-7787	Public Safety Cntr Lease	9,020.32
100-1405-7613	Duplications And Photos	49.30
100-1405-7650	Vehicle Maintenance	261.65
100-1405-7800	Building Department Ser	12,100.31
100-1405-7801	Industrial Waste Inspecti	926.78
100-1405-7965	Professional Services	12,431.21
100-1405-7969	City Engineer	2,497.50
100-1405-7975	Economic Development	4,400.00
100-1405-7980	Other Expenses	9,800.00
100-1410-7621	Other Supplies	79.54
100-1410-7630	Equipment Rentals	106.27
100-1410-7650	Vehicle Maintenance	729.45
100-1410-7656	Emergency Generator	145.00
100-1410-7810	Street Sweeping	116.00
100-1410-7814	Graffiti Removal	146.23
100-1410-7980	Other Expenses	6,809.54
100-1605-7002	Regular Salaries	76.92
100-1605-7728	Americorp's VIP Progra	207.49
100-1605-7730	Special Events	885.08
100-1605-7733	Senior Center	784.08
100-1605-7735	Teen Center	1,626.12
100-1605-7736	Recreation Classes	554.40
100-1605-7737	Adult Excursions	200.00
100-1605-7739	Publicity	216.78
100-1605-7980	Other Expenses	3,378.34
100-1610-7618	Building Supplies	4,998.27
100-1610-7652	Building Maint Services	12,100.84
100-1610-7830	Telephones	50.50
100-1805-7610	Travel, Mtgs & Conf	465.27
100-1805-7980	Other Expenses	129.59
100-1810-7610	Travel, Mtgs & Conf	200.00
100-1810-7611	Training	348.55
100-1810-7660	Other Services	104.00
100-1810-7671	Recruiting Advertisemen	90.00

Account Summary

Account Number	Account Name	Payment Amount
100-1810-7673	Physical Exams	50.00
100-1810-7980	Other Expenses	743.00
100-1815-7632	Software Maintenance	149.97
100-1815-7820	Finance System Support	12,600.00
100-1825-7613	Duplications And Photos	1,443.35
100-1825-7980	Other Expenses	70.29
100-1830-8100	Vehicle Replacement	324.34
100-2120	Refundable Deposits	1,200.00
100-2121	Pass Through Deposits	109.00
100-4302	Parking Citations	50.00
100-4408	Property Rental	1,462.48
100-4801	Recreation Class Fees	40.00
220-2210-7812	Street Striping & Markin	427.20
220-2210-7813	Regulatory Signs	1,613.20
240-2405-7877	Electric-Traffic Signal	378.50
240-2405-7888	Repairs-Citywide	1,060.09
240-2410-7906	Tree Trim-Citywide	70.90
240-2410-7909	Tree Trim-Residential	1,758.75
240-2426-7810	Street Sweeping	747.00
240-2427-7887	Repairs & Replacements	9,814.28
440-4405-7636	Uniforms	99.81
440-4405-7650	Vehicle Maintenance	2,034.23
440-4405-7673	Physical Exams	50.00
440-4405-7814	Graffiti Removal	438.72
440-4405-7887	Repairs & Replacements	3,436.42
440-4405-7965	Professional Services	3,500.00
	Grand Total:	149,477.46

Project Account Summary

Project Account Key	Payment Amount
None	145,444.42
201605 - Duarte's Promise - America's Promise Exp	35.00
201616-Youth Programs-Calgrip FY 2016-17	106.14
201617-Other Exp-El Nino Cost	2,009.98
210039- Bldg Maint Services - Montessori School	119.44
250000 - City Engineer - Gold Line Project	300.00
250004 - Property Rent - Nextel Rent (Otis Gordon)	1,462.48
Grand Total:	149,477.46

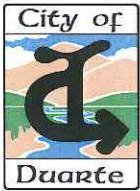


City of Duarte

Council Warrant Register Over \$5,000 By Payment Number

Payment Dates 2/10/2016 - 2/23/2016

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
204137	2/23/2016 55406	5120 Building & Safety Services 1/2016	CHARLES ABBOTT ASSOCIATES INC	100-1405-7800		12,100.31 12,100.31
204151	2/23/2016 FC-6708	5142 LIGHT POLE/FIXTURE INSTALLATION	FODDRILL CONSTRUCTION CORP	100-1405-7980		9,800.00 9,800.00
204160	2/23/2016 0002-Grocery	5256 Trade Area Evaluation-Grocery Retail	KOSMONT COMPANIES	100-1405-7965		12,431.21 12,431.21
204164	2/23/2016 C751031	5250 Management Consulting Services	MANAGEMENT ACTION PROGRAMS INC	100-1010-7980		7,500.00 7,500.00
204166	2/23/2016 2/2016	2461 Public Safety Lease	MOUNTAIN VISTA PLAZA	100-1205-7787		9,020.32 9,020.32
204184	2/23/2016 11516	5339 Consulting Fee - Jan 2016	TOWNSEND PUBLIC AFFAIRS INC	100-1010-7965		5,000.00 5,000.00
204186	2/23/2016 025-144883	4674 Finance System Support 1/16 - 3/16	TYLER TECHNOLOGIES INC	100-1815-7820		12,600.00 12,600.00
204188	2/23/2016 389044	3889 Landscape Renovation - Rancho Verd	VALLEYCREST LANDSCAPE MAINTENANCE	240-2427-7887		9,814.28 9,814.28
Payment Total:						78,266.12



MEMORANDUM

Date: February 23, 2016

To: Mayor and City Council

From: Jason Golding, City Planner 

Subject: **Adoption of Ordinance 16-O-02 (second reading)** - Municipal Code Amendment 15-05; revisions to Chapter 19.40, Landscaping, of the Duarte Development Code

Attached for City Council consideration is Municipal Code Amendment (MCA) 15-05, a second reading of Ordinance 16-O-02. This item was originally brought before the City Council at a public hearing on February 9, 2016. At this meeting, City Council introduced Ordinance 16-O-02 (First Reading) with the following two modifications, both of which have been incorporated into their respective documents:

1. Chapter 19.40.010(C)(5) & Implementation Guidelines (1.2)(A)(5) is amended to read: "Special Landscaped Areas **with an area greater than 500 square feet**, such as areas dedicated to edible plants, irrigated with recycled water, or dedicated to active play and/or a Recreational Area, shall prepare a water efficient landscape worksheet and landscape documentation package according to specifications for Special Landscaped Areas"; and
2. Implementation Guidelines (2.4)(G) is amended to read: " The use of invasive plant species, such as those listed by the California Invasive Plant Council, **are prohibited.**"

Ordinance 16-O-02 will become effective 30 days from the date of adoption.

ORDINANCE NO.**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA ADOPTING MUNICIPAL CODE AMENDMENT (MCA) 15-05 WHICH WOULD AMEND CHAPTER 19.40 "LANDSCAPING" OF ARTICLE 3, "REGULATIONS APPLICABLE TO ALL ZONES", TO TITLE 19 OF THE DUARTE DEVELOPMENT CODE IN ITS ENTIRETY, TO REVISE REGULATIONS PRIMARILY RELATED TO WATER EFFICIENT LANDSCAPING, IN COMPLIANCE WITH NEW STATE REQUIREMENTS**

WHEREAS, Governor Brown issued a Drought Executive Order (B-29-2015) on April 1, 2015, directing DWR to update the State's Model Water Efficient Landscape Ordinance, to increase water efficiency standards for new and existing landscape through more efficient irrigation systems, graywater usage, onsite stormwater capture and by limiting the portion of landscaping that can be covered in turf; and

WHEREAS, consistent with these findings, the purpose of the City of Duarte Model Water Efficient Landscape Ordinance is to establish an alternative model acceptable under Governor Brown's Executive Order (B-29-2015) as being at least as effective as the State's DWR Model Water Efficient Landscape Ordinance; and

WHEREAS, other landscape regulations, not pertaining directly to the Model Water Efficient Landscape Ordinance, are amended from time to time based upon past experience with landscape projects, changes in the industry and corrections from previous standards and regulations; and

WHEREAS, the Planning Commission of the City of Duarte conducted a duly-noticed public hearing on January 19, 2016, pursuant to Development Code Section 19.142.040 to consider MCA 15-05, a city initiated request to amend Chapter 19.40 (Landscaping) of the Duarte Development Code in its entirety to revise regulations, primarily related to water efficient landscaping, in compliance with new State requirements promulgated by Governor's Executive Order B-29-15; and

WHEREAS, after careful study and the completion of the duly noticed public hearings, the Planning Commission adopted Resolution No. PC 16-01, recommending the City Council approve the proposed Municipal Code Amendment 15-05; and

WHEREAS, notice of a public hearing of the City Council on the proposed Municipal Code Amendment 15-05 were given in accordance with applicable law; and

WHEREAS, on February 9, 2016, the City Council of the City of Duarte held a duly noticed public hearing on the proposed Municipal Code Amendment 15-05, and related environmental review. At the public hearing the City Council received and independently considered the staff report and all of the information, evidence, and testimony presented in connection with the foregoing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, ORDAINS AS FOLLOWS:

SECTION 1. CHAPTER 19.40 AMENDED IN ITS ENTIRETY

Amend Chapter 19.40 "Landscaping" of Article 3, "Regulations Applicable to All Zones", to Title 19 of the Duarte Development Code in its entirety, to revise regulations primarily related to water efficient landscaping, in compliance with new State requirements promulgated by Governor's Executive Order B-29-15. The revised Chapter 19.40 is depicted on the exhibit attached hereto and made a part of this resolution by reference marked "Exhibit A" for identification.

SECTION 2. CEQA DETERMINATION.

The City Council finds and determines that, pursuant to provisions of the California Environmental Quality Act (CEQA), the amendment to Duarte Development Code Chapter 19.40 to revise regulations, primarily related to water efficient landscaping, in compliance with new State requirements promulgated by Governor's Executive Order B-29-15 are categorically exempt under Section 15307 which exempts actions taken by regulatory agencies, as authorized by State law, to assure the maintenance, restoration, enhancement, or protection of a natural resource where the regulatory process involves procedures for protection of the environment.

The City Council further finds that the adoption of this Municipal Code Amendment is required by Governor's Executive Order B-19-25 and will result in the enhancement and protection of water resources in the City, and will not result in negative impact to the environment; therefore, it is exempt from the provisions of CEQA and no further environmental review is necessary.

SECTION 3. SEVERABILITY.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase, or portion of this Ordinance is, for any reason, held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the fact that one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective. To this end the provisions of this Ordinance are declared to be severable.

SECTION 4. POSTING OF ORDINANCE.

The City Clerk shall certify as to the adoption of this Ordinance and shall cause this Ordinance to be posted in the manner provided for in the Duarte Municipal Code.

SECTION 5. EFFECTIVE DATE.

This Ordinance shall take effect thirty (30) days following its second reading.

PASSED, APPROVED, AND ADOPTED after second reading at a regular meeting of the City Council of the City of Duarte this ____ day of _____, 2016.

MAYOR SAMUEL KANG

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Ordinance No. ____ was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the ____ day of _____, 2016, by the following Roll Call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

Chapter 19.40 – LANDSCAPING

Sections:

- 19.40.010 – Purpose, intent and applicability.
- 19.40.020 – Definitions
- 19.40.030 – Implementation Guidelines
- 19.40.040 – General landscape standards
- 19.40.050 – Landscape of unused and undeveloped portions of a site.
- 19.40.060 – Residential landscape standards.
- 19.40.070 – Nonresidential landscape standards.
- 19.40.080 – Hillside landscaping standards.
- 19.40.090 – Landscape plan approval required.
- 19.40.100 – Landscape and irrigation maintenance.
- 19.40.110 – Cooperation with Water Purveyor(s).
- 19.40.120 – Minor modifications to approved landscape and irrigation plans.

19.40.010 - Purpose, intent and applicability.

- A. *Purpose.* The City promotes the value and benefits of landscapes while recognizing the need to invest water and other resources as efficiently as possible. In compliance with applicable State standards and guidelines, and to promote the City's goals and standards regarding sustainable development set forth in Chapter 19.52 (Sustainable Development Practices), this Chapter establishes minimum landscape standards for all uses for the purpose of enhancing the appearance of developments, reducing heat and glare, controlling soil erosion, conserving water, establishing a buffer and/or screen between residential and nonresidential land uses, and ensuring the ongoing maintenance of landscape areas. Water conservation measures shall be addressed through landscape and irrigation design.
- B. *Intent.* The intent of the water-efficient landscape chapter is:
 - 1. That this Chapter be at least as effective in conserving water as the State Model Water Efficient Landscape Ordinance and consistent with Governor Brown's April 1, 2015 Drought Executive Order B-19-25;
 - 2. Establish a structure for planning, designing, installing, and maintaining and managing water efficient landscapes in new construction and rehabilitated projects;
 - 3. Establish provisions for water management practices and water waste prevention for existing landscapes;
 - 4. To assure beneficial, efficient, and responsible use of water resources;
 - 5. To retain the land's natural hydrological role and promote the infiltration of surface water into the groundwater;
 - 6. To recognize that landscapes enhance the aesthetic appearance of developments and communities;

7. To encourage the appropriate design, installation, maintenance, and management of landscapes so that water demand can be decreased, runoff can be retained, and flooding can be reduced without a decline in the quality or quantity of landscapes; and
 8. To reduce or eliminate water waste.
- C. *Applicability.* Beginning March 24, 2016, all landscaping projects subject to this Chapter shall obtain a permit from the Community Development Department prior to installation of any landscaping. All planting, irrigation, and landscape related improvements required by this Chapter shall apply to the following landscape projects:
1. New landscape projects with an aggregate landscape area equal to or greater than 500 square feet requiring a building or landscape permit, plan check or design review;
 2. Rehabilitated landscape projects with an aggregate landscape area equal to or greater than 2,500 square feet requiring a building or landscape permit, plan check or design review;
 3. New or rehabilitated landscape projects between 500 and 2,500 square feet may comply with the performance requirements of this ordinance or conform to the prescriptive measures contained in Appendix A of the Guidelines;
 4. New or rehabilitated projects using treated or untreated graywater or rainwater capture on site, any lot or parcels within the project that has less than 2,500 square feet of landscape area and meets the lot or parcel's landscape water requirement (Estimated Total Water Use) entirely with the treated or untreated graywater or though stored rainwater capture on site is subject only to Appendix A of the Implementation Guidelines;
 5. Special Landscaped Areas with an area greater than 500 square feet, such as areas dedicated to edible plants, irrigated with recycled water, or dedicated to active play and/or a Recreational Area, shall prepare a water efficient landscape worksheet and landscape documentation package according to specifications for Special Landscaped Areas;
 6. Cemeteries. Recognizing the special landscape management needs of cemeteries, new and rehabilitated cemeteries are limited to Sections 2.2 and 2.9 of the Guidelines; and existing cemeteries are limited to Section 3 of the Guidelines.
- D. *Other considerations.* The requirements of the Guidelines may be partially or wholly waived, at the discretion of the Director of Community Development or his/her designee, for landscape rehabilitation projects that are limited to replacement plantings with equal or lower water needs and where the irrigation system is found to be designed, operable and programmed consistent with minimizing water waste in accordance with local water purveyor regulations.
- E. *Exempt activities.* The provisions of this Chapter do not apply to:
1. Registered local, State, or federal historical sites.
 2. Ecological restoration projects that do not require a permanent irrigation system.

3. Mined-land reclamation projects that do not require a permanent irrigation system.
 4. Existing plant collections as part of botanical gardens and arboretums open to the public.
- F. *Project continuation.* Any landscape project(s) conducted on the same parcel of land within a 12-month period from the first landscape project submittal shall be aggregated for the purposes of determining a project's applicability to the requirements of this Chapter.
- G. *Relationship to private covenants.* The architectural guidelines of a common interest development, which includes community apartment projects, condominiums, planned developments, and stock cooperatives, shall not prohibit or include conditions that have the effect of prohibiting the use of low-water use plants as a group.

19.40.020 – Definitions

Aggregate. A concept that pertains to production home neighborhoods, common interest developments, or other situations where multiple parcels are undergoing landscape development as one project, but may eventually be individually owned or maintained.

Applied water. The portion of water supplied by the irrigation system to the landscape.

Artificial turf. A man-made material which simulates the appearance of live turf, organic turf, grass, sod, or lawn.

Automatic irrigation controller. See Automatic Controller under Chapter 19.160.030.

Backflow prevention device. A safety device used to prevent pollution or contamination of the water supply due to the reverse flow of water from the irrigation system.

Certification of Completion or Landscape Installation Certificate of Completion. The certification included as Exhibit E of the Implementation Guidelines that shall be provided to the City prior to Planning and Building Divisions final inspection pursuant to Section 2.7 of the Guidelines.

Certification of Design or Certificate of Landscape Design. The certification included as Exhibit B of the Implementation Guidelines that shall be included in the Landscape Documentation Package pursuant to Section 2.1 of the Guidelines.

Certified landscape irrigation auditor. A person(s) certified to perform landscape irrigation audits by an accredited academic institution, a professional trade organization or other program such as the US Environmental Protection Agency's WaterSense irrigation auditor certification program and Irrigation Association's Certified Landscape Irrigation Auditor program.

Chapter. Refers to Chapter 19.40 of the Duarte Development Code.

Check valve or anti-drain valve. A valve or valves located under a sprinkler head, or other location in the irrigation system, to hold water in the system to prevent drainage from sprinkler heads when the sprinkler is off.

City. Refers to the City of Duarte.

Common interest developments. Refers to community apartment projects, condominium projects, planned developments, and stock cooperatives per Civil Code Section 1351.

Conversion factor. The number that converts acre-inches per acre per year to gallons per square foot per year.

Drip irrigation. See definition under Chapter 19.160.050.

Drought-tolerant landscaping. Landscaping that utilizes little or no irrigation through the use of water-conserving materials and techniques, including but not limited to, native drought-tolerant plants, mulch and efficient irrigation.

Drought-tolerant plants. See definition under Chapter 19.160.050.

Ecological restoration project. A project where the site is intentionally altered to establish a defined, indigenous, historic ecosystem.

Emitter. A drip irrigation emission device that delivers water slowly from the system to the soil.

Estimated Applied Water Use (EAWU). The annual total amount of water estimated to keep plants in a healthy state. It is based on factors such as reference evapotranspiration rate, the size of the landscaped area, plant water use factors, and the irrigation efficiency within each hydrozone.

Evapotranspiration. See definition under Chapter 19.160.060.

Evapotranspiration adjustment factor (ETAF). A factor of 0.55 for residential areas and 0.45 for non-residential areas, that, when applied to reference evapotranspiration, adjusts for plant factors and irrigation efficiency, two major influences upon the amount of water that needs to be applied to the landscape. The ETAF for new and existing (non-rehabilitated) Special Landscape Areas shall not exceed 1.0. The ETAF for existing non-rehabilitated landscapes is 0.8.

Evapotranspiration rate. The quantity of water evaporated from adjacent soil and other surfaces and transpired by plants during a specified time.

Flow rate. The rate at which water flows through pipes, valves and emission devices, measured in gallons per minute, gallons per hour, or cubic feet per second.

Front yard. For purposes of this Chapter and the Guidelines, shall mean the required front yard setback and any area between the street and the outline of the main building line. For other unique lot configurations, the Director of Community Development shall determine front yard.

Front yard landscaped area. The Front Yard Area that is not occupied by driveways, hardscape or other pervious or non-pervious surfaces and that is required to be landscaped with live vegetation, artificial turf, drought tolerant landscaping or a combination of all three, as further described in this Chapter and the Implementation Guidelines.

Graywater. A system containing untreated wastewater that has not been contaminated by any toilet discharge, has not been affected by infectious, contaminated, or unhealthy bodily wastes, and does not present a threat from contamination by unhealthy processing, manufacturing, or operating wastes. Graywater includes, but is not limited to, wastewater from bathtubs, showers, bathroom washbasins, clothes washing machines, and laundry tubs, but does not include wastewater from kitchen sinks or dishwashers as per the Health and Safety Code (Section 17922.12). Graywater systems promote the efficient use of water and are encouraged to assist in on-site landscape irrigation. All graywater systems shall conform to the California Plumbing Code (Title 24, Part 5, Chapter 16) and any applicable local ordinance standards.

Hardscape. See definition under Chapter 19.160.090.

Hydrozone. See definition under Chapter 19.160.090.

Implementation Guidelines or Guidelines. Refers to the Water Efficient Landscape Ordinance Guidelines which shall be adopted by resolution of the Planning Commission. The purpose of the Guidelines is to provide procedural and design guidance for applicants proposing new landscape or landscape rehabilitation projects that are subject to Chapter 19.40 of the City of Duarte Development Code.

Infiltration rate. See definition under Chapter 19.160.100.

Invasive and/or Noxious plants species. Species of plants not historically found in California that spread outside cultivated areas and can damage environmental or economic resources. Invasive plant species may be regulated by county agricultural agencies as noxious species.

Irrigation audit. An in-depth evaluation of the performance of an irrigation system conducted by a Certified Landscape Irrigation Auditor. An irrigation audit includes, but is not limited to: inspection, system tune-up, system test with distribution uniformity or emission uniformity, reporting overspray or runoff that causes overland flow, and preparation of an irrigation schedule.

Irrigation efficiency (IE). The measurement of the amount of water beneficially used divided by the amount of water applied to a landscaped area. Irrigation efficiency is derived from measurements and estimates of irrigation system characteristics and management practices. The minimum average irrigation efficiency for purposes of this Chapter and the Guidelines is 0.71. Greater irrigation efficiency can be expected from well designed and maintained systems. The following irrigation efficiency may be obtained for the listed irrigation heads with an IME of 90%:

Irrigation Method	DU _{LQ}	DU _{LH} *	EU	IE**
Spray nozzles	65%	79%		71%
High efficiency spray nozzles	75%	82%		73%
Multi stream/Multi trajectory rotary (MSMT) nozzles	75%	85%		76%
Stream rotor nozzle	70%	82%		73%
Microspray	75%	85%		76%
Bubblers			85%	77%
Drip emitter			90%	81%
Subsurface drip			90%	81%

$$*DU_{LH} = .386 + (.614)(DU_{LQ})$$

$$** IE (spray) = (DU_{LH})(IME)$$

$$** IE (drip) = \text{Emission uniformity (EU)}(IME)$$

Irrigation Management Efficiency (IME). The measurement used to calculate the irrigation efficiency of the irrigation system for a landscaped project. A 90% IME can be achieved by using evapotranspiration controllers, soil moisture sensors, and other methods that will adjust irrigation run times to meet plant water needs.

Landscape coefficient (K_L). The product of a plant factor multiplied by a density factor and a microclimate factor. The landscape coefficient is derived to estimate water loss from irrigated landscaped areas and special landscaped areas.

Landscape documentation package. The package of documents that a project applicant is required to submit to the City pursuant to Section 2.1 of the Guidelines.

Landscape professional. A licensed landscape architect, licensed landscape contractor, or any other person authorized to design a landscape pursuant to Sections 5500.1, 5615, 5641, 5641.1, 5641.2, 5641.3, 5641.4, 5641.5, 5641.6, 6701, 7027.5 of the California Business and Professions Code, Section 832.27 of Title 16 of the California Code of Regulations, and Section 6721 of the California Food and Agriculture Code.

Landscaped area. Refers to all planting areas, turf areas, and water features in a landscape design plan subject to the Maximum Applied Water Allowance and Estimated Applied Water Use calculations. The landscaped area does not include footprints of buildings or structures, sidewalks, driveways, parking lots, decks, patios, gravel or stone walks, other pervious or non-pervious hardscapes, and other non-irrigated areas designated for non-development (e.g., open spaces and existing native vegetation).

Landscaping. See definition under Chapter 19.160.130.

Lateral line. A water delivery pipeline that supplies water to the emitters or sprinklers from the valve.

Low volume irrigation. The application of irrigation water at low pressure through a system of tubing or lateral lines and low-volume emitters such as drip, drip lines, and bubblers. Low volume irrigation

systems are specifically designed to apply small volumes of water slowly at or near the root zone of plants.

Low volume overhead irrigation. Aboveground irrigation heads with an upper flow limit of 0.5 GPM.

Main line. A pressurized pipeline that delivers water from the water source to the valve or outlet.

Manual isolation valve. A valve such as a gate valve, ball valve, or butterfly valve installed downstream of the point of connection of the water supply to shutdown water flow through mainline piping for routine maintenance and emergency repair.

Master shut-off valve. An electronic valve such as a solenoid valve installed as close as possible to the point of connection and is used in conjunction with a flow sensor and flow monitoring controller technology to automatically shutdown system wide water flow in the event of high flow conditions such as mainline pipe break.

Maximum Applied Water Allowance (MAWA). Refers to the upper limit of annual applied water for the established *landscaped area*, as specified in Section 2.2 of the Guidelines. It is based upon the area's reference evapotranspiration, the ETAF, and the size of the landscaped area. The Estimated Applied Water Use shall not exceed the Maximum Applied Water Allowance.

Microclimate. The climate of a small, specific area that may contrast with the climate of the overall landscaped area due to factors such as wind, sun exposure, plant density, or proximity to reflective surfaces.

Mined-land reclamation projects. Any surface mining operation with a reclamation plan approved in accordance with the Surface mining and Reclamation Act of 1975.

Mulch. Any organic material such as leaves, bark, straw or compost, or inorganic mineral materials such as rocks, gravel, or decomposed granite left loose and applied to the soil surface for the beneficial purposes of reducing evaporation, suppressing weeds, moderating soil temperature, and preventing soil erosion.

Non-pervious or Impervious. Any surface or material that does not allow for the passage of water through the material and into the underlying soil.

Operating pressure. The pressure at which the parts of an irrigation system of sprinklers are designed to operate at by the manufacturer.

Overspray. The irrigation water which is delivered beyond the target area.

Parkway. See definition under Chapter 19.160.170.

Person. Any natural person, firm, joint venture, joint stock company, partnership, public or private association, club, company, corporation, business trust, organization, public or private agency, government agency or institution, school district, college, university, any other user of water provided

by the City or the local water purveyor, or the manager, lessee, agent, servant, officer, or employee of any of them or any other entity which is recognized by law as the subject of rights or duties.

Pervious. Means any surface or material that allows the passage of water through the material and into the underlying soil.

Plant factor or Plant water use factor. A factor, when multiplied by ETo, that estimates the amount of water needed by plants. For purposes of this Water Efficient Landscape Ordinance, the plant factor range for very low water use plants is 0 to 0.1; the plant factor range for low water use plants is 0 to 0.3; the plant factor range for moderate water use plants is 0.4 to 0.6; and the plant factor range for high water use plants is 0.7 to 1.0. Plant factors cited in the Guidelines are derived from the Department of Water Resources 2000 publication "Water Use Classification of Landscape Species."

Precipitation rate. The rate of application of water measured in inches per hour.

Project applicant. The individual or entity submitting a Landscape Documentation Package required under Section 2.1 to request a permit, plan check, or design review from the City. A project applicant may be the property owner or his or her designee.

Property owner. The record owner of real property as shown on the most recently issued equalized assessment roll.

Rain sensor or Rain sensing shutoff device. A component which automatically suspends irrigation when it rains.

Recreational area. An area(s), excluding private single family residential areas, designated for active play; recreation or public assembly in parks, sports fields, picnic grounds, amphitheaters; golf course tees, fairways, roughs, surrounds and greens; private recreational or assembly space as part of a comprehensive project that otherwise meets the intent of this Chapter, and other active or recreational play areas as determined by the Community Development Director.

Recycled water or Reclaimed water. Treated or recycled waste water of a quality suitable for non-potable uses such as landscape irrigation and water features. This water is not intended for human consumption.

Reference evapotranspiration (ETo). A standard measurement of environmental parameters which affect the water use of plants. ETo is given expressed in inches per day, month, or year as represented in Appendix C of the Guidelines, and is an estimate of the evapotranspiration of a large field of four to seven-inch tall, cool-season grass that is well watered. Reference evapotranspiration is used as the basis of determining the Maximum Applied Water Allowances.

Rehabilitated landscape. Any re-landscaping project that requires a permit, plan check, or design review, meets the requirement of Section 1.2 of the Guidelines, and the modified landscape area is equal to or greater than 2,500 square feet.

Runoff. See definition under Chapter 19.160.190.

SMART irrigation controller or Soil moisture sensor. A weather-based or soil moisture-based irrigation controller that monitors and uses information about the environmental conditions at a specific location and landscape to automatically adjust watering schedules.

Soil texture. The classification of soil based on its percentage of sand, silt, and clay.

Special Landscaped Areas (SLA). Area(s) of the landscape dedicated solely to edible plants such as orchards and vegetable gardens, areas irrigated with recycled water, water features using recycled water, and areas designated as a Recreational Area.

Sprinkler head. A device which delivers water through a nozzle.

Static water pressure. See definition under Chapter 19.160.200.

Station. An irrigated area served by one valve or by a set of valves that operate simultaneously.

Swing joint. An irrigation component that provides a leak-free connection between the emission device and lateral pipeline to allow movement in any direction and to prevent equipment damage.

Turf. See definition under Chapter 19.160.210.

Valve. A device used to control the flow of water in an irrigation system.

Visible street side yard. For purposes of this Chapter and the Guidelines, means any street side yard that is visible from the public right of way, that shall be improved as further described in this Chapter and the Implementation Guidelines.

Water-efficient irrigation system. See definition under Chapter 19.160.240.

Water-efficient landscape. See definition under Chapter 19.160.240.

Water efficient landscape ordinance. Refers to Chapter 19.40 of the City of Duarte Development Code.

Water efficient landscape worksheet. The worksheet required to be completed pursuant to Section 2.2 of the Guidelines and which are included in Appendix C of the Guidelines.

Water feature. A design element or elements where open water performs an aesthetic or recreational function. Water features include ponds, lakes, waterfalls, fountains, artificial streams, spas, and swimming pools (where water is artificially supplied). The surface area of water features is included in the high water use hydrozone of the landscaped area. Constructed wetlands used for on-site wastewater treatment, habitat protection, or storm water best management practices that are not irrigated and used solely for water treatment or storm water retention are not water features and, therefore, are not subject to the water budget calculation.

Watering window. The time of day irrigation is allowed on landscaped surfaces.

WUCOLS. Refers to the Water Use Classification of Landscape published by the University of California Cooperative Extension, the Department of Water Resources, and the Bureau of Reclamation, 2000.
www.owue.water.ca.gov/docs/wucols00

19.40.030 - Implementation guidelines

Water Efficient Landscape Ordinance Guidelines shall be adopted by resolution of the Planning Commission.

19.40.040 - General landscape standards.

These standards shall apply to all parcels within the City.

- A. Water Efficient Landscape Ordinance Guidelines (Implementation Guidelines), adopted by resolution of the City of Duarte Planning Commission, shall establish criteria for the design and review of landscape and irrigation plans, and such criteria shall be adhered to in the design of landscape and irrigation plans as required by this Chapter.
- B. Trees may be planted in any required yard area. All required trees shall be of a minimum size of 15 gallons, unless a larger size is specified in project conditions of approval. In limited cases, smaller tree sizes may be approved if the Director determines that long-term tree growth potential is improved by smaller specimens.
- C. Landscaping shall be maintained in the area between the front property line and the dwelling, building, or structure. In all zones except the R-1 zones (inclusive), a permanent irrigation system shall also be maintained in the same front-yard area.
- D. Landscape planting shall emphasize drought-tolerant and native species, complement the architectural design of structures on the site, and be suitable for the soil and climatic conditions of the site, consistent with the requirement of this Chapter.
- E. Transformers shall be screened with dense landscaping or walls similar to those required for trash enclosures, and shall not be located within open space recreation areas. They shall be located away from public view wherever possible and shall not impede pedestrian or vehicular circulation. Where feasible, transformers should be placed underground.
- F. Use of artificial turf is regulated by both standards within this Chapter and in the Implementation Guidelines. The use of artificial turf requires Community Development Department approval before installation.

19.40.050 - Landscape of unused and undeveloped portions of a site.

All areas of a site not intended for a specific use or purpose in conjunction with a current application, including vacant or undeveloped pad sites in shopping centers held for future development, shall be fully landscaped and irrigated with an automatic irrigation system. Landscaping shall include a combination of trees, shrubs, ground cover, turf, and/or approved decorative landscape materials, as approved by the Director, and in compliance with this Chapter.

19.40.060 - Residential landscape standards.

The following standards shall apply to all parcels in all residential zones.

- A. A minimum of 20 percent of the entire parcel shall be fully landscaped with plant materials.
- B. At least 50% of the Front Yard Landscaped Area and 50% of the Visible Street Side Yard shall be landscaped with live vegetation, artificial turf, drought-tolerant landscaping or a combination of the three, as further described below:
 - 1. Live vegetation may include turf, trees, shrubs, groundcover, flowers, or other similar vegetation.
 - 2. Artificial turf is limited to no more than 40% coverage of the Front Yard Landscaped Area and shall include a minimum of 60% of live vegetation. Artificial turf is limited to no more than 40% coverage of the Visible Street Side Yard and shall include a minimum of 60% of live vegetation. (See Section 4.2 of the Guidelines)
 - 3. Drought tolerant landscaping shall include native water conserving plants. (See Section 4.3 of the Guidelines)
- C. Artificial turf is not permitted within the parkway.
- D. Bare dirt is not permitted within the front yard, visible street side yard or within the parkway. All bare dirt areas shall be finished with a minimum three inch thick layer of mulch, organic bark or earth-toned colored rubber bark.
- E. Parking lots for multi-family developments providing 10 or more parking spaces shall be landscaped per the requirements of Section 19.38.200 (Parking Lot Landscaping).

19.40.070 - Nonresidential landscape standards.

All new and rehabilitated landscaping plans undertaken in conjunction with any private development project on commercial, industrial, mixed-use, and other nonresidential properties, or those projects requiring a grading, building, use permit, or site plan and design review, as required by this Chapter, shall comply with the following standards.

- A. All unpaved areas, including those portions of required yard areas not utilized for vehicular and pedestrian access, shall be landscaped with plant material, including some combination of trees, shrubs, groundcover, and turf. Mulch, bark, and similar landscaping materials may be incorporated into the landscape design.
- B. A minimum of 15 percent of the parcel area shall be landscaped, exclusive of the parking lot area and any landscaping required within the parking lot.

- C. A minimum of 75% of the landscape area must be landscaped with live plants. The remaining area may utilize boulder, rocks, decomposed granite, water features or other hardscapes, subject to approval from the Community Development Department.
- D. All landscaped areas shall be provided with an automatic irrigation system, unless the Director finds that such an irrigation system, due to the size, location, or configuration of the landscaped area, cannot reasonably be installed and maintained.
- E. To achieve an immediate effect of a landscape installation and to allow sustained growth of planting materials, plant material sizes and plant spacing shall comply with the following standards, unless the Director finds that alternative sizes and planting will achieve the same or similar desired effects:
 - 1. The minimum plant size for trees shall be 15 gallons, unless otherwise specified by the provisions of this Chapter. Trees planted within 10 feet of a street, sidewalk, paved trail, or walkway shall be a deep-rooted species or shall be separated from paved surfaces by a root barrier to prevent physical damage to public improvements. A minimum distance of 15 feet is required between the center of trees to street light standards, water meters, back-flow prevention systems, sewer cleanouts, and fire hydrants.
 - 2. The minimum plant size for shrubs shall be five gallons.
 - 3. Groundcover, including turf, shall be planted in a manner to provide 100 percent coverage within one year of initial planting.
- F. Lots with freeway frontage shall provide and maintain freeway frontage landscaping.
- G. Parking lot landscaping shall be provided per the requirements of Section 19.38.180 (Parking Lot Landscaping).
- H. Artificial turf is not permitted within in the parkway.
- I. Artificial turf is discouraged on non-residential properties. Use of artificial turf is only allowed in special circumstances as approved by the Community Development Director.
- J. Bare dirt is not permitted within the front yard, visible street side yard or within the parkway. All bare dirt areas shall be finished with a minimum three inch thick layer of mulch, organic bark or earth-toned colored rubber bark.

19.40.080 - Hillside landscaping standards.

Landscaping standards for properties in hillside areas, as defined in Chapter 19.46 (Hillside Development Standards), in addition to the standards in this Chapter, shall comply with the standards set forth in 19.46.120 (Landscaping and Irrigation Standards).

19.40.090 - Landscape plan approval required.

- A. Required landscape plan. Except as otherwise specified in this Section, any application for any development that requires a grading permit, building permit, use permit, or site plan and design review shall include landscape and irrigation plans which provide for the utilization of low-water-usage irrigation systems and a landscape design consistent with the requirements of this Chapter. The plans shall be prepared by a licensed landscape architect, licensed landscape contractor or any other person authorized to design a landscape plan.
- B. Review required. The plan shall contain the information described in the Implementation Guidelines and shall be subject to review and approval by the Director for compliance with the landscape design criteria contained in this Chapter. The review process represents the basis for approval or denial of a landscape design proposal. No grading, building, use permit, or site plan and design approval can be issued until a project has received approval from the Director.
- C. Full construction drawings required. Following the granting of all required planning and subdivision approvals, full construction drawings shall be submitted to the Building Division for plan check approval. Drawings submitted for plan check shall include the entire Landscape Documentation Package described in the Implementation Guidelines, including the approved Preliminary Landscape Design Plan. The Landscape Design Plan shall be in substantial conformity with the approved Preliminary Landscape Design Plan prior to issuance of building permits.

19.40.100 - Landscape and irrigation maintenance.

- A. Landscape maintenance. Landscaping and vegetation shall be maintained as follows:
 - 1. All landscaped areas shall be kept and maintained in a manner that does not detract from the appearance of the immediate neighborhood, and that protects the health, safety, and welfare of the user, occupants, and general public.
 - 2. Landscaped areas shall be kept and maintained in a neat and clean condition, free of weeds, debris and dead, diseased, or dying vegetation, and broken or defective decorative elements.
 - 3. Vegetation in landscaped areas shall be mowed, groomed, trimmed, pruned, and watered to maintain a healthy, growing condition.
 - 4. Vegetative overgrowth shall not be permitted in a manner that is likely to harbor rodents, vermin, insects, or other nuisances; or impedes, obstructs, or denies pedestrian or other lawful travel on sidewalks, walkways, or other public rights-of-way.
 - 5. All property owners shall water, prune, weed, and otherwise maintain landscaping in the parkway portions of adjoining streets, including street trees.
- B. Irrigation systems. Irrigation systems shall be maintained as follows:
 - 1. Irrigation systems shall be kept in good working condition and repair to prevent leaks or public health hazards.

2. Water waste resulting from inefficient landscape irrigation leading to excessive runoff, low-head drainage, overspray, and other similar conditions where water flows onto adjacent property, non-irrigated areas, walks, or structures, shall be minimized.
3. Irrigation systems and their components shall be maintained in a fully functional manner consistent with the originally approved design and the provisions of this Chapter.
4. Landscapes shall be maintained to ensure water efficiency. A regular maintenance schedule should include but not be limited to checking, adjusting and repairing irrigation equipment; resetting the automatic controller; aerating and dethatching turf areas; replenishing mulch; fertilizing; pruning; and weeding in all landscaped areas.

C. Artificial turf. Artificial turf shall be maintained as follows:

1. All artificial turf areas shall be kept and maintained in a manner that does not detract from the appearance of the immediate neighborhood, and that protects the health, safety, and welfare of the user, occupants, and general public.
2. Artificial turf areas shall be kept free of animal waste, rubbish, leaves, sand, rocks, algae, mold, fungi, natural grass and/or weeds.
3. Artificial turf seams, joints and edges shall be inconspicuous and not allowed to cause tripping or other hazards.
4. Artificial turf that is discolored, deteriorated, matted, torn, stained, shows excess wear or is otherwise unsightly or neglected shall be repaired or replaced to the satisfaction of the City.
5. Artificial turf infill material shall be maintained at adequate levels to allow proper use of the turf. Infill materials shall not be allowed to accumulate within the artificial turf area or otherwise be visible from the public right-of-way. Sweeping, raking or otherwise redistributing infill material on a regular basis is required.

19.40.110 - Cooperation with water purveyor(s).

A local agency may by mutual agreement, designate another agency, such as a water purveyor, to implement some or all of the requirements contained in this ordinance. Local agencies may collaborate with water purveyors to define each entity's specific responsibilities relating to this ordinance.

19.40.120 - Minor modifications to approved landscape and irrigation plans.

The Director may approve minor changes to approved landscape, irrigation, and related plans, subject to the provisions of Chapter 19.122 (Site Plan and Design Review) and the following criteria:

- A. Minor modifications to approved landscaping and irrigation, or grading plans which comply with the spirit and intent of this Chapter, including but not limited to, revising or substituting

plant varieties, container sizes, plant locations, irrigation specifications, hardscape components, berm heights, berm locations, slope features, and the like.

- B. Modifications of planting, installation, and/or soil preparation details.

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, APPROVING THE
RENEWAL OF THE GENERAL SERVICES AGREEMENT WITH
THE COUNTY OF LOS ANGELES**

WHEREAS, the City of Duarte engages the County of Los Angeles for general services;
and

WHEREAS, the General Services Agreement (GSA) for such services is renewable in five-year increments; and

WHEREAS, the Agreement provides authority for the County of Los Angeles to provide services requested by the City of Duarte, specifies the method by which requests and payments for services are made, and provides for the annual adjustment of rates; and

WHEREAS, services provided under the GSA include such functions as direct assessment collection, industrial waste inspections, and a variety of other public works activities;

NOW, THEREFORE, the City Council of the City of Duarte, California, does hereby resolve as follows:

Section 1. The City Council wishes to renew its Agreement with the County of Los Angeles for General Services for a five-year period, commencing July 1, 2016, through June 30, 2021.

Section 2. The City Council requests that the Board of Supervisors approve and authorize the performance of services requested in this Resolution, subject to the terms and conditions set forth in the General Services Agreement.

Section 3. The City Clerk is requested to forward one certified copy of this Resolution to the Chief Executive Office of the Los Angeles County Board of Supervisors, Intergovernmental and External Affairs Branch, upon its adoption.

PASSED, APPROVED, and ADOPTED this 23rd day of February, 2016.

Mayor Pro Tem Margaret Finlay

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 16-06 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 23rd day of February, 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

Board of Supervisors

HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

January 28, 2016

RECEIVED

FEB - 2 2016

CITY OF DUARTE

Mr. Darrell J. George
City Manager
City of Duarte
1600 Huntington Drive
Duarte, CA 91010

Dear Mr. George:

RENEWAL OF GENERAL SERVICES AGREEMENT

The General Services Agreement (GSA) between your City and the County of Los Angeles will expire on June 30, 2016. To ensure continuation of the services you are currently receiving, and to offer you the ability to add or augment services in the future, we would like to work with your city to renew the existing agreement for a five-year period, commencing on July 1, 2016 through June 30, 2021.

General Services Agreements have been executed with most cities within the County. The GSA is general in nature and simply authorizes the County to provide services requested by your city. Services provided under the GSA consist of "as-needed" time-limited services such as predatory animal control, prosecution of city ordinances, direct assessment collection, and a variety of public works services. Ongoing services, such as law enforcement and public health code enforcement, are provided by the responsible County departments through Specific Service Agreements (SSAs). Any SSAs between your City and the County of Los Angeles are not affected by renewal of this GSA.

Four copies of the GSA are enclosed for your Council's approval. To allow sufficient time to approve renewal of your City's current GSA prior to its expiration, **please retain one copy for your records and return three original, signed copies, to include a certified copy of your Council's resolution, no later than Monday, April 25, 2016, to:**

"To Enrich Lives Through Effective And Caring Service"

***Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only***

Mr. Darrell J. George
January 28, 2016
Page 2

Chief Executive Office
Intergovernmental and External Affairs
723 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012
Attention: Patricia Carbajal

One original will be returned to you upon execution by the Board of Supervisors. If you have any questions or desire additional information, Ms. Carbajal may be reached at (213) 974-1327 or at pcarbajal@ceo.lacounty.gov.

We look forward to our continued association.

Sincerely,



Manuel Rivas, Jr., Director
Legislative Affairs and Intergovernmental Relations

MR:PC:lm

Enclosure

GENERAL SERVICES AGREEMENT

THIS GENERAL SERVICES AGREEMENT ("Agreement"), dated for purposes of reference only, June 1, 2016, is made by and between the County of Los Angeles, hereinafter referred to as the "County", and the City of Duarte, hereinafter referred to as the "City."

RECITALS:

(a) The City is desirous of contracting with the County for the performance by its appropriate officers and employees of City functions.

(b) The County is agreeable to performing such services on the terms and conditions hereinafter set forth.

(c) Such contracts are authorized and provided for by the provisions of Section 56½ of the Charter of the County of Los Angeles and Section 51300, *et seq.*, of the Government Code.

THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. The County agrees, through its officers, agents and employees, to perform those City functions, which are hereinafter provided for.

2. The City shall pay for such services as are provided under this Agreement at rates to be determined by the County Auditor-Controller in accordance with the policies and procedures established by the Board of Supervisors.

These rates shall be readjusted by the County Auditor-Controller annually effective the first day of July of each year to reflect the cost of such service in accordance with the policies and procedures for the determination of such rates as adopted by the Board of Supervisors of County.

3. No County agent, officer or department shall perform for said City any function not coming within the scope of the duties of such officer or department in performing services for the County.

4. No service shall be performed hereunder unless the City shall have available funds previously appropriated to cover the cost thereof.

5. No function or service shall be performed hereunder by any County agent, officer or department unless such function or service shall have been requested in writing by the City on order of the City Council thereof or such officer as it may designate and approved by the Board of Supervisors of the County, or such officer as it may designate, and each such service or function shall be performed at the times and under circumstances which do not interfere with the performance of regular County operations.

6. Whenever the County and City mutually agree as to the necessity for any such County officer or department to maintain administrative headquarters in the City, the City shall furnish at its own cost and expense all necessary office space, furniture, and furnishings, office supplies, janitorial service, telephone, light, water, and other utilities. In all instances where special supplies, stationery, notices, forms and the like must be issued in the name of the City, the same shall be supplied by the City at its expense.

It is expressly understood that in the event a local administrative office is maintained in the City for any such County officer or department, such quarters may be used by the County officer or department in connection with the performance of its duties in territory outside the City and adjacent thereto provided, however, that the performance of such outside duties shall not be at any additional cost to the City.

7. All persons employed in the performance of such services and functions for the City shall be County agent, officer or employee, and no City employee as such shall be taken over by the County, and no person employed hereunder shall have any City pension, civil service, or other status or right.

For the purpose of performing such services and functions, and for the purpose of giving official status to the performance hereof, every County agent, officer and employee engaged in performing any such service or function shall be deemed to be an agent, officer or employee of said City while performing service for the City within the scope of this agreement.

8. The City shall not be called upon to assume any liability for the direct payment of any salary, wages or other compensation to any County personnel performing services hereunder for the City, or any liability other than that provided for in this agreement.

Except as herein otherwise specified, the City shall not be liable for compensation or indemnity to any County employee for injury or sickness arising out of his or her employment.

9. The parties hereto have executed an Assumption of Liability Agreement approved by the Board of Supervisors on December 27, 1977 and/or a Joint Indemnity Agreement approved by the Board of Supervisors on October 8, 1991. Whichever of these documents the City has signed later in time is currently in effect and hereby made a part of and incorporated into this agreement as set out in full herein. In the event that the Board of Supervisors later approves a revised Joint Indemnity Agreement and the City executes the revised agreement, the subsequent agreement as of its effective date shall supersede the agreement previously in effect between the parties hereto.

10. Each County agent, officer or department performing any service for the City provided for herein shall keep reasonably itemized and in detail work or job records covering the cost of all services performed, including salary, wages and other compensation for labor; supervision and planning, plus overhead, the reasonable rental value of all County-owned machinery and equipment, rental paid for all rented machinery or equipment, together with the cost of an operator thereof when furnished with said machinery or equipment, the cost of all machinery and supplies furnished by the County, reasonable handling charges, and all additional items of expense incidental to the performance of such function or service.

11. All work done hereunder is subject to the limitations of the provisions of Section 23008 of the Government Code, and in accordance therewith, before any work is done or services rendered pursuant hereto, an amount equal to the cost or an amount 10% in excess of the estimated cost must be reserved by the City from its funds to insure payment for work, services or materials provided hereunder.

12. The County shall render to the City at the close of each calendar month an itemized invoice which covers all services performed during said month, and the City shall pay County therefore within thirty (30) days after date of said invoice.

If such payment is not delivered to the County office which is described on said invoice within thirty (30) days after the date of the invoice, the County is entitled to recover interest thereon. Said interest shall be at the rate of seven (7) percent per annum or any portion thereof calculated from the last day of the month in which the services were performed.

13. Notwithstanding the provisions of Government Code Section 907, if such payment is not delivered to the County office which is described on said invoice within

thirty (30) days after the date of the invoice, the County may satisfy such indebtedness, including interest thereon, from any funds of any such City on deposit with the County without giving further notice to said City of County's intention to do so.

14. This Agreement shall become effective on the date herein-above first mentioned and shall run for a period ending June 30, 2021, and at the option of the City Council of the City, with the consent of the Board of Supervisors of County, shall be renewable thereafter for an additional period of not to exceed five (5) years.

15. In the event the City desires to renew this Agreement for said five-year period, the City Council shall not later than the last day of May 2021, notify the Board of Supervisors of County that it wishes to renew the same, whereupon the Board of Supervisors, not later than the last day of June 2021, shall notify the City Council in writing of its willingness to accept such renewal. Otherwise such Agreement shall finally terminate at the end of the aforescribed period.

Notwithstanding the provisions of this paragraph herein-above set forth, the County may terminate this Agreement at any time by giving thirty (30) days' prior written notice to the City. The City may terminate this Agreement as of the first day of July of any year upon thirty (30) days' prior written notice to the County.

16. This Agreement is designed to cover miscellaneous and sundry services which may be supplied by the County of Los Angeles and the various departments thereof. In the event there now exists or there is hereafter adopted a specific contract between the City and the County with respect to specific services, such contract with respect to specific services shall be controlling as to the duties and obligations of the parties anything herein to the contrary notwithstanding, unless such special contract adopts the provisions hereof by reference.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers.

Executed this _____ day of _____ 2016.

The City of Duarte,

By _____
Mayor

ATTEST:

City Clerk

THE COUNTY OF LOS ANGELES

By _____
Deputy

By _____
Chair, Board of Supervisors

ATTEST:

PATRICK OGAWA
Acting Executive Officer/Clerk
of the Board of Supervisors

By _____
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By _____
Deputy

MEMORANDUM

TO: Mayor and Councilmembers
FROM: Darrell J. George, City Manager
DATE: February 18, 2016
SUBJECT: Conference Attendance – City Council Meeting of February 23, 2016

Bethel Monrovia AME Church
Unity Celebration
Saturday, February 27, 2016
Monrovia Restaurant – Banquet Room
534 S. Myrtle Avenue, Monrovia 91016
Tickets: \$45.00

San Gabriel Valley Economic Partnership
Legislative Networking Reception
Thursday, March 24, 2016
Miller Coors Brewery
15801 First Street, Irwindale 91706
Cost: \$50.00

ICSC – International Council of Shopping Centers
RECon 2016 – Retail/Real Estate Conference
May 22-25, 2016
Las Vegas Convention Center & Westgate Hotel
3150 Paradise Road, Las Vegas, Nevada 89109
Registration: \$570 – Hotel \$139 - \$189/night



**BETHEL MONROVIA AME
CHURCH
Presents
The 2nd Annual**

**UNITY
CELEBRATION**



Date: 02/27/2016

Time: 6:30 PM

Monrovia Restaurant and Banquet Room
534 South Myrtle Avenue Monrovia, CA 91016

"Anyone who loves God must also love their brother and sister."

I John 4:20-21

A Night of Unity within Community! Dinner, Festivities and Fellowship. Our celebration includes a formal recognition program and dinner, showcasing unity by honoring former Mayor of Duarte Lois Gaston the perfect embodiment of our theme within Duarte and Monrovia! Our Guest Speaker will be Rev. Mark E. Whitlock, Jr., Pastor of Christ Our Redeemer AME Church in Irvine, CA.

Tickets: \$45.00

For Ticket Information/Reservation

P: 626-930-1120

E: bethelchurchmonrovia@gmail.com

Online Purchase Available

<https://www.eventbrite.com/e/2nd-annual-unity-celebration-tickets-20532512297>

16th Annual SGV Legislative Reception

MARCH 24 @ 4:00 PM - 6:00 PM PST

SAVE THE DATE

**16TH ANNUAL
LEGISLATIVE
NETWORKING
RECEPTION**

**Thursday, March 24, 2016
4:00 p.m. to 6:00 p.m.**

**MillerCoors Brewery
15801 1st Street, Irwindale, CA 91706**

\$50 Members (SGVEP or SGVCOG) | \$60 Non-members
RSVP: SGVLegislativeReception2016.eventbrite.com

Join us for this special event to network with the San Gabriel Valley's federal and state legislative delegation while sampling a wide selection of MillerCoors beers

Join us for this special event to network with the San Gabriel Valley's federal and state legislative delegation while sampling a wide selection of MillerCoors beers. Tickets are \$50 for members and \$60 for non-members.



RECON

May 22 – 25, 2016 | Las Vegas, NV
Las Vegas Convention Center & Westgate Hotel

Reconnect with prosperity and profits at ICSC's RECon 2016! RECon is the world's largest retail real estate exhibition and conference and is a must-attend event for shopping center industry executives, retailers, financial companies, and product and service providers. If you're in the shopping center industry, you can't afford to not attend RECon. When over 36,000 of the best and brightest in the industry come together, the opportunities are limitless.



PROGRAM-AT-A-GLANCE

SUNDAY | MAY 22 – PROFESSIONAL DEVELOPMENT DAY

- 9:30 am – 12:30 pm Educational Sessions
- 12:45 – 2:15 pm Opening Keynote Presentation and VIVA's Ceremony
- 2:30 – 5:00 pm Educational Sessions
- 5:30 – 7:00 pm U.S. MAXI Awards Ceremony
- 6:00 – 9:30 pm ICSC Foundation Gala Dinner
- 7:30 – 9:30 pm Opening Reception at XS Nightclub at Encore

MONDAY | MAY 23

- 8:00 am – 5:00 pm Leasing Mall/Marketplace Mall/SPREE RECon
- 9:00 am – 12:00 pm Educational Sessions
- 12:30 – 2:00 pm Lunch and Keynote Presentation
- 2:30 – 5:30 pm Educational Sessions

TUESDAY | MAY 24

- 8:00 am – 5:00 pm Leasing Mall/Marketplace Mall/SPREE RECon
- 9:00 am – 12:00 pm Educational Sessions
- 12:30 – 2:00 pm Lunch and Keynote Presentation
- 2:30 – 5:30 pm Educational Sessions

WEDNESDAY | MAY 25

- 8:00 am – 2:00 pm Leasing Mall/Marketplace Mall/SPREE RECon

All Educational Sessions and Keynote Presentations to be held in the Westgate Hotel (formerly the LVH).

Schedule is tentative and subject to change.



www.icscrecon.org | #RECon16

REGISTRATION FEES

Full Program:

	EARLY BIRD	ADVANCE	ON-SITE
Member*:	\$530	\$570	\$720
Non-Member:	\$1,120	\$1,120	\$1,430
Student Member**:	\$50	\$50	N/A

Access to the Full Program includes two lunches, receptions, Professional Development Day (Sunday), education and conference sessions on Monday and Tuesday, Leasing Mall, Marketplace Mall, and SPREE RECon.

* To qualify for the member rates, each registrant must be an ICSC member. A company membership does not entitle every employee of that company to register at the member rates.

** Students must register in advance to obtain the student rate. No student rates will be offered on-site.

Professional Development Day - Sunday, May 22:

ADVANCE/ON-SITE: \$250

This fee is for the **Professional Development Day** on Sunday, including all conference and education sessions. Those with Full Program Registration do NOT need to add on this fee, as it is included in your registration fee. Those who have a free Exhibitor, Marketplace Mall, MAXI or SPREE RECon badge and would like to attend Professional Development Day sessions, must register for this option.

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April 29, 2016 | Deadline to receive advance registration fee.

May 21, 2016 | Registrations will be accepted on-site in Las Vegas.

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Visit www.icscrecon.org to register online or download the registration form to mail or fax to ICSC.

All attendees and exhibitors are required to have an ICSC-issued color photo badge for access to the Convention. To submit a photo, visit www.icsc.org/myicsc.

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MEMORANDUM

TO: Mayor and City Council
FROM: Craig Hensley, Community Development Director *CH*
DATE: February 23, 2016
SUBJECT: Purchase and Sale Agreement for 956 Huntington Drive with Southern Pacific Realty Partners III, LLC

RECOMMENDATION: That the City Council of the City of Duarte authorize the approval of a purchase, pursuant to the Purchase and Sale Agreement ("PSA") attached as Exhibit A, of the property located at 956 Huntington Drive from Southern Pacific Realty Partners III, LLC ("Developer") to the City for its full fair market value of seven hundred forty five thousand dollars (\$700,000.00).

BACKGROUND AND DISCUSSION:

For the past several months, the City has been working with the developer to develop the successor agency properties at 946, 952, and 962 Huntington Drive and the property at 956 Huntington Drive that the developer has in escrow. The intent was that the successor agency would transfer its property to the City and the City would sell the property to the developer to accommodate a larger and more efficient development site.

The developer has chosen not to move forward with development of the site because of other obligations that would make a timely development of the site infeasible. Since the 956 Huntington Drive property is in escrow, the developer has agreed to close on that property and sell it to the City at the developer's cost, \$700,000 plus real estate costs that should not exceed and additional \$45,000.

Initially, the proposal was to have the developer demolish the property prior to sale, however, the City Attorney's office has recommended that the City cause the demolition after the property sale and after going through a public bidding process. It is estimated the demolition cost for the structure and improvements would cost an additional \$55,000.00. Staff will begin the bid process for demo of the structures and improvements as soon as the property sale is completed and will bring the item to the City Council for award of bid. That process should take about four to six weeks after the property is acquired.

This property assembly will result in the City having a valuable development asset that will total about 56,000 square feet (approx. 45,000 square feet in the 946, 952, and 962 Huntington Drive properties and 11,000 square feet in the 956 Huntington Drive piece.

Pursuant to the above-described terms of the approved agreement between the City and the Developer, the City Staff seeks approval from City Council to purchase the property located at 956 Huntington Drive. According to the terms of the PSA, the Developer must acquire fee title to the property prior to the close of escrow.

The City will then decide on an alternative means of selling and/or developing the assembled property, in accordance with the LRPMP.

FISCAL IMPACT: The purchase of the property located at 956 Huntington Drive will required the expenditure of approximately seven hundred forty five thousand dollars (\$745,000.00). Demolition cost after acquisition would add an additional approximately \$55,000.

ATTACHMENT: Exhibit A - Resolution approving Purchase and Sale Agreement
 Exhibit B - Purchase and Sale Agreement

RESOLUTION NO.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE
AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT
FOR THE PURCHASE OF THE PROPERTY AT 956 HUNTINGTON DRIVE
FROM SOUTHERN PACIFIC REALTY PARTNERS III, LLC TO THE CITY FOR
ITS FULL FAIR MARKET VALUE**

The City Council (the "City Council") of the City of Duarte, California (the "City"), hereby finds, determines, declares, and resolves as follows:

WHEREAS, the Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte ("Successor Agency") was duly created pursuant to Health and Safety Code Section 34173 and pursuant to Assembly Bill 1484 signed into law and effective June 27, 2012, the Successor Agency is a separate public entity; and

WHEREAS, the redevelopment dissolution law required that the Successor Agency create and obtain approval of a Long-Range Property Management Plan ("LRPMP") to address the disposition of all Successor Agency-owned properties; and

WHEREAS, the LRPMP was approved by the Successor Agency on August 27, 2013, by the Oversight Board on June 2, 2014, and by the Department of Finance on June 20, 2014; and

WHEREAS, one of the Successor Agency-owned properties identified in the LRPMP consists of three parcels located at 946, 952, and 962 Huntington Drive and designated as Assessor's Parcel Numbers 8530-013-902, 8530-013-903, and 8530-013-904 (the "Mountain Vista Site"); and

WHEREAS, the LRPMP indicates that the first choice for disposition of the Mountain Vista Site is the transfer of the Mountain Vista Site to the City for future development, which would involve a sale with the contingency that it be developed along with the property located at 956 Huntington Drive and designated as Assessor's Parcel Number 8530-013-009 (the "Property"); and

WHEREAS, the Successor Agency intends to transfer the Mountain Vista Site to the City; and

WHEREAS, the City negotiated with a developer for the sale of the Mountain Vista Site for its full fair market value, and said developer has also entered into an agreement for the purchase of the Property from a third party; and

WHEREAS, the City desires to purchase the Property from said developer at a price of approximately seven hundred thousand dollars (\$700,000) in order to create an assembled development site; and

WHEREAS, upon completion of the purchase the City will own the Mountain Vista Site and the Property.

NOW, THEREFORE, the City Council of the City of Duarte does resolve, declare, determine, and order as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The City approves and authorizes the execution of the Purchase and Sale Agreement for purchase of the Property in substantially the form attached as Exhibit A hereto.

Section 3. The officers, employees, and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

PASSED, APPROVED, AND ADOPTED this 23rd day of February, 2016.

Mayor Sam Kang

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 16-R-07 was adopted by the City Council of the City of Duarte at a regular meeting of said Council held on the 23rd day of February, 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Escrow Instructions ("**Agreement**") is entered into on February __, 2016 ("**Effective Date**") by Southern Pacific Realty Partners III, LLC, a Delaware limited liability company which was established to acquire and develop the property and is affiliated with Genton Property Group, LLC ("**Seller**"), and the City of Duarte, a California municipal corporation ("**Buyer**"). Buyer and Seller are hereinafter individually referred to as a "**Party**" and collectively as the "**Parties**."

PREAMBLE

A. Pursuant to a presently-pending escrow, Seller shall become the owner of certain real property in the City of Duarte ("**City**"), County of Los Angeles ("**County**"), State of California, located at 956 Huntington Drive, Duarte, California 91010, designated Assessor's Parcel Number 8530-013-009, and described and depicted on **Exhibit "A"** ("**Property**").

B. Upon securing fee title to the Property, Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller in accordance with the provisions of this Agreement.

THEREFORE, Seller and Buyer agree as follows:

1. Purchase and Sale; Purchase Price.

1.1 **Purchase and Sale.** Seller shall sell the Property to Buyer and Buyer shall purchase the Property from Seller subject to the terms and conditions set forth in this Agreement.

1.2 **Purchase Price.** The purchase price of the Property including the "Property Rights" (as defined in Section 2.8 below) is SEVEN HUNDRED THOUSAND DOLLARS (\$700,000) ("**Purchase Price**").

2. Escrow.

2.1 **Escrow Instructions.** Within seven (7) days after the Effective Date, the Parties will open an escrow ("**Escrow**") with Susan Coon, Vice President, First American Title Insurance Company, 777 S. Figueroa Street, Fourth Floor, Los Angeles, CA 90017, Telephone: (213) 271-1763, Email: SCoon@firstam.com ("**Escrow Holder**") for the purchase and sale of the Property. The "**Opening of Escrow**" shall mean the date on which a fully executed copy of this Agreement and Buyer's "Deposit" (as defined below) have been delivered by Buyer to Escrow Holder. Escrow Holder shall confirm the Opening of Escrow to the Parties in writing. This Agreement constitutes joint escrow instructions to Escrow Holder. The Parties agree to execute such additional instructions consistent with the provisions of this Agreement which may be required by Escrow Holder. As between the Parties, Buyer and Seller agree that, if there is any conflict between the terms of this Agreement and any Escrow instructions required by Escrow Holder, the terms of this Agreement shall control. Buyer and Seller shall each furnish Escrow

Holder with their respective Federal Tax Identification Numbers and such other information as is reasonably required by Escrow Holder.

2.2 Payment of Purchase Price. The Purchase Price for the Property shall be payable as follows:

2.2.1 Deposit. Within three (3) business days following the Opening of Escrow, Buyer shall deliver to Escrow Holder in immediately available funds, the sum of ONE HUNDRED DOLLARS (\$100) ("**Deposit**"). If requested by Buyer, the Deposit shall be placed by Escrow Holder in an interest bearing account with interest accruing for the benefit of Buyer.

2.2.2 Memorandum. Concurrently with the delivery of an executed copy of this Agreement to Escrow Holder, Buyer shall deliver to Escrow Holder a fully executed and acknowledged copy of a Memorandum of Sale Agreement substantially in the form attached hereto and incorporated herein as **Exhibit "B"** ("**Memorandum**"). On the business day following the date on which Buyer makes the Deposit, Escrow Holder shall record against the Property the Memorandum.

2.2.3 Payment at Closing. If Seller has deposited into Escrow all documents and amounts required of Seller to close Escrow, including without limitation, the "Grant Deed" (as defined in Section 2.11.1 below) and complied with all of Seller's other obligations under this Agreement, then on or before the "Closing Date" (as defined in Section 2.3 below) so as not to delay the "Close of Escrow" (as defined in Section 2.3 below), Buyer shall deposit into Escrow the following in the form of cash, or a confirmed wire transfer of funds, or a certified or bank cashier's check drawn on or issued by a financial institution with offices located in the State of California: (a) the balance of the Purchase Price (Purchase Price less the Deposit and any other credits to Buyer under this Agreement) and (b) Buyer's share of Escrow closing costs pursuant to the preliminary Escrow closing statement furnished by Escrow Holder as provided below; provided, however, that Buyer's share Escrow closing costs shall not exceed FORTY FIVE THOUSAND DOLLARS (\$45,000).

2.3 Close of Escrow. Subject to Sections 2.3.1 and 2.3.2, Escrow for the sale of the Property shall close on a date ("**Closing Date**") which is within ten (10) days after the date all of the Seller Conditions to Closing and the Buyer Conditions to Closing (other than the conditions on the delivery of documents and funds into Escrow, which shall occur during said 10-day period) are satisfied, or waived by the benefited party, but in no event later than the date that is ninety (90) days after the Opening of Escrow ("**Outside Closing Date**"). If a Party is not in a position to know whether or not a condition precedent has been satisfied, then the Party that is aware of the status of the condition shall immediately notify the other Party. As used in this Agreement, "**Close of Escrow**" shall mean the date on which the Grant Deed conveying title to the Property to Buyer is recorded.

2.3.1 Conditions Precedent to Buyer Obligation to Close. In addition to any other condition set forth in this Agreement in favor of Buyer, Buyer shall have the right to condition its obligation to purchase the Property and close the Escrow upon the satisfaction, or written waiver by Buyer, of each of the following conditions precedent on the Closing Date or such earlier time as provided for herein (collectively, the "**Buyer Conditions to Closing**");

(1) **Title Policy.** Escrow Holder has issued or committed to issue Buyer the "Title Policy" (as defined in Section 2.6 below) showing title vested in Buyer subject only to "Permitted Exceptions" (as defined in Section 2.5 below).

(2) **Representations and Warranties.** Each of Seller's representations and warranties in this Agreement are materially true and accurate as of the Close of Escrow.

(3) **Seller Obligations.** Seller is not in material default under this Agreement and each material obligation of Seller to be performed prior to the Close of Escrow, has been performed as required, including, without limitation the delivery of all documents required of Seller under this Agreement.

(4) **Acquisition.** Immediately prior to the Close of Escrow, Seller is the owner in fee title to the Property.

(5) **Possession.** Seller is able, at the Close of Escrow, to deliver possession of the Property and Property Rights to Buyer in accordance with this Agreement.

2.3.2 Conditions Precedent to Seller Obligation to Close. In addition to any other condition set forth in this Agreement in favor of Seller, Seller shall have the right to condition its obligation to convey the Property to Buyer and close the Escrow upon the satisfaction, or written waiver by Seller, of each of the following conditions precedent on the Closing Date or such earlier time as provided for herein (collectively, the "***Seller Conditions to Closing***"):

(1) **Representations and Warranties.** Each of Buyer's representations and warranties set forth in this Agreement are materially true and accurate as of the Close of Escrow.

(2) **Buyer's Obligations.** Buyer is not in material default under this Agreement, and each material obligation of Buyer to be performed prior to the Close of Escrow hereunder has been performed as required.

(3) **Possession.** Seller is able, at the Close of Escrow, to deliver possession of the Property and Property Rights to Buyer in accordance with this Agreement.

(4) **Delivery of Document and Funds.** Buyer shall have timely executed and deposited into Escrow all escrow and closing documents required to be submitted by Buyer in order to accomplish the close of Escrow for the Property. Buyer shall have deposited with Escrow Holder the Purchase Price and the escrow and closing costs for which Buyer is responsible to pay and all other sums required of Buyer by this Agreement.

2.3.3 Satisfaction of Conditions. Where satisfaction of any of the foregoing conditions requires action by Buyer or Seller, each party shall use its diligent efforts, in good faith, and at its own cost, to satisfy such condition.

2.3.4 **Waiver.** Seller may at any time or times, at its election, waive any of the Seller Conditions to Closing set forth in Section 2.3.2 above to its obligations hereunder, but any such waiver shall be effective only if contained in a writing signed by Seller and delivered to Buyer. Buyer may at any time or times, at its election, waive any of the Buyer Conditions to Closing set forth in Section 2.3.1 above to its obligations hereunder, but any such waiver shall be effective only if contained in a writing signed by Buyer and delivered to Seller.

2.3.5 **Termination.** In the event each of the Seller Conditions to Closing set forth in Section 2.3.2 is not fulfilled on or before the Outside Closing Date or such earlier time period as provided for herein or waived by Seller pursuant to Section 2.3.4, and provided Seller is not in default of this Agreement, Seller may at its option terminate this Agreement and the Escrow opened hereunder. In the event that each of the Buyer Conditions to Closing set forth in Section 2.3.1 is not fulfilled on the Closing Date or such earlier time period as provided for herein or waived by Buyer pursuant to Section 2.3.4, and provided Buyer is not in default of this Agreement, Buyer may at its option terminate this Agreement and the Escrow opened hereunder. No termination under this Agreement shall release either Party then in default from liability for such default. In the event this Agreement is terminated, all documents delivered by Seller to Buyer or Escrow Holder shall be returned immediately to Seller and all documents delivered by Buyer to Seller or Escrow Holder shall be returned immediately to Buyer.

2.4 **Escrow Cancellation.**

2.4.1 **Charges.**

(1) **Seller's Default.** If Escrow fails to close due to Seller's default and this Agreement is terminated, Seller shall pay all Escrow cancellation charges. "**Escrow cancellation charges**" means all fees, charges and expenses charged or passed on to the Parties by Escrow Holder, including all title expenses.

(2) **Buyer's Default.** If Escrow fails to close due to Buyer's default and this Agreement is terminated, Buyer shall pay all Escrow cancellation charges.

(3) **No Default.** If Escrow fails to close and this Agreement is terminated for any reason other than a default by one of the Parties, Buyer shall pay any Escrow cancellation charges, and each Party shall be deemed to have released the other Party from all liability for the failure of Escrow to close.

The foregoing shall not be deemed an election of remedies by Buyer or limit any remedies available to Buyer.

2.4.2 **Deposit.** If Escrow fails to close and this Agreement is terminated due to Seller's default or any reason other than a default by Buyer, the Deposit shall immediately be returned to Buyer; provided, however, that the foregoing shall not constitute an election of remedies by Buyer. If Escrow fails to close due to Buyer's default and this Agreement is terminated, Seller shall retain the Deposit pursuant to Section 6 below.

2.5 **Permitted Exceptions to Title.** As soon as reasonably possible after the Opening of Escrow, Escrow Holder shall cause Susan Coon, Vice President, First American Title

Insurance Company, 777 S. Figueroa Street, Fourth Floor, Los Angeles, CA 90017, Telephone: (213) 271-1763, Email: SCoon@firstam.com, in its capacity as title insurer ("**Title Company**"), to deliver to Buyer and Seller a current preliminary title report ("**Title Report**") together with legible copies of all underlying documents referenced therein (together with the Title Report, the "**Title Documents**"). The term "**Permitted Exceptions**" as used in this Agreement shall mean all of the following: (a) the Grant Deed, (b) non delinquent real property taxes and assessments; (c) items and exceptions created by or with the written consent of Buyer, including documents to be recorded pursuant to this Agreement and (d) the title exceptions shown on the Title Report but excluding any (i) "Disapproved Exceptions" as defined below that Seller, in its sole discretion, agrees to remove prior to the Close of Escrow as provided below and (ii) all monetary liens and monetary encumbrances on the Property, other than non-delinquent real property taxes and assessments which will be removed (meaning removal from title and not the issuance of an endorsement in connection therewith by the Title Company) from title by Seller at its sole cost and expense prior to the Close of Escrow. If Buyer objects to any title exceptions ("**Disapproved Exceptions**") Buyer shall deliver written notice ("**Objection Notice**") of same to Seller during the Feasibility Period. If Buyer fails to deliver an Objection Notice but delivers a "Notice of Approval" (as defined in Section 4.2 below) Buyer shall be deemed to have approved title to the Property subject to the Permitted Exceptions. If Buyer delivers an Objection Notice and Seller, by delivery of written notice to Buyer within five (5) business days following receipt of the Objection Notice elects not to remove a Disapproved Exception (Seller's failure to respond to a Buyer Objection Notice shall be deemed such an election) Buyer's sole remedies shall be under Section 4.2 with respect to the delivery of a Notice of Approval or delivery or deemed delivery of a Notice of Termination and refund of all of the Deposit delivered into Escrow and all interest accrued thereon.

2.6 **Title Insurance.** Seller shall cause the Title Company to commit to issue to Buyer at the Close of Escrow a standard coverage ALTA owner's policy of title insurance with mechanics lien endorsement (Seller shall provide any indemnity or other agreement required by the Title Company as a condition to the issuance of the mechanics lien endorsement) ("**Title Policy**") insuring fee title to the Property vested in Buyer subject only to the Permitted Exceptions, with coverage in an amount equal to the Purchase Price. If Buyer requires an extended coverage ALTA owner's policy of title insurance Buyer shall pay the difference in cost between the standard and extended coverage and the cost of any endorsements ("**Buyer Title Costs**"). Seller shall only be responsible for that portion of the cost of the Title Policy equal to the cost of a standard coverage title policy ("**Seller Title Costs**").

2.7 **Possession.** Seller shall deliver possession of the Property to Buyer at the Close of Escrow subject only to the Permitted Exceptions and free of any tenancies and/or third party claims of use or ownership.

2.8 **Property Rights.** Effective as of the Close of Escrow, without the need for any additional documentation, unless required below, to the extent assignable, Seller assigns, transfers and conveys to Buyer all of Seller's right, title and interest in the following ("**Property Rights**"):

2.8.1 **Development Rights and Entitlements.** All tangible and intangible items related to the acquisition, use, development, design, construction, permitting,

and entitlement of the Property, including without limitation, the following: tentative and final maps; grading plans and other improvement plans (including architectural and engineering designs, drawings, plans, studies and reports); plan check fees, impact fees, development fees, prepaid water fees and other sums that have been deposited with or paid to the applicable governmental authority; any utility company or private party relating to the permitting or development of the Property; any and all other permits, licenses and authorizations of any kind, whether approved or in process; any and all other land use entitlements, development rights, sewer and water capacity, trip generation rights, density allocations and other rights or approvals relating to or authorizing the development of the Property; all studies, tests, contracts, plans and specifications (including architectural designs, drawings and plans) relating to the Property; all rights under recorded covenants, conditions and restriction and all proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the foregoing.

2.8.2 Personal Property. All right, title and interest of Seller, if any, in and to all tangible personal property owned by Seller now existing and placed or installed on or about the Property and used in connection with the ownership, operation, management, maintenance and/or repair of the Property.

2.8.3 Contract Rights. To the extent assignable, all right, title, and interest of Seller, if any, in and to any and all warranties, guarantees and indemnities (including, without limitation, those for workmanship, materials and performance), whether or not written, related in any way to the Property and/or the matters described in 2.8.1 and 2.8.2 above, including, without limitation, construction warranties, guaranties and indemnities from, by or against any contractors, subcontractors, laborers or supplier of labor, materials or other services relating to the Property pursuant to agreements respecting the Property ("**Contracts**"). The foregoing shall not include any obligations of Seller under any Contracts nor shall it constitute an assumption by Buyer of any obligations of Seller under any Contract, including, without limitation, the obligation to pay any fees, costs or charges of any kind there under.

2.8.4 Other Related Matters. All right, title and interest of Seller, if any, in and to all patents, licenses, trademarks, service marks and names used in connection with the operation of the Property, and all symbols, emblems with the operation of the Property, and all symbols, emblems and logos used in connection with the ownership or operation of the Property, and irrespective of size, and all of Seller's right, title and interest in and to all goodwill associated therewith

2.8.5 General. The foregoing assignment is without representation or warranty except as provided in this Agreement or any exhibit to this Agreement and all Property Rights consisting of materials prepared by Seller or third parties at the request of Seller shall be delivered to Buyer lien free and freely usable by Buyer at its discretion without the payment of any fee, cost or charge. Seller shall execute all additional documentation necessary to evidence the foregoing assignments as reasonably required by Buyer, any applicable governmental authority, and/or applicable third party.

2.9 Taxes, Assessments and Pro rations.

2.9.1 Taxes. All current general and special taxes and assessments on the Property shall be prorated by Escrow Holder based upon the latest available information as shown in the tax statements provided to Escrow Holder by Seller, using customary escrow procedures. Seller shall provide Buyer with written evidence of the payment or satisfaction of such taxes. Should the Property be part of a larger tax parcel ("**Assessment Parcel**") which as of the Close of Escrow remains unsegregated on the County Tax Assessor's Roll for the ensuing fiscal year, Escrow Holder shall charge Buyer and credit Seller for taxes and assessments allocated to the Property (based on unimproved value) based on the percentage of the total acreage of the Assessment Parcel located on the Property, which acreage figures for allocation purposes shall be fairly and equitably determined and supplied to Escrow Holder by Buyer and Seller. Buyer and Seller shall cooperate in good faith to cause the Property to be separately assessed and segregated in Buyer's name on the current tax roll. Any real property taxes or assessments levied under the Supplemental Tax Roll as a result of the sale of the Property to Buyer, shall be the responsibility of Buyer. Any real property taxes or assessments levied under the Supplemental Tax Roll as a result of transfers, improvements or other occurrences before the Close of Escrow shall be the responsibility of Seller.

2.9.2 General. All pro rations provided for herein shall be on an "actual day" basis and a three hundred sixty-five (365) day year. The provisions of this Section shall survive Close of Escrow. If either Party fails to pay its pro rata share of taxes or other expenses by the times herein provided, interest shall accrue on all unpaid amounts from when owing until paid at the maximum rate allowed by law. Any errors or omissions made in calculating adjustments and prorations shall be corrected promptly upon the discovery thereof. If any estimations are made at the Close of Escrow regarding adjustments or prorations, the Parties shall make the appropriate correction promptly when accurate information becomes available. Any corrected adjustment or proration shall be paid in cash to the Party entitled thereto within ten (10) days after written request therefor and if not so paid interest shall accrue and be payable on same at the maximum rate allowed by law.

2.10 Closing Costs. Buyer shall pay the Buyer Title Costs, Escrow Holder's fee and any other costs that in Escrow Holder's opinion are customarily borne by buyers of real property in the County; provided, however, that Buyer's share Escrow closing costs shall not exceed FORTY FIVE THOUSAND DOLLARS (\$45,000). Seller shall pay for the cost of recording the documents described in Section 2.11, the documentary transfer tax, the Seller Title Costs, and any other costs of Seller specified in this Agreement or which in the opinion of Escrow Holder are customarily borne by sellers of real property in the County. At least three (3) business days prior to the Closing Date Escrow Holder shall furnish Buyer and Seller with a preliminary Escrow closing statement which shall include each Party's respective share of costs. The preliminary closing statement shall be approved in writing by Buyer and Seller. As soon as reasonably possible following the Close of Escrow, Escrow Holder shall deliver a copy of the final Escrow closing statement to Buyer and Seller.

2.11 Recordation and Delivery of Documents. No later than 12:00 p.m. on the business day immediately prior to the Closing Date, Buyer and Seller, as applicable, will deposit into Escrow the following documents (with the documents that are to be recorded in the following order and delivered as provided below):

2.11.1 **Grant Deed.** One (1) fully executed and acknowledged copy of the grant deed conveying the Property to Buyer, on Title Company's standard form or in the form attached to this Agreement as Exhibit "C" ("**Grant Deed**"). Conformed copies of the recorded Grant Deed shall be returned to Buyer and Seller as soon as possible.

2.11.2 **Withholding Exemption Certificates.** One (1) completed and executed copy of the following: Non-foreign Transferor Declaration; Preliminary Change in Ownership Report, Internal Revenue Service Form 1099-S, and California Franchise Tax Board Form 593 and any other applicable state tax withholding forms, as applicable, as applicable.

As soon as reasonably possible following the Close of Escrow, Escrow Holder shall deliver copies of all closing documents, including, without limitation, those listed above, the Title Policy, any additional escrow instructions and the final Escrow closing statement, to Seller's counsel and Buyer's counsel.

2.12 **Seller's Proceeds.** At the Close of Escrow, subject to Section 2.13 below, Escrow Holder is directed to wire funds representing Seller's cash proceeds through Escrow to Seller's account as directed in separate written instructions to be provided by Seller.

2.13 **Cal-FIRPTA Withholding.** Unless this transaction is exempt under California Revenue and Taxation Code Sections 18805 and 26131, Escrow Holder shall be the "withholding agent" and withhold from proceeds due Seller any amounts required under the above code sections to be withheld by Buyer and pay same to the California Franchise Tax Board or Internal Revenue Service in accordance with applicable law.

2.14 **Additional Documents.** Seller shall execute and deliver to Escrow any other documents reasonably required by Escrow Holder including, without limitation, Seller's affidavits or statements regarding mechanics liens and/or tenants or parties in possession.

2.15 **Termination of Property Contracts.** Seller shall terminate any service contracts or similar agreement relating to the Property which the Buyer does not elect in writing to assume which termination shall be effective as of the Close of Escrow.

3. **Real Estate Brokerage Commission.** Buyer and Seller agree to indemnify, defend and hold each other free and harmless from and against all costs and liabilities, including without limitation reasonable attorneys' fees and the costs and expenses of litigation, for causes of action or proceedings in any way related to or resulting from interactions and/or transactions with any broker, agent or finder in connection with the Property, and/or in any way related to or result from any obligation to pay any other real estate brokerage or other commission or fee in connection with the conveyance of the Property to Buyer.

4. **Investigation by Buyer.**

4.1 **Feasibility.** Within five (5) business days following the execution of this Agreement, Seller shall deliver to Escrow Holder and Buyer copies of all documents as may be necessary to evidence to Escrow Holder and Buyer that the execution, delivery and performance of this Agreement have been duly authorized by Seller ("**Authority Documents**"). Seller will promptly furnish Escrow Holder and Buyer with copies of any revisions or supplements to the

Authority Documents. The "**Property Approval Date**" shall be the date which is thirty (30) days after the opening of Escrow. Commencing on the opening of Escrow and, subject to Section 4.2 below, continuing for a period ("**Feasibility Period**") expiring at 5:00 p.m. on the Property Approval Date, Buyer, at its sole cost and expense, shall have the right to conduct such independent investigations as it deems necessary or appropriate concerning Buyer's proposed use, sale, operation, development or the suitability of the Property for Buyer's intended purposes, including but not limited to development approvals required from the applicable Governmental Authorities, economic feasibility studies, and those matters described in Section 5.1 below. Buyer shall be entitled to conduct customary tests, surveys and other physical examinations of the Property, including any environmental and hazardous materials assessment(s) that Buyer elects to perform. Any costs incurred by Buyer in examining and investigating the Property shall be at Buyer's sole cost and expense.

4.2 **Buyer Approval/Disapproval.** If Buyer determines, in its sole and absolute discretion, for any reason, that it does not wish to acquire the Property, then Buyer may, terminate this Agreement and cancel Escrow by delivering to Escrow Holder and Seller prior to 5:00 p.m. on the Property Approval Date, written notice terminating this Agreement ("**Notice of Termination**"), whereupon this Agreement shall automatically terminate and neither Party shall have any further obligation or responsibility hereunder or liability of any nature or amount whatsoever, other than Buyer's indemnity obligations under Section 4.3 below and the payment of Escrow cancellation charges, and all of the Deposit delivered into Escrow and all interest accrued thereon shall be immediately refunded to Buyer. If Buyer approves the Property, Buyer shall deliver written notice of such approval ("**Notice of Approval**") to Seller and Escrow Holder prior to 5:00 p.m. on the Property Approval Date, in which case this Agreement shall remain in full force and effect subject to its terms and conditions. If Buyer does not so deliver a Notice of Termination or a Notice of Approval prior to 5:00 p.m. on the Property Approval Date, Seller shall send Buyer written notice of such failure and if by the date ("**Termination Date**") that is three (3) business days following receipt of such written notice (and the Property Approval Date shall be extended to the Termination Date) Buyer still has not delivered a Notice of Termination or Notice of Approval, Buyer shall be deemed to have delivered a Notice of Termination, in which case this Agreement shall automatically terminate, Escrow shall be cancelled and the Deposit, less Escrow cancellation fees shall be immediately refunded to Buyer. Notwithstanding anything contained in this Agreement to the contrary, if Buyer delivers the Notice of Approval Notice to Seller prior to 5:00 p.m. on the Property Approval Date Buyer shall continue to have the right to conduct any and all inspections, tests, studies, due diligence and investigations that Buyer was otherwise permitted to perform under this Agreement prior to the Property Approval Date however the conduct of those investigations and/or Buyer's acceptance or approval of the results thereof, except as otherwise provided in this Agreement, shall not be a condition to Buyer's obligations under this Agreement.

4.3 **License.** Seller hereby grants to Buyer and its agents a nonexclusive license to enter the Property during the term of the Escrow for the purpose of conducting feasibility studies, environmental studies and other physical examinations of the Property; provided that Buyer shall not be entitled to unreasonably interfere with the activities of Seller with respect to the Property. Prior to any such entry by Buyer on the Property, Buyer shall deliver a certificate of insurance to Seller indicating that Buyer maintains general liability insurance coverage in the amount of not less than ONE MILLION DOLLARS (\$1,000,000) with

Seller reflected as an additional insured. Buyer shall comply with all applicable laws and governmental regulations in performing activities on the Property. Buyer shall indemnify, defend and hold Seller and the Property free and harmless from all loss, damage or liability (including without limitation reasonable attorneys' fees and costs of litigation) arising from the activities of Buyer, its agents and employees, on the Property, and from all mechanics', materialmen's and other liens resulting from any such conduct; provided that the foregoing indemnity shall not apply to any loss, damage or liability (a) to the extent caused by the active negligence or willful misconduct of Seller or its agents or representatives or (b) caused solely by the discovery by Buyer of a condition or substance (but not Buyer's deposit of same on the Property) including without limitation diminution in value of the Property.

5. Additional Agreements.

5.1 **Buyer's Investigation.** Buyer shall be entitled to conduct such independent investigations as Buyer deems necessary or appropriate concerning (i) Buyer's proposed use, sale, development or suitability for development of the Property; (ii) the condition and all other attributes of the Property, including, without limitation all improvements located thereon; (iii) applicable laws, statutes, rules, regulations, ordinances, limitations, restrictions or requirements concerning the use, density, location or suitability of the Property or any existing or proposed development or condition thereof, including but not limited to zoning, subdivision and other regulations (collectively, the "**Regulations**"); (iv) the necessity or availability of any specific plan or general amendments, rezoning, zone variances, conditional use permits, building permits, environmental impact reports, subdivision maps, public reports issued by the California Bureau of Real Estate ("**BRE**") (it shall be Buyer's obligation, if applicable, to obtain all required public reports as a condition to offering homes to purchasers) and all other governmental permits, approvals or acts (collectively, the "**Permits**"); (v) the necessity and existence of all dedications, fees, charges, costs, or assessments which may be imposed by any applicable governmental authority in connection with the proposed development of the Property; (vi) the value of the Property; (vii) the availability or adequacy of access to the Property, or of water, sewage, gas, electrical or other utilities serving the Property and (viii) the presence or adequacy of infrastructure or other improvements on, near or concerning the Property.

5.2 Warranties.

5.2.1 **Seller's Warranties.** In consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Property from Seller, Seller makes the following representations and warranties which shall be true and correct as of the opening of Escrow and the Close of Escrow and each of which is material and being relied upon by Buyer. For all purposes of this Agreement, including Seller's representations and warranties contained in this Section 5.2.1, the phrase "**to the best of Seller's knowledge**" shall mean the current actual knowledge of Seller, without duty of inquiry or investigation. If prior to the Close of Escrow Buyer determines that any representation or warranty of Seller is untrue, inaccurate or incomplete in any material respect (and without waiving any of Buyer's rights or remedies hereunder at law or in equity with respect to any material untruth, incompleteness or inaccuracy existing on the Effective Date, that was known of or should have been known of by Seller), Buyer may give Seller written notice of same and Seller shall have seven (7) days from the date of receipt of Buyer's notice (and the Closing Date shall be extended to permit the running of

such seven (7) day period) ("**Seller Cure Period**") to correct any fact or circumstance that makes such, representation or warranty materially untrue or inaccurate to Buyer's reasonable satisfaction. If Seller fails to make such correction within the Seller Cure Period, then Buyer by written notice to Seller within three (3) days after the expiration of the Seller Cure Period (and the Closing Date shall be extended to permit the running of such three (3) day period) shall be entitled (a) to terminate this Agreement and obtain a full refund of the Deposit in which case Seller shall reimburse Buyer for all third party costs incurred by Buyer in connection with the investigation and/or development/entitlement of the Property or (b) continue this Agreement in full force and effect with no change in terms, but without waiving any legal, equitable or other remedies it may have against Seller. The foregoing is not a waiver or release of any of Buyer's rights or remedies for any material untruth, incompleteness or inaccuracy in a representation or warranty of Seller of which Buyer obtains knowledge after the Close of Escrow.

(1) **Authorization.** Seller is a limited liability company duly formed and validly existing under the laws of the State of California and is qualified to transact business in the State of California. Seller has full power and authority to enter into this Agreement and to perform all of its obligations hereunder, and has taken all action required by law, its governing instruments or otherwise to authorize the execution, delivery and performance of this Agreement. Each individual who has executed this Agreement on behalf of Seller has the right, power, legal capacity and authority to execute, deliver and perform this Agreement on behalf of Seller.

(2) **Conflicting Agreements.** To the best of Sellers' knowledge, neither the execution or delivery of this Agreement, nor the consummation of the transaction contemplated herein, will conflict with, or result in a breach of, any contract, license or undertaking to which Seller is a party or by which Seller or any of the Property is bound, or constitute a default thereunder. In addition, to the best of Seller's knowledge, with respect to any agreements which affect the Property, neither Seller nor any other party or parties to such agreements are in default thereunder nor are there any facts that currently exist which with the passage of time would result in any such default. To the best of Seller's knowledge, the Property is not subject to any prescriptive easements, claims of adverse possession, encroachments or similar rights or claims. In addition, to the best of Seller's knowledge, except as otherwise disclosed in this Agreement, the Property is not subject to any leases, options or other similar rights or claims in favor of any third parties. The Property is not subject to a Williamson Act contract or any similar agricultural agreement.

(3) **Proceedings.** To the best of Seller's knowledge, no legal or administrative proceeding is pending or threatened against Seller or the Property nor are there any other facts or circumstances which would adversely affect (i) Seller's right to convey title to the Property to Buyer as contemplated in this Agreement or (ii) Buyer's ability to own, develop and/or market the Property in the manner disclosed by Buyer to Seller. To the best of Seller's knowledge, there are no condemnation or eminent domain proceedings pending or threatened with respect to the Property.

(4) **Binding Agreement.** This Agreement constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms,

except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other principles relating to or limiting the rights of contracting parties generally.

(5) **Violations of Law.** To the best of Seller's knowledge, on the Effective Date and Close of Escrow neither this Agreement nor the Property shall be in violation of any law, ordinance, rule regulation, or administrative or judicial order.

(6) **Assumed Obligations.** To the best of Seller's knowledge, with the exception of obligations or responsibilities of Seller that are expressly assumed by Buyer in this Agreement, there are no obligations or responsibilities of Seller with respect to the Property or otherwise of any kind that are assumed by Buyer.

(7) **Ownership of Property.** During the period between the Opening of Escrow and the Close of Escrow, and subject to the Approved Exceptions, Seller is the sole and only party that owns or holds any interest in the Property.

(8) **Other Agreements.** Except as required by local, state, or federal law or regulation, Seller has not made any commitment or representation to or entered into any agreement of any kind with any government authority, or any adjoining or surrounding property owner, group or other third party, which be binding on Buyer, and Seller will not make any such representations or warranties or enter into any such agreements which would affect the Property or any portion thereof prior to the Close of Escrow, without Buyer's written consent.

(9) **Bankruptcy.** No "Bankruptcy Event" (as defined below) has occurred with respect to Seller. There is not pending or threatened any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or recomposition of Seller or seeking appointment of a receiver, trustee, custodian or similar official for Seller for all or any substantial part of its assets. "Bankruptcy Event" means (a) the making by a person of a general assignment for the benefit of such person's creditors, (b) the admission in writing by a person of its inability to pay its or their debts as they mature, (c) an attachment, execution or other judicial seizure of any property interest which remains in effect, or (d) the failure to have taken or submission to any action indicating a general inability by a person to meet its financial obligations as they accrue.

5.2.2 **Buyer's Warranties.** In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property to Buyer, Buyer makes the following representations and warranties which shall be true and correct as of the Effective Date and the Close of Escrow and each of which is material and being relied upon by Seller. If prior to the Close of Escrow Seller determines that any representation or warranty of Buyer is untrue, inaccurate or incomplete in any material respect (and without waiving any of Seller's rights or remedies hereunder at law or in equity with respect to any material untruth, incompleteness or inaccuracy existing on the Effective Date, that was known of or should have been known of by Buyer), Seller may give Buyer written notice of same and Buyer shall have seven (7) days from the date of receipt of Seller's notice (and the Closing Date shall be extended to permit the running of such seven (7) day period) ("**Buyer Cure Period**") to correct any fact or circumstance that makes such, representation or warranty materially untrue or inaccurate to Seller's reasonable satisfaction. If Buyer fails to make such correction within the Buyer Cure Period, then Seller by

written notice to Buyer within three (3) days after the expiration of the Buyer Cure Period (and the Closing Date shall be extended to permit the running of such three (3) day period) shall be entitled (a) to terminate this Agreement and retain the Deposit in which case Buyer shall reimburse Seller for all third party costs incurred by Seller in connection with the negotiation and preparation of this Agreement or (b) continue this Agreement in full force and effect with no change in terms, but without waiving any legal, equitable or other remedies it may have against Buyer. The foregoing is not a waiver or release of any of Seller's rights or remedies for any material untruth, incompleteness or inaccuracy in a representation or warranty of Buyer of which Seller obtains knowledge after the Close of Escrow.

(1) **Authorization.** To the best of Buyers' knowledge, Buyer has full power and authority to enter into this Agreement and to perform all its obligations hereunder, and has taken all action required by law, its governing instruments or otherwise to authorize the execution, delivery and performance of this Agreement by Seller. To the best of Buyers' knowledge, each individual or entity who has executed this Agreement on behalf of Buyer has the right, power, legal capacity and authority to execute, deliver and perform this Agreement on behalf of Buyer.

(2) **Conflicting Agreements.** Neither the execution or delivery of this Agreement, nor the consummation of the transaction contemplated herein, will conflict with, or result in a breach of, any contract, license or undertaking to which Buyer is a party or by which Buyer is bound, or constitute a default thereunder.

(3) **Proceedings.** To the best of Buyer's knowledge, no legal or administrative proceeding is pending or threatened against Buyer nor are there any other facts or circumstances which would adversely affect Buyer's ability to own, develop and/or market the Property in the manner contemplated by this Agreement.

(4) **Bankruptcy.** No Bankruptcy Event has occurred with respect to Buyer nor any member or manager of Buyer. There is not pending or threatened any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or recomposition of Buyer or any member or manager of Buyer or seeking appointment of a receiver, trustee, custodian or similar official for Buyer or any member or manager of Buyer for all or any substantial part of its or their assets.

(5) **Binding Agreement.** This Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other principles relating to or limiting the rights of contracting parties generally.

(6) **Material Change.** Buyer shall promptly notify Seller if Buyer obtains information that would make any of the representations or warranties contained in this Section 5.2.2 materially inaccurate or misleading.

5.2.3 Natural Hazard Zone Disclosure. No later than seven (7) business days prior to the Property Approval Date, the Seller will, at its sole cost and expense, provide Buyer with a Natural Hazard Zone Disclosure required by applicable law.

5.2.4 Exclusions.

(a) Notwithstanding this Section 5.2 or any other provision in this Agreement to the contrary, nothing in this Agreement shall relieve Seller of its liability for (a) any breach of Seller's representations and warranties contained in this Agreement and/or documents executed and delivered by Seller at or contemporaneously with the Close of Escrow, (b) any breach by Seller of its covenants in this Agreement, (c) Seller's fraud, (d) any matter for which Buyer is to be indemnified by Seller under this Agreement, (e) any of Seller's liabilities to third persons or obligations to third parties with respect to matters which arose or accrued during Seller's ownership of the Property, or (f) Seller's acts or omissions from and after the Close of Escrow.

(b) Notwithstanding this Section 5.2 or any other provision in this Agreement to the contrary, nothing in this Agreement shall relieve Buyer of its liability for (a) any breach of Buyer's representations and warranties contained in this Agreement and/or documents executed and delivered by Buyer at or contemporaneously with the Close of Escrow, (b) any breach by Buyer of its covenants in this Agreement, (c) Buyer's fraud, (d) any matter for which Seller is to be indemnified by Buyer under this Agreement, (e) any of Buyer's liabilities to third persons or obligations to third parties with respect to matters which arise or accrue during Buyer's ownership of the Property, or (f) Buyer's acts or omissions from and after the Close of Escrow.

5.3 **Seller's Additional Covenants.** Seller hereby covenants and agrees that: Seller (a) will not during the term of this Agreement promote, advertise, market, transfer, lease or convey any of the Property or enter into any agreement to promote, advertise, market, transfer, lease or convey any of the Property or modify or amend any lease as to the Property; (b) will not enter into any agreement, that will be or purport to be binding on the Buyer or the Property subsequent to the Close of Escrow; (c) shall, at its sole cost and expense, maintain the Property and all improvements thereon in a reasonable condition and in a manner that complies with all applicable laws and shall continue in full force and effect all property and liability insurance with respect to the Property which is in effect as of the opening of Escrow; (d) during the term of this Agreement, except upon Buyer's request, Seller will not take, approve or consent to any action or omission that would change the zoning, use, permits or Entitlement of or for the Property; (e) during the term of this Agreement, Seller will promptly give Buyer written notice of any notice or information Seller receives regarding zoning uses, permits, licenses or other Entitlements which would have an adverse impact on the ability of Buyer to develop the Property for its anticipated use; and (f) during the term of this Agreement, Seller shall not record or cooperate in the recording against the Property or any portion thereof, of any lien, encumbrance, agreement, easement, right of way or other matter without Buyer's written consent.

5.4 **Removal of Property Prior to Close of Escrow.** Not less than two (2) business days before the Closing Date, Seller shall remove from the Property any personal property that Seller wishes to retain ("***Seller Property***"); provided however that Seller shall not remove any Seller Property in any manner that (a) will release any hazardous materials onto the Property or disburse or move any hazardous materials from locations on the Property existing on the Effective Date and/or (b) have a material and adverse impact on the ability of Buyer to own,

entitle, develop and/or market the Property including any increase in the cost thereof. If for any reason any Seller Property has not been removed from the Property by the Closing Date, Seller shall be deemed to have elected to abandon the Seller Property and shall be deemed to have released Buyer from any and all responsibility, liability, loss and claims of any kind related to such Seller Property and Buyer shall be entitled to dispose of same in its sole and absolute discretion without notice, liability or responsibility to Seller of any kind. The provisions of this Section shall survive the Close of Escrow.

5.5 Disclaimers By Seller. Except as expressly set forth in this Agreement including the representations and warranties set forth in Section 5.2.1, it is understood and agreed that Seller and Seller's officers, officials, members, agents, representatives, or employees have not at any time made and are not now making, and they specifically disclaim, any warranties, representations or guaranties of any kind or character, express or implied, with respect to the Property, including, but not limited to, warranties, representations or guaranties as to (a) matters of title, (b) environmental matters relating to the Property or any portion thereof, including, without limitation, the presence of hazardous materials in, on, under or in the vicinity of the Property, (c) geological conditions, including, without limitation, subsidence, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water, and geologic faults and the resulting damage of past and/or future faulting, (d) whether, and to the extent to which the Property or any portion thereof is affected by any water, wetlands, flood prone area, flood plain, floodway or special flood hazard, (e) drainage, (f) soil conditions, including the existence of instability, past soil repairs, soil additions or conditions of soil fill, or susceptibility to landslides, or the sufficiency of any undershoring, (g) the presence of endangered species or any environmentally sensitive or protected areas, (h) zoning or building entitlements to which the Property or any portion thereof may be subject, (i) the availability of any utilities to the Property or any portion thereof including, without limitation, water, sewage, gas and electric, (j) usages of adjoining property, (k) access to the Property or any portion thereof, (l) the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, suitability, structural integrity, physical condition, operation, title to, or physical or financial condition of the Property or any portion thereof, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Property or any part thereof, (m) the condition or use of the Property or compliance of the Property with any or all past, present or future federal, state or local ordinances, rules, regulations or laws, building, fire or zoning ordinances, codes or other similar laws, (n) the existence or non-existence of underground storage tanks, surface impoundments, or landfills, (o) any other matter affecting the stability and integrity of the Property, (p) the potential for further development of the Property, (q) the merchantability of the Property or fitness of the Property for any particular purpose, (r) compliance of the Property with laws including without limitation, the Americans with Disabilities Act, (s) tax consequences, or (t) the operation, repair or financial matters and any other matter or thing with respect to the Property.

5.6 Sale "As Is, Where Is". Buyer acknowledges and agrees that upon Closing, Seller shall sell and convey to Buyer and Buyer shall accept the Property "**AS IS, WHERE IS, WITH ALL FAULTS,**" except to the extent expressly provided otherwise in this Agreement. Except as to the extent expressly provided otherwise in this Agreement, Buyer has not relied and will not rely on, and Seller has not made and is not liable for or bound by, any express or implied warranties, guarantees, statements, representations or information pertaining

to the Property or relating thereto made or furnished by Seller, or any property manager, real estate broker, agent or third party representing or purporting to represent Seller, to whomever made or given, directly or indirectly, orally or in writing. Buyer represents that it is a knowledgeable, experienced and sophisticated buyer of real estate and that, except as expressly set forth in this Agreement, it is relying solely on its own expertise and that of Buyer's consultants in purchasing the Property and shall make an independent verification of the accuracy of any and all documents and information provided by Seller. Buyer will conduct such inspections and investigations of the Property as Buyer deems necessary, including, but not limited to, the physical and environmental conditions thereof, and shall solely rely upon same when acquiring the Property. If Buyer fails to terminate this Agreement prior to the expiration of the Feasibility Period, Buyer acknowledges that Seller has afforded Buyer a full opportunity to conduct such investigations of the Property as Buyer deemed necessary to satisfy itself as to the condition of the Property and the existence or non-existence or curative action to be taken with respect to any hazardous materials on or discharged from the Property, and will rely solely upon same. Upon Closing, Buyer shall expressly assume the risk that adverse matters, including, but not limited to, adverse physical or construction defects or adverse environmental, health or safety conditions, may not have been revealed by Buyer's inspections and investigations. Buyer hereby represents and warrants to Seller that: (a) Buyer is represented by legal counsel in connection with the transaction contemplated by this Agreement; and (b) Buyer is purchasing the Property for business, commercial, investment or other similar purpose. Buyer waives any and all rights or remedies it may have or be entitled to, deriving from disparity in size or from any significant disparate bargaining position in relation to Seller.

THE MATTERS SET FORTH IN THIS SECTION 5.8 (INCLUDING BUT NOT LIMITED TO THE WAIVER BY BUYER AND RELEASE OF SELLER) WILL BE ENFORCED TO THE FULLEST EXTENT PERMITTED BY LAW FOR THE BENEFIT OF SELLER, EVEN IF THE APPLICABLE CLAIM IS CAUSED BY THE ACTIVE OR PASSIVE ORDINARY NEGLIGENCE OR SOLE, JOINT, CONCURRENT OR COMPARATIVE ORDINARY NEGLIGENCE OF SELLER, AND REGARDLESS OF WHETHER OR NOT LIABILITY WITHOUT FAULT OR STRICT LIABILITY IS IMPOSED OR SOUGHT TO BE IMPOSED ON BUYER OR SELLER, BUT WILL NOT BE ENFORCED TO THE EXTENT THAT A COURT OF COMPETENT JURISDICTION HOLDS IN A FINAL JUDGMENT THAT A CLAIM IS CAUSED BY THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF SELLER.

SELLER'S INITIALS

BUYER'S INITIALS

5.7 Seller Released from Liability. Except for the representations set forth in Section 5.2.1 of this Agreement, Buyer acknowledges that it will have the opportunity to inspect the Property during the Feasibility Period, and during such period, observe its physical characteristics, environmental condition and existing conditions and the opportunity to conduct such investigation and study as Buyer deems necessary, and except for the representations, warranties, covenants, and agreements set forth in this Agreement, Buyer hereby forever releases and discharges Seller from all responsibility and liability relating to the physical, environmental or legal compliance status of the Property, whether arising before or after the Effective Date,

regarding the condition, valuation, salability or utility of the Property, or its suitability for any purpose whatsoever (including, but not limited to, with respect to the presence in the soil, air, structures and surface and subsurface waters, of hazardous materials or other materials or substances that have been or may in the future be determined to be toxic, hazardous, undesirable or subject to regulation and that may need to be specially treated, handled and/or removed from the Property under current or future federal, state and local laws, regulations or guidelines, and any structural and geologic conditions, subsurface soil and water conditions and solid and hazardous waste and hazardous materials on, under, adjacent to or otherwise affecting the Property) or its use and operation. Except for the representations, warranties, covenants, and agreements set forth in Section 5.2.1 of this Agreement, Buyer further hereby waives (and by closing this transaction will be deemed to have waived) any and all objections, complaints and actions (including, but not limited to, federal, state and local statutory and common law based actions, and any private right of action under any federal, state or local laws, regulations or guidelines to which the Property is or may be subject. Buyer further hereby expressly assumes the risk and changes in applicable laws and regulations relating to past, present and future environmental conditions on the Property and the risk that adverse physical characteristics and conditions, including, without limitation, the presence of hazardous materials or other contaminants, may not have been revealed by its investigation.

SELLER'S INITIALS

BUYER'S INITIALS

6. Default by Buyer.

6.1 Liquidated Damages. IF ESCROW FAILS TO CLOSE DUE TO A DEFAULT OR BREACH OF THIS AGREEMENT BY BUYER, SELLER WILL BE DAMAGED AND WILL BE ENTITLED TO COMPENSATION FOR THOSE DAMAGES, BUT SUCH DAMAGES WILL BE EXTREMELY DIFFICULT AND IMPRACTICAL TO ASCERTAIN FOR THE FOLLOWING REASONS: (1) THE DAMAGES TO WHICH SELLER WOULD BE ENTITLED IN A COURT OF LAW WILL BE BASED IN PART ON THE DIFFERENCE BETWEEN THE ACTUAL VALUE OF THE PROPERTY AT THE TIME SET FOR THE CLOSE OF ESCROW AND THE PURCHASE PRICE FOR THE PROPERTY AS SET FORTH IN THIS AGREEMENT; PROOF OF THE AMOUNT OF SUCH DAMAGES WILL BE BASED ON OPINIONS OF VALUE OF THE PROPERTY, WHICH CAN VARY IN SIGNIFICANT AMOUNTS; AND (2) IT IS IMPOSSIBLE TO PREDICT AS OF THE EFFECTIVE DATE WHETHER THE VALUE OF THE PROPERTY WILL INCREASE OR DECREASE AS OF THE CLOSE OF ESCROW. BUYER DESIRES TO LIMIT THE AMOUNT OF DAMAGES FOR WHICH BUYER MIGHT BE LIABLE SHOULD BUYER BREACH THIS AGREEMENT. BUYER AND SELLER WISH TO AVOID THE COSTS AND LENGTHY DELAYS WHICH WOULD RESULT IF SELLER FILED A LAWSUIT TO COLLECT ITS DAMAGES FOR A BREACH OF THIS AGREEMENT. IF ESCROW FAILS TO CLOSE DUE TO A DEFAULT OR BREACH OF THIS AGREEMENT BY BUYER, THEN BUYER'S DEPOSIT ACTUALLY DELIVERED INTO ESCROW BY BUYER SHALL BE DEEMED TO CONSTITUTE A REASONABLE ESTIMATE OF SELLER'S DAMAGES UNDER THE PROVISIONS OF SECTION 1671 OF THE CALIFORNIA CIVIL CODE. SELLER'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF THE FAILURE OF

ESCROW TO CLOSE AS A RESULT OF BUYER'S DEFAULT SHALL BE LIMITED TO COLLECTION OF SUCH LIQUIDATED DAMAGES AND ATTORNEYS' FEES AND COSTS OF COLLECTION IN CONNECTION THEREWITH, IF ANY. THE LIQUIDATED DAMAGES ARE NOT INTENDED AS A PENALTY OR A FORFEITURE UNDER CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369. EXCEPT AS PROVIDED IN THE FOLLOWING SENTENCE SELLER HEREBY WAIVES ALL OTHER CLAIMS, DAMAGES AND OTHER REMEDIES INCLUDING THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTIONS 3384, 3387 AND 3389. THE FOREGOING LIQUIDATED DAMAGES CLAUSE APPLIES ONLY IN CONNECTION WITH THE BUYER'S DEFAULT IN ITS OBLIGATION TO CLOSE ESCROW AND SHALL NOT APPLY TO (A) BUYER'S LIABILITY TO SELLER UNDER THE INDEMNIFICATION PROVISIONS OF SECTION 4.3 AND (B) SELLER'S ATTORNEYS' FEES INCURRED IN ENFORCING ITS RIGHTS UNDER SECTION 4.3 AND/OR THIS SECTION 6.1.

6.2 Right to Cure. Buyer shall be deemed to be in default under this Agreement if Buyer fails, for any reason other than Seller's default under this Agreement, to meet, comply with, or perform any material covenant, agreement, or obligation required on its part, including the deposit or delivery of any funds, within the time limits and in the manner required in this Agreement; provided that no such default shall be deemed to have occurred unless and until Seller has given Buyer written notice describing the nature of the default, and Buyer has failed to cure such default within seven (7) business days after the receipt of such notice (unless the curing of such default cannot reasonably be accomplished within such seven (7) business day period in which case the default shall be deemed cured if Buyer commences to cure such default within such seven (7) business day period and diligently pursues same to completion).

7. Notices. Any notice to be given hereunder to either Party or to Escrow Holder shall be in writing and shall be given either by personal delivery, facsimile, federal express (or similar overnight delivery service), overnight courier or by depositing such notice in the United States first class mail, certified, with return receipt requested, postage prepaid and addressed as follows:

Seller:

Southern Pacific Realty Partners III, LLC
c/o Genton Property Group, LLC
2450 Mission Street, Suite 5
San Marino, CA 91108
Attention: Jonathan A. Genton
Phone No.: (800) 772-9098
Fax No.: (626) 689-2211

With Copy to:

Shumener, Odson & Oh, LLP
550 South Hope Street, Suite 1050
Los Angeles, CA 90071
Attention: Robert Odson
Phone No.: (213) 344-4200
Fax No.: (310) 344-4190

Buyer: The City of Duarte
1600 Huntington Drive
Duarte, CA 61010
Attn: City Manager
Phone No.: (626) 357-7931
Fax No.: (626) 358-0018

With Copy to Rutan & Tucker, LLP
611 Anton Boulevard, 14th Floor
Costa Mesa, CA 92626
Attn: Jeffrey T. Melching
Phone No.: (714) 641-5100
Fax No.: (714) 546-9035

Escrow Holder: First American Title Insurance Company
777 South Figueroa Street, Fourth Floor
Los Angeles, CA 90017
Attention: Susan Coon
Phone No.: (213) 271-1763
Fax No.: (213) 271-1771

Either Party and Escrow Holder may, by written notice to the other and to Escrow Holder, designate a different address which shall be substituted for the one specified above. If any notice or other document shall be sent by certified mail as set forth above, it shall be deemed to have been effectively served or delivered seventy-two (72) hours following the deposit of such notice in the United States mail in the manner set forth above. If any notice or other document shall be sent by facsimile, it shall be deemed to have been served or delivered upon electronic confirmation of transmission; provided that it is confirmed by a follow-up notice using approved methods hereunder within seventy-two (72) hours and provided further that subject to the foregoing if such transmission occurs on a weekend or holiday or after 5:00 p.m. on a weekday, it shall be deemed to have been received at 8:00 a.m. on the immediately following business day.

8. Attorneys' Fees. If any Party to this Agreement shall bring any action or proceeding for any relief against the other, declaratory or otherwise, in any way arising out of or in connection this Agreement and/or the Property, the losing Party shall pay to the prevailing Party a reasonable sum for attorneys' fees and costs (including without limitation expert witness fees) incurred in bringing or defending such action or proceeding or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon the commencement of such action or proceeding and shall be paid whether or not such action or proceeding is prosecuted to final judgment. Any judgment or order entered in such action or proceeding shall contain a specific provision providing for the recovery of attorneys' fees and costs, separate from the judgment, incurred in enforcing such judgment. The prevailing Party shall be determined by the trier of fact based upon an assessment of which Party's major arguments or positions taken in the proceedings could fairly be said to have prevailed over the other Party's major arguments or positions on major disputed issues. For the purposes of this Section, attorneys' fees shall include, without limitation, fees incurred in the following: (1) post-judgment motions;

(2) contempt proceedings; (3) garnishment, levy and debtor and third party examinations; (4) discovery; and (5) bankruptcy litigation.

9. [INTENTIONALLY OMITTED]

10. **Miscellaneous.**

10.1 **No Modifications.** No addition to or modification of any term or provision of this Agreement is effective unless in writing and signed by the Parties.

10.2 **Construction of Agreement.** The provisions of this Agreement shall not be construed in favor of or against either Party, but shall be construed as if both Parties prepared this Agreement.

10.3 **Headings.** The Section headings of this Agreement are only for convenience and shall not be deemed to limit the subject of such Sections or to be considered in their construction.

10.4 **Governing Law.** The laws of the State of California shall govern this Agreement.

10.5 **Time of the Essence.** Time is of the essence of each and every provision of this Agreement.

10.6 **Further Assurances.** Each of the Parties shall execute and deliver all additional papers, documents and other assurances, and shall do all acts and things reasonably necessary in connection with the performance of their obligations under this Agreement to carry out the intent of this Agreement.

10.7 **No Waiver.** No waiver by a Party of a breach of any of the terms, covenants, or conditions of this Agreement by the other shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition contained herein. No waiver of any default by a Party shall be implied from any omission by the other Party to take any action on account of such default if such default persists or is repeated and no express waiver shall affect a default other than as specified in such waiver. The consent or approval by either Party to or of any act by the other requiring the first Party's consent or approval shall not be deemed to waive or render unnecessary the consenting Party's consent or approval to or of any subsequent similar acts by the other Party.

10.8 **Severability.** If any portion of this Agreement is held by any court of competent jurisdiction to be illegal, null, void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the full extent permissible by law, but only to the extent that performance of such remaining provisions would not be inconsistent with the intent and purposes of this Agreement.

10.9 **Gender and Number.** As used in this Agreement (unless the context requires otherwise), the masculine, feminine and neuter genders and the singular and the plural include one another.

10.10 Entire Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations, negotiations and understandings of the Parties, oral or written, (including, without limitation any letters of intent or understanding) are hereby superseded and merged herein. The preceding sentence shall not affect the validity of any instrument executed by the Parties in the form of the exhibits attached to this Agreement.

10.11 Survival. All covenants, agreements, representations, warranties and indemnities contained in this Agreement shall survive the execution and delivery of this Agreement and the Close of Escrow and the delivery and recordation of all documents or instruments in connection therewith.

10.12 Time References. Unless otherwise expressly provided in this Agreement, any reference in this Agreement to time for performance of obligations or to elapsed time shall mean Pacific Standard Time and time periods shall mean consecutive calendar days, months or years, as applicable. If the date ("**Performance Date**") on which any action is to be taken, any obligation is to be performed, or any notice is to be given under this Agreement falls on a Saturday, Sunday or federal holiday, such Performance Date shall be automatically extended to the next business day. As used in this Agreement, "**business day**" means any calendar day that is not a Saturday, Sunday or federal holiday. The time for performance on any Performance Date shall be no later than 5:00 p.m., unless otherwise provided in this Agreement.

10.13 Incorporation of Exhibits. Except as intentionally omitted, all exhibits attached hereto and referred to herein are incorporated into the Agreement as though fully set forth herein.

10.14 Condemnation. As used in this Section, "**condemnation**" or "**condemned**" shall mean the exercise of, or intended exercise of the power of eminent domain expressed in writing, or the filing of any action or proceeding for such purpose, by any person, entity, city, body, agency or authority having the right or power of eminent domain ("**Condemning Authority**") and shall include a voluntary sale by Seller to any such Condemning Authority, either under the threat of condemnation or while condemnation proceedings are pending. If any portion of the Property and/or any improvements thereon shall be condemned prior to the Closing Date, Seller shall promptly notify Buyer of the same and, at Buyer's option, exercisable within fifteen (15) days following Buyer's receipt of the aforesaid notice (or in the event that such notice is delivered within fifteen (15) days of the Closing Date, then the Closing Date shall be extended to provide Buyer with the full fifteen (15) day period), Buyer shall elect, by written notice to Seller within said fifteen (15) day period, to either proceed with Closing (upon the terms hereinafter set forth in this subsection (a) or to terminate this Agreement, in which event Seller and Buyer shall thereupon be released from any and all liability hereunder and the Deposit shall be immediately returned to Buyer by Escrow Agent. If Buyer fails to notify Seller of its election, such failure shall be deemed an election to terminate this Agreement and the Deposit shall be promptly refunded to Buyer. If Buyer elects to proceed with the Closing, then, at the Closing, Buyer shall pay the full Purchase Price for the Property as herein provided. Additionally, if Buyer elects to proceed with the Closing, then Seller shall assign to Buyer all of Seller's right, title and interest in and to any condemnation award related to the portion of the Property condemned.

10.15 Damage or Destruction. Until the Close of Escrow, all risk of loss to the Property from damage or destruction shall be borne by Seller, and Seller shall keep the Property insured at its expense with such coverage and limits as are currently maintained by Seller. If the cost of repair of damage or destruction less than \$25,000, Seller shall diligently proceed to make such repairs as are necessary to restore the Property to the same condition as they are in as of the Effective Date (reasonable wear and tear excepted) and if such restoration is not complete on the Closing Date the Closing Date shall be extended to the date that is seven (7) business days following the date Buyer receives written notice from Seller that such repairs have been completed and the Parties have inspected the Property and confirmed such completion. Seller shall exert due diligence to complete such repairs as soon as reasonably possible. If the cost of repair of damage or destruction exceeds \$25,000, Seller shall promptly notify Buyer of the same in writing and, at Buyer's option, exercisable within fifteen (15) days following the date of Buyer's receipt of such notice (and the Closing Date shall be extended to provide Buyer with such full fifteen (15) day period), Buyer shall elect, by written notice to Seller within said fifteen (15) day period, to either proceed with the Close of Escrow in accordance with this Agreement or to terminate this Agreement, in which event Seller and Buyer shall thereupon be released from any and all liability under this Agreement and the Deposit shall be immediately returned to Buyer. If Buyer fails to notify Seller of its election such failure shall be deemed an election to terminate this Agreement and the Deposit shall be promptly refunded to Buyer. If Buyer elects to proceed with the Close of Escrow, then, at the Close of Escrow, Buyer shall pay the Purchase Price less (a) the amount of any deductible applicable to any insurance policy covering such casualty and Seller shall assign to Buyer all of Seller's right, title and interest to any insurance claims and/or insurance proceeds Seller may have with respect to any insurance policies relating to the Property and shall thereafter fully cooperate with Buyer to insure that such proceeds are paid Buyer promptly by each applicable insurance company or (b) if Seller did not maintain insurance to cover such loss or Seller's insurance does not cover the loss, the cost of remedying or repairing such damage or destruction shall be deducted from the Purchase Price.

10.16 Venue. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be the Superior Court of the County of Los Angeles and the Parties hereby agree to and do hereby submit to the jurisdiction of such court.

10.17 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be construed as one instrument.

10.18 Assignment. Except as provided below, Buyer may not assign its rights or obligations under this Agreement without the prior written consent of Seller, which consent may be withheld in the sole discretion of Seller; provided, however that before or after the Opening of Escrow Buyer, without Seller's consent shall be entitled to assign its rights and obligations under this Agreement to an entity (a) in connection with the sale of all or substantially all of the assets of Buyer or the merger of Buyer to or into such entity; (b) which is a partnership of which Buyer or an affiliate entity is the general partner, a limited liability company of which Buyer or an affiliate entity is the managing member and which Buyer holds an ownership interest and any other entity in which Buyer has an ownership interest and is responsible for managing the day to day activities of such entity or (c) which is wholly or partially owned by Buyer's acquisition and/or development lender and where Buyer retains the

ability to construct residences on the Property and an option to reacquire residential lots in the Property prior to sale to the public (an off balance sheet transaction). Buyer shall provide Seller with written notice of any such assignment.

10.19 No Third Party Beneficiaries. Notwithstanding any provision contained in this Agreement to the contrary, this Agreement is intended as and shall be deemed to be an agreement for the sale of assets and none of the provisions hereof shall be deemed to create any obligation or liability of any person that is not a Party, whether under a third-party beneficiary theory, laws relating to transferee liabilities or otherwise. Except as provided otherwise in this Agreement, Buyer shall not assume and shall not be obligated to discharge or be liable for any debts, liabilities or obligations of Seller including, but not limited to, any (a) liabilities or obligations of Seller to its creditors, (b) liabilities or obligations of Seller with respect to any acts, events or transactions occurring prior to, on or after the Close of Escrow, (c) liabilities or obligations of Seller for any federal, state, county or local taxes, or (d) any contingent liabilities or obligations of Seller, whether known or unknown by Seller or Buyer. Except as provided otherwise in this Agreement, Buyer shall have no duty whatsoever to take any action or receive or make any payment or credit arising from or related to any services provided or costs incurred in connection with the Property prior to the Close of Escrow, including, but not limited to, any matters relating to cost reports, collections, audits, hearings, or legal action arising therefrom.

10.20 Non-Liability of Officials and Employees of Seller. No officer, official, member, employee, agent, representative, or volunteer of Seller shall be personally liable to Buyer or any successor in interest, in the event of any default or breach by Seller or for any amount which may become due to Buyer or its successors, or on any obligations under the terms of this Agreement.

10.21 Relationship Between Seller and Buyer. It is hereby acknowledged that the relationship between Seller and Buyer is not that of a partnership or joint venture and that Seller and Buyer shall not be deemed or construed for any purpose to be the agent of the other.

10.22 City Approvals and Actions. This Agreement shall be administered by the City Manager, or his/her designated representative, following approval of this Agreement by Buyer. The City Manager or his authorized representative shall have the authority to issue interpretations, waive provisions, and enter into amendments of this Agreement on behalf of Buyer. In addition to the foregoing, the City Manager shall have the authority on behalf of the Buyer, from time to time and one or more times, to extend times for performance under this Agreement. All other interpretations, waivers, amendments or extensions of time shall require the approval of the City Council of City.

[SIGNATURES ON FOLLOWING PAGE]

***[SIGNATURE PAGE TO
SALE AGREEMENT AND ESCROW INSTRUCTIONS]***

Buyer and Seller have executed this Agreement as of the Effective Date.

THE CITY OF DUARTE, a
California municipal corporation

By: _____
_____, Mayor

By: _____
Its _____,

“Buyer”

“Seller”

ATTEST:

City Clerk

APPROVED AS TO FORM:

Rutan & Tucker, LLP

APPROVED AS TO FORM:

By: _____

City Attorney

Name: _____
Its: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

DRAFT

EXHIBIT "B"

MEMORANDUM OF SALE AGREEMENT

[See following pages]

DRAFT

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Duarte
1600 Huntington Drive
Duarte, CA 91010
Attn: City Manager

(Space Above for Recorder's Use)

This Memorandum is recorded at the request and for the benefit of the City of Duarte and is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

MEMORANDUM OF SALE AGREEMENT

This Memorandum of Sale Agreement ("Memorandum") is made on February __, 2016, by Southern Pacific Realty Partners III, LLC, a Delaware limited liability company which was established to acquire and develop the property and is affiliated with Genton Property Group, LLC ("Seller"), and the City of Duarte, a California municipal corporation ("Buyer").

RECITALS:

A. Pursuant to a presently-pending escrow, Seller shall become the owner of certain real property in the City of Duarte, County of Los Angeles ("County"), State of California, more particularly described in Exhibit "1" hereto ("Property").

B. Upon securing fee title to the Property, Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller.

AGREEMENT:

THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller agrees as follows:

1. **Agreement.** Seller has agreed to sell the Property to Buyer in accordance with the terms of that certain unrecorded Purchase and Sale Agreement and Escrow Instructions dated February __, 2016 ("Agreement") executed by Buyer and Seller the terms of which are incorporated herein by this reference. Unless otherwise expressly provided herein, all capitalized terms and phrases in this Memorandum shall have the same meanings given such terms in the Agreement.

3. **Interpretation.** The purpose of this Memorandum is to give notice of the existence of the rights of Buyer under the Agreement. If there is any inconsistency between the provisions of this Memorandum and the provisions of the Agreement, the provisions of the Agreement shall control.

IN WITNESS WHEREOF, Seller and Buyer have entered into this Memorandum as of the date first set forth above.

"Buyer"

THE CITY OF DUARTE, a
California municipal corporation

"Seller"

By: _____
_____, Mayor

By: _____
Its _____,

ATTEST:

City Clerk

APPROVED AS TO FORM:

Rutan & Tucker, LLP

City Attorney

APPROVED AS TO FORM:

By: _____

Name: _____
Its: _____

State of California)
County of Los Angeles)

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.

WITNESS my hand and official seal.

Signature _____ (Seal)

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

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

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

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "1"

LEGAL DESCRIPTION OF PROPERTY

[See following pages]

DRAFT

EXHIBIT "C"

GRANT DEED

[See following pages]

DRAFT

Order No.
Escrow No.
Loan No.

WHEN RECORDED MAIL TO:

(Space Above for Recorder's Use)

DOCUMENTARY TRANSFER TAX IS \$ _____
_____ Computed on the consideration or value of
property conveyed, OR
_____ Computed on the consideration or value less liens
or encumbrances remaining at time of sale.

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Southern Pacific Realty Partners III, LLC, a Delaware limited liability company, hereby grants to the City of Duarte, a California municipal corporation, that certain real property located in the City of Duarte, County of Los Angeles, State of California, described in the legal description attached hereto as Exhibit "A" and incorporated herein by this reference, subject to all easements, encumbrances, covenants, and other matters of record or apparent by a physical inspection of the Property.

Dated _____, 2016

SOUTHERN PACIFIC REALTY
PARTNERS III, LLC, a Delaware limited
liability company

By: _____
Its: _____

ATTEST:

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

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

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

State of California)
County of Los Angeles)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)