

MEMORANDUM

TO: City Council
FROM: Assistant City Manager
DATE: January 7, 2016
SUBJECT: Comments on Agenda Items, Meeting of January 12, 2016

At 6pm, prior to the meeting, the City Council will host a reception, in honor of the City employees and commissioners and their many years of service and achievement. Food and refreshments will be served.

ITEM 6A. The City Council will be recognizing City employees and commissioners for their years of service. We will also be announcing and recognizing the three recipients of the Employee Achievement Awards.

5 Years –Michelle Brown, Roger Cathey, Jim Dinsmore, David Eoff, Shauna Pierce, Gina Quevedo
10 Years – Roxanne Breceda, Don Vallaincourt
15 Years – Rafael Casillas, Erwin Mendez, Kristen Petersen, Mike Tarr
20 Years – Nohemi Hernandez, Karen Herrera, Manoj Patel, Lupe Valerio
25 Years – Teesha Tarr
30 Years – Marla Akana

ITEM 6B. The City Council will be recognizing outgoing City Commissioners James Arcaro, Carol Ciminelli, Dino Herrera, Ed Houlemarde, William Lawrence, Mina De Lira Lopez, Johnny McLaurin and Patricia Starratt-Thorpe for their service.

ITEM 6C. The City Council will consider the recommendation from the Duarte Unified School District to appoint, Tom Reyes to serve on the Parks and Recreation Commission and Ken Bell to serve on the Public Safety Commission.

ITEM 6D. The newly selected City Commissioners will be given their oath of office.

ITEM 10D (Consent). Staff is recommending that the City Council authorize the City Manager to enter into a Memorandum of Understanding (MOU) between the Cities that are hosting the Gold Streets Festival on June 26, 2016. Arcadia, Azusa, Duarte, Irwindale, Monrovia, San Marino and South Pasadena have been working together for many months on this project and this MOU simply formalizes the group by creating the Golden Streets Working Group, establishing the voting process, reiterating that each city will contribute a 20% in-kind match and stating that the allocation of grant funds will be based on the length of the route and number of street closures within each jurisdiction. Please note that Duarte's in-kind match will be approximately \$16,700.

ITEM 10E (Consent). Staff is recommending that City Council approve a request from Santa Teresita to co-sponsor the eighth annual Hayden 5K Run and Family Walk and Roll, which is scheduled for Saturday, March 12, 2016. The application requests that the City Council waive fees

in the amount of \$485 and assist through marketing on City social media platforms. The applicant proposes to pay for City staff time related to Traffic Control and Public Safety, which is estimated at \$4,029. The applicant will separately request that the Parks and Recreation Commission consider waiving the \$195 fee for the exclusive use of the Duarte Recreational trail.

This application mirrors the one submitted in past years in that the event runs from 9am to 11am and there will be activities on the Santa Teresita campus until 1:30pm. It includes the same route as past events and the same street closures at intersections along Royal Oaks Drive and on Buena Vista Street in front of the Santa Teresita Campus. As in past years, notification to affected residents and businesses will be prepared by Santa Teresita and distributed by DART volunteers.

ITEM 10F (Consent). Staff is recommending that the City Council approve the Resolution accepting the second year of CALGRIP funding in the amount of \$325,171. Each individual year of this three-year grant must be allocated and approved by the State Board of Community Corrections and the City Council accordingly. However, staff already included these grant amounts and the required match in the 2015/16 adopted budget.

ITEM 12A. Staff is recommending that the City Council approve a Purchase and Sale Agreement (PSA) for the properties located at 946, 952 and 962 Huntington Drive, just west of the Mountain Vista Shopping Center/Target. The Successor Agency (SA) currently owns these properties, totaling 43,887 square feet. Please note that as part of this transaction the Developer will separately close escrow on the adjacent property located at 956 Huntington Drive. The PSA proposes to sell the SA properties for a full fair market value of \$767,000 and when combined with the Developer's property located at 956 Huntington Drive, will provide for a planned development of 26 multi-family residential units in a three story structure, including landscaping, lighting, signage and other amenities. The sale of the SA properties was approved by the Oversight Board and the net proceeds will be distributed to the affected taxing entities, which include LA County, DUSD and the City of Duarte, as required by law.

If the Developer is not successful in obtaining the entitlements for the residential project, the SA properties will not be sold to the Developer and the City will in turn purchase 956 Huntington Drive from the Developer for a pre-set price of \$745,000, in order to maintain control and ensure the highest quality development of the entire site.

ITEM 12B. Staff is recommending that the City Council introduce and hold a first reading of an Ordinance to prohibit all cannabis related uses, commercial cannabis activities and the delivery and cultivation of cannabis in the City. The Medical Marijuana Regulation and Safety Act was signed by the Governor and became effective January 1, 2016. It requires that if a city desires to locally regulate marijuana cultivation or prohibit marijuana deliveries it must do so explicitly by local ordinance by March 1, 2016 or else the State will become the sole licensing/regulatory authority.

ITEM 13. The City hired Fehr & Peers in March 2015 to develop a Bicycle Master Plan and Safe Routes to Transit Plan for Duarte that focuses on pedestrian safety and improvements near the Gold Line Station. Both plans are intended to implement Metro's First Mile Last Mile planning guidelines. Since that time the consultant has analyzed the current conditions, identified perceived

gaps and created a bicycle network and safe routes to transit plans. Included in that process, a public survey was distributed and an open house was conducted in order to give the public an opportunity to share opinions and suggestions for the plan. In December 2015 a presentation was made to and feedback was incorporated from the Traffic Safety Commission. In general, the majority of the proposed bicycle plan network consists of Class III routes using shared-roadway markings. The remainder of the network suggested the use of Class II lanes and potential improvements for Class I lanes. Class II lanes, which require a dedicated travel lane just for bicyclists, are proposed on portions of Buena Vista, Highland, Las Lomas, Duarte and Encanto Parkway. Proposed Class I improvements include constructing a new trail along an existing LA County flood control channel between Buena Vista and Cinco Robles and possibly widening the existing Royal Oaks bike trail. Evidence that the City is moving in the right direction on this topic is that many of the proposed bike and pedestrian improvements proposed near our Gold Line station are currently being funded and implemented in other communities. Staff is recommending that the City Council adopt the attached Bicycle Master Plan and the Safe Routes to Transit Plan.

ITEM 14A. The City of Duarte received a grant from the California Transportation Commission (CTC) as part of the 2014 Active Transportation Program / Safe Routes to School Call for Projects. The application was submitted as a First Mile Last Mile pilot program and received support from Metro. A portion of this ATP project is the development of a citywide wayfinding sign program. To accomplish this task, the City hired Hunt Design, a leading sign design firm, to develop the plan. The item before the Council this evening includes a presentation from Hunt Design on the proposed wayfinding sign design. Staff is recommending that Council approve the design theme that Hunt Design has developed, so that we can move forward with ordering and installing the City's new signs. These wayfinding signs will appear throughout the City as a coordinated design theme.

ITEM 14B. The possibility of adding a Dial-A-Ride system in Duarte has been revisited many times over the last 15 years. In each case staff gave examples of dial-a-ride programs in surrounding communities and estimated what we thought program costs would be. Recently, the City of Duarte was approached by the Cities of Monrovia and Covina to participate in an actual joint Request For Proposals (RFP) for Dial-A-Ride services. This effort allowed Duarte to see once and for all what the actual costs for contracting dial-a-ride services would be in Duarte. This gives City Council the detailed real cost information to make a decision on whether or not to add Dial-A-Ride services.

The three cities began the process in May 2015 and issued the RFP in October 2015. Four qualified proposals were received and interviews and reference checks were conducted in December 2015. Following the interviews, MV Transportation, Inc., was ranked as the top proposer and additionally was the lowest bid. The general scope of Duarte's Dial-A-Ride services would be approximately 13 hours per day Monday through Saturday. MV Transportation would provide all vehicles, particularly because their bid shows a cost increase of only \$550 per year to use their vehicle as opposed the City purchasing and using its own. MV Transportation would provide all drivers, dispatchers, communication tools, trainers, vehicle maintenance, insurance, supervisors, administrative personnel, and day-to-day oversight.

Comments on Agenda Items
January 7, 2016

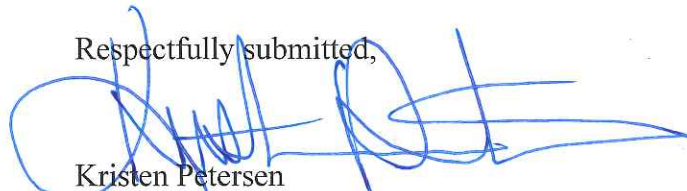
Duarte's annual cost for the contract would be \$225,443, \$219,548 and \$232,088 in Years 1, 2, and 3 accordingly. If the Council wanted to charge for the service, at \$3 per trip, the annual cost could be slightly offset by revenue of approximately \$38,000.

While the cost for Dial-A-Ride per rider is substantially more expensive than fixed route transit and it serves far less people, it is a service that we have discussed many times before. For the scope of this program and in comparison to contracts in surrounding communities, the price in this bid is very competitive, particularly given the fact that it would not include any purchase and use of City vehicles. It is clear that the contractor sees Duarte as an opportunity to enter into a brand new service area and as a result has given us a very good price. If the City Council would like to implement dial-a-ride services, it is recommended that the City Council authorize the City Manager to negotiate and enter into a final contract with MV Transportation.

ITEM 14C. Staff is recommending that the City Council award a contract to Condor Inc., the lowest responsible and responsive bidder for the Duarte Fitness Center Pool Improvements in the amount of \$417,700. This bid came in substantially lower than the preliminary estimates and as a result, after deducting the available LA County Maintenance and Servicing Prop A funds of \$257,000, the General Fund commitment is expected to be closer to \$125,000, rather than \$227,000 as approved by City Council late last year. If approved, Condor can begin construction by next month and the goal is to complete the project in April 2016, depending on how much the rain interferes with the work.

ITEM 14D. Staff is recommending that the City Council approve the attached budget calendar and set the 2016/17 Budget Workshop for 5pm on Monday, May 2, 2016 and 5pm on Tuesday, May 3, 2016, if needed.

Respectfully submitted,



Kristen Petersen
Assistant City Manager



City of Duarte

INVITES YOU TO RECOGNIZE THE
2015 AWARD RECIPIENTS

ON

Tuesday, January 12, 2016

SERVICE AWARDS

5 Years of Service

Michelle Brown
Roger Cathey
Jim Dinsmore
David Eoff IV
Shauna Pierce
Gina Quevedo

10 Years of Service

Roxanne Breceda
Donald Vaillancourt

15 Years of Service

Rafael Casillas
Erwin Mendez
Kristen Petersen
Michael Tarr

20 Years of Service

Nohemi Hernandez
Karen Herrera
Manoj Patel
Lupe Valerio

25 Years of Service

Teesha Tarr

30 Years of Service

Marla Akana

ACHIEVEMENT AWARDS

Employee recognition for the following categories:

Customer Service
Innovation
Teamwork

Duarte Community Center

1600 Huntington Drive
Duarte, California 91010

Reception 6:00 p.m.

Awards Presentation 7:00 p.m.

(First item on the City Council Agenda)

ORGANIZED BY THE EMPLOYEE RECOGNITION COMMITTEE

BOARD OF EDUCATION

Kenneth Bell
Reyna Diaz
Douglas Edwards
Tom Reyes
Cheryl Taylor



DUARTE UNIFIED SCHOOL DISTRICT

1620 HUNTINGTON DRIVE, DUARTE, CA 91010

Phone (626) 599-5000 - Fax (626) 599-5069

December 11, 2015

Kristen Petersen, Assistant City Manager/
Agency/Housing Authority Assistant Executive Director and
Director of Administrative Services
City of Duarte
1600 Huntington Drive
Duarte, CA 91010

Dear Ms. Petersen:

The Duarte Unified School District is pleased to announce that at its Organizational Meeting of December 10, 2015, the Board of Education appointed Mr. Tom Reyes as Representative to serve on the City of Duarte Parks and Recreation Commission.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Allan Mucerino".

Allan Mucerino, Ed.D.
Superintendent

AM/mr

cc: Tom Reyes
Karen Herrera, City of Duarte

BOARD OF EDUCATION

Kenneth Bell
Reyna Diaz
Douglas Edwards
Tom Reyes
Cheryl Taylor



DUARTE UNIFIED SCHOOL DISTRICT

1620 HUNTINGTON DRIVE, DUARTE, CA 91010

Phone (626) 599-5000 - Fax (626) 599-5069

December 11, 2015

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

Dear Darrell,

The Duarte Unified School District is pleased to announce that at its Organizational Meeting of December 10, 2015, the Board of Education appointed Mr. Ken Bell as Representative to serve on the City of Duarte Public Safety Commission.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Allan Mucerino".

Allan Mucerino, Ed.D.
Superintendent

AM/mr

cc: Ken Bell
Karen Herrera, City of Duarte

MINUTES

JOINT CITY COUNCIL/CITY COUNCIL AS SUCCESSOR AGENCY TO DISSOLVED REDEVELOPMENT AGENCY/HOUSING AUTHORITY/COMMUNITY FACILITIES FINANCING AUTHORITY OF THE CITY OF DUARTE REGULAR MEETING – DECEMBER 8, 2015

CALL TO ORDER	The City Council/City Council as Successor Agency to Dissolved Redevelopment Agency/Housing Authority/Community Facilities Financing Authority of the City of Duarte met in a regular meeting in the Council Chambers, 1600 Huntington Drive, Duarte, California. Mayor Kang called the meeting to order at 6:04 p.m.
RECORDATION OF ATTENDANCE	The following were in attendance: PRESENT: Fasana (arrived prior to Closed Session), Finlay (arrived prior to Closed Session), Paras-Caracci, Reilly, Kang ABSENT: None ADMINISTRATIVE STAFF PRESENT: City Manager George, City Attorney Melching
ADOPTION OF AGENDA	Reilly moved, Paras-Caracci seconded to adopt the Agenda, as amended to remove Special Item 8.C, and carried with Fasana and Finlay not present.
CLOSED SESSION Conference with Legal Counsel	There was no public input. George stated the Closed Session is pursuant to Government Code Section 54956.9(d)(4); Anticipated litigation; Initiation of litigation, One potential case. The Closed Session concluded at 6:40 p.m. City Council reconvened at 7:08 p.m., with all members present.
PLEDGE TO THE FLAG	Cub Scout Troops 143 and 180 led the Pledge of Allegiance.
MOMENT OF REFLECTION	A moment of reflection was observed.
FITNESS/MENTAL WARM-UP	Reilly and Finlay provided the warm-up.
SPECIAL ITEMS Presentation – Cantabile Choir	The Cantabile Show Choir from Duarte High School performed a medley of holiday songs under the direction of Choral Director Claire Hsu.
Recognition – Cal Am Water Donation of drinking fountains	Mayor Kang presented a Certificate to Brian Barreto of California American Water in appreciation of the Elkay H ₂ O bottle filling stations with drinking fountains that were recently donated to the City.
Presentation by SCE – El Niño	Salvadore Ramirez, SCE Government Affairs Representative, presented an update on the El Niño emergency response plan including preparations, inventories, inspections, availability of resources, and use of social media. George stated the City will be conducting an El Niño preparation workshop on December 17.
ANNOUNCEMENTS	Ryan Ricchio, Duarte Library, announced events, story times, and classes in December.

12/08/15

	Felipe Valdez, Mayor's Youth Council, announced upcoming events at the Duarte Teen Center in December and January. Karen Herrera presented community announcements about City events, programs, and workshops in December and January.
ITEMS FROM COUNCIL (Considered out of sequence) (Continued later in the meeting)	It was determined that Items From Council would be considered at this time. Finlay provided information about climate credits that were discussed at the recent SCAG workshop, stated the final guidelines are available in December, the concept applications are due in March, and asked that Townsend be informed so they understand how important this is.
CONSENT CALENDAR	Fasana moved, Paras-Caracci seconded to approve the Consent Calendar, as follows, and carried unanimously. Approve Items A, B, C, D, E, G, I, N. Remove Items F, H, J, K, L, M.
RESOLUTION NO. 15-26 Salary Schedule – Part-Time	Item G – Council Bill 15-R-27 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ESTABLISHING AN HOURLY RATE SCHEDULE FOR PART-TIME CLASSIFIED EMPLOYEES
ITEMS REMOVED Item F – Award of Bid ADA Improvements Martinez Concrete, Inc.	Rafael Casillas, Public Works Manager, presented a staff report about the item, and answered questions from City Councilmembers about other upcoming projects. Paras-Caracci requested that when improvements are being made in the future, an update be provided at the time they are being made so Council is aware.
ITEM F – APPROVED	Reilly moved, Finlay seconded to award the contract to the lowest responsible bidder Martinez Concrete, Inc., in the amount of \$67,174.05 for Removal of Architectural Barriers for ADA Improvements FY 2015-16, per staff recommendation, and carried unanimously.
Item H – Council Bill 15-R-27 Animal Control Officer	Council Bill 15-R-27 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ESTABLISHING AN HOURLY RATE SCHEDULE FOR PART-TIME TEMPORARY ANIMAL CONTROL OFFICER POSITION Kristen Petersen, Assistant City Manager, presented a staff report about the item, and answered questions from City Councilmembers about the job description.
ITEM H – APPROVED RESOLUTION NO. 15-27	Paras-Caracci moved, Reilly seconded to approve the part-time temporary animal control officer job description, and to adopt Resolution No. 15-27, per staff recommendation, and carried unanimously.

Item J – Audited Financial
Statements 6/30/15

Kristen Petersen presented a staff report and highlights of the audited financial statements for the fiscal year ended June 30, 2015, noted the item is on the Agenda as a receive and file item, and if Council wished, stated a more detailed follow-up of this item could be presented at an upcoming meeting.

Fasana requested that in the future, audited financial statements be an item on the Agenda, not on the Consent Calendar.

ITEM J – RECEIVE/FILE

Fasana moved, Reilly seconded to receive and file the audited financial statements for fiscal year ended June 30, 2015, per staff recommendation, and carried unanimously.

Item K – Parking restrictions
Council Bill 15-R-23
No Stopping

Council Bill 15-R-23 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, ESTABLISHING NO STOPPING ANY TIME WITH A PROVISION FOR TOWING ON HIGHLAND AVENUE BETWEEN CENTRAL AVENUE TO DUARTE ROAD, ON CENTRAL AVENUE EAST AND WEST OF HIGHLAND AVENUE, AND ON BUSINESS CENTER DRIVE WEST OF HIGHLAND AVENUE

Council Bill 15-R-24
Two-Hour Parking

Council Bill 15-R-24 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, ESTABLISHING A TWO (2) HOUR PARKING RESTRICTION ON THE NORTH AND SOUTH SIDES OF BUSINESS CENTER DRIVE BETWEEN HIGHLAND AVENUE AND FAIRDALE AVENUE

Council Bill 15-R-25
Resident Only Parking

Council Bill 15-R-25 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, ESTABLISHING A RESIDENT ONLY PARKING REGULATIONS ON DENNING AVENUE, GLENFORD AVENUE, FAIRDALE AVENUE, SANDEFUR STREET EASTFORD AVENUE AND PORTIONS OF BUSINESS CENTER DRIVE

Rafael Casillas, Public Works Manager, presented a staff report about the three proposed resolutions to assist traffic circulation in anticipation of the Gold Line parking lot, and answered questions from Councilmembers pertaining to outreach, permits, red curb, signage, and adjacent businesses.

ITEM K – APPROVED
RESOLUTION NO. 15-23
RESOLUTION NO. 15-24
RESOLUTION NO. 15-25

Reilly moved, Paras-Caracci seconded to adopt Resolution No. 15-23, Resolution No. 15-24, and Resolution No. 15-25, per staff recommendation, and carried unanimously.

Item L – Burrtec Amendment and
Rate Adjustment

Karen Herrera, Deputy City Manager, presented a staff report about the proposed amendment to the Burrtec agreement and the rate adjustment, and discussed new legislation pertaining to organics.

Finlay suggested the Public Services Commission take a tour of Burrtec's West Valley facility.

ITEM L – APPROVED

Finlay moved, Fasana seconded to approve Amendment No. 7 to the Burrtec Refuse Collection and Recycling Agreement, and to approve Burrtec's annual refuse collection and recycling rate adjustment, per staff recommendation, and carried unanimously.

Item M – Agreement with RSG
Real Estate Advisory Services

Craig Hensley, Community Development Director, presented a staff report about the proposed agreement with Rosenow Spevacek Group (RSG), and clarified that the amount of the requested budget amendment is \$30,000.

ITEM M – APPROVED

Finlay moved, Paras-Caracci seconded to authorize the City Manager to execute a Professional Services Agreement with Rosenow Spevacek Group Inc. (RSG) for real estate advisory services to evaluate the development pro forma and estimate fair market value of the City owned properties on the south side of Third Street, and to approve a related \$30,000 budget amendment, per staff recommendation, and carried unanimously.

PUBLIC HEARINGS
Council Bill 15-R-28
Revenue Bonds (Be.Group)
Westminster Gardens etc.

Mayor Kang announced this was the time and place set for a Public Hearing to consider a proposed Resolution.

Melching read by title Council Bill 15-R-28:

Council Bill 15-R-28 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE APPROVING THE ISSUANCE OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY SENIOR LIVING REVENUE BONDS (BE. GROUP OBLIGATED GROUP) IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$55,000,000 FOR THE PURPOSE OF FINANCING AND REFINANCING THE ACQUISITION, CONSTRUCTION, EXPANSION, REMODELING, RENOVATION, IMPROVEMENT, FURNISHING AND EQUIPPING OF SENIOR LIVING FACILITIES, AND ANCILLARY FACILITIES THEREOF, AND CERTAIN OTHER MATTERS RELATING THERETO

Notice of the hearing had been given, the affidavit is on file, and there were no written communications filed in the matter.

Jeff Melching presented a staff report about the TEFRA hearing, corresponding resolution, and proposed issuance of bonds pertaining to Westminster Gardens located at 1420 Santo Domingo Avenue.

Mayor Kang asked if there was anyone in the audience who wished to speak on the item. There were none.

Mayor Kang closed the Public Hearing.

RESOLUTION NO. 15-28

Fasana moved, Paras-Caracci seconded to adopt Resolution No. 15-28, and carried unanimously.

Community Development Block
Grant Program (CDBG) Budget
Fiscal Year 2016-17

Mayor Kang announced this was the time and place set for a Public Hearing to consider the Community Development Block Grant 2016-17 Budget.

George provided a staff report, and stated the Public Hearing is to receive input regarding the use of the City of Duarte's CDBG (Community Development Block Grant) funding allocations for Fiscal Year 2016-17.

Notice of the hearing had been given, the affidavit is on file, and no written correspondence was filed in the matter.

Mayor Kang asked if anyone in the audience wished to speak on this item. There were none.

Rafael Casillas answered questions from Councilmembers, and introduced Tina Gall from LDM Associates.

Reilly moved, Paras-Caracci seconded to allocate \$50,000 in FY 2016-17 (July 1, 2016-June 30, 2017) CDBG program funding to continue the installation of Americans with Disabilities (ADA) Curb Ramp Project, and to allocate \$90,000 for street improvements to Santo Domingo Avenue ("Duarte Street Improvement Project"), as described in Table 1 of the staff report, and included language giving staff the ability to make adjustments to projects, due to final funding allocations and/or as needed due to programmatic interpretations by the Los Angeles County Community Development Commission (LACDC), per staff recommendation, and carried unanimously."

BUSINESS ITEMS

City Commission appointments

Paras-Caracci moved, Reilly seconded to make the following appointments to the Parks and Recreation Commission, and carried unanimously: Jim Dinsmore, Elisabeth Dugan (terms expire 12/31/17); Barbie Bylsma-Houghton, Ted Rudolph, Anne Wilkins (terms expire 12/31/19).

Reilly moved, Paras-Caracci seconded to make the following appointments to the Planning Commission, and carried unanimously: George Farra (term expires 12/31/17); Shauna Pierce (term expires 12/31/19).

Reilly moved, Fasana seconded to make the following appointments to the Traffic Safety Commission, and carried unanimously: Natalie Ng, Robert Jole (terms expire 12/31/19).

Reilly moved, Fasana seconded to make the following appointments to the Economic Development Commission, and carried unanimously: Tony Molina, Krista Granger (terms expire 12/31/19).

Reilly moved, Paras-Caracci seconded to make the following appointments to the Public Services Commission, and carried unanimously: Michael Tse, David Gallivan, Kathy Kirchner (terms expire 12/31/19).

Finlay moved, Fasana seconded to make the following appointments to the Public Safety Commission, and carried unanimously: Mary Ann Ur (term expires 12/31/17); Christine Frye, Steve Hernandez, Scott Magnusson (terms expire 12/31/19).

Intergovernmental Organizations

Reilly moved, Finlay seconded to approve the following appointments to intergovernmental organizations, and carried unanimously.

Area "D" Emergency Services

City Manager – Representative

Full Council – Alternates

California Contract Cities

Liz Reilly – Delegate

Margaret Finlay – Alternate

City Selection Committee (County)

Samuel Kang – Delegate

Full Council – Alternates

Community Education Council

Tzeitel Paras-Caracci – Representative

Samuel Kang – Alternate

Duarte Community Service Council

Tzeitel Paras-Caracci – Representative

John Fasana – Alternate

Duarte Education Foundation

Margaret Finlay – Representative

Liz Reilly – Alternate

Foothill Employment and Training Consortium

Samuel Kang – Delegate

John Fasana – Alternate

Foothill Transit

Tzeitel Paras-Caracci – Delegate

Samuel Kang – Alternate

Gold Line Phase II JPA

Liz Reilly – Delegate

Tzeitel Paras-Caracci – Alternate

Joint Powers Insurance Authority

Margaret Finlay – Director

City Manager/Full Council – Alternates

League of California Cities

Samuel Kang – Delegate

Full Council – Alternates

San Gabriel Valley Council of Governments

John Fasana – Governing Board Representative

Margaret Finlay – Alternate Governing Board Representative

San Gabriel Valley Economic Partnership

John Fasana – Representative

Full Council – Alternates

San Gabriel Valley Vector Control District

Margaret Finlay – Representative

Sanitation Districts #15 and #22

Samuel Kang – Director

Margaret Finlay – Alternate

Southern California Association of Governments

Margaret Finlay – Representative

Full Council – Alternates

City Council asked that additional information about the schedule for the Community Education Council and the Duarte Community Council be provided.

Parks/Recreation Department
Classes – Transaction Fees

Cesar Monsalve, Parks and Recreation Director, presented the staff report about transaction fees associated with the Active Net program, including staff's recommendation, and answered questions from Councilmembers.

Fasana moved, Finlay seconded to absorb the initial transaction fees associated with the use of Active Net for the Parks and Recreation Department's program registrations for a period of time, which will allow staff to conduct a fee study and data analysis on fees and usage, with a subsequent recommendation on fees to be presented to City Council at a later date, per staff recommendation, and carried unanimously.

Citywide Street Sweeping
Discussion/Direction

Brian Villalobos, Director of Public Safety, presented a staff report and PowerPoint about the City's current street sweeping program and schedule, as well as various options for a street sweeping ordinance, including cost for sign installation and cost for program.

Larry Breceda, Public Safety Manager, presented results of the windshield survey. Richard Niño, Burrtec, answered questions and provided information about a pilot program.

There was discussion, including possible pilot program in one of the quadrants, sweeping of one or both sides of the street, frequency of street sweeping, outreach, determining who would pay for street signs, wording of signs, and grace period.

Paras-Caracci moved, Reilly seconded to direct staff to bring back a resolution/ordinance for a street sweeping pilot program to be conducted in one area (Quadrant #2), with options that were discussed such as sweeping both sides of the street, every other week, extensive outreach, signage, technology, and grace period, and carried unanimously.

ORAL COMMUNICATIONS
(Continued)

The following spoke on items not on the Agenda.
Steve Hernandez – Commission appointment, recent tragedies.

ITEMS FROM CITY COUNCIL/
CITY MANAGER
(Continued)

GEORGE: Stated he spoke with the School Superintendent about the possibility of DUSD funding the starting blocks at the pool, and they are interested.

PARAS-CARACCI: Attended Christmas show at Santa Teresita, holiday event at City of Hope, and breakfast with Santa, thanked her family and friends who supported her during her time as Mayor, and stated she is excited for another new year.

REILLY: Attended National Monument land management meeting in Palmdale and the COG Energy Environment and Natural Resources meeting, discussed draft ordinance for over the counter drugs, thanked the Cantabile Choir for its performance, regarding the recent mass shootings, stated we have to be more vigilant, and wished all happy holidays.

FASANA: Stated we have accomplished a lot this year, congratulated the Mayor, thanked City of Hope, staff, sponsors, and honorees at the Mayor's Prayer Breakfast, regarding the recent shootings, stated liberty will prevail, and wished all a happy holiday season.

FINLAY: Provided information to the Assistant City Manager pertaining to technical assistance being provided on February 11 for the SCAG workshop in Los Angeles, reminded all that yesterday was the anniversary of December 7, 1941, stated she is grateful for the sacrifices of our service people, she enjoyed working with City Councilmembers this past year, and wished all happy holidays.

KANG: Thanked staff, stated this is a great team with good synergy, the Rotary breakfast was great, attended craft show at the museum and grand opening of Federico's, thanked all for a great year, and wished everyone happy holidays.

ADJOURNMENT

The meeting was adjourned at 10:42 p.m. in memory of the victims of the San Bernardino tragedy, to the City Council Meeting of January 12, 2016.

Mayor Samuel Kang

ATTEST:

City Clerk



MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM: CESAR MONSALVE, PARKS AND RECREATION DIRECTOR

SUBJECT: REQUEST FOR APPROVAL TO AUTHORIZE THE CITY MANAGER TO SIGN AN AGREEMENT BETWEEN THE CITY OF DUARTE AND "GOLDEN STREETS WORKING GROUP" CITIES TO SHARE RESOURCES TO PLAN AND HOST THE GOLDEN STREETS FESTIVAL

DATE: 1/12/16

Recommendation

Staff recommends that the Council authorize the City Manager to sign an agreement between the cities of Arcadia, Azusa, Duarte, Irwindale, Monrovia, San Marino, and South Pasadena to share resources, plan and host the Golden Streets Festival through the creation of a "Golden Streets Working Group".

Discussion

The City of South Pasadena and Bike San Gabriel Valley (BikeSGV), in partnership with the cities of Arcadia, Azusa, Duarte, Irwindale, Monrovia and San Marino, were successful in securing \$393,600 from the Los Angeles Metropolitan Transportation Authority (Metro LACMTA) countywide "Open Streets Event" program. The partnered cities proposed to host the Golden Streets Festival to promote active transportation and complete street concepts in conjunction with the grand opening of the Gold Line Foothill Extension in Spring 2016. This open streets event will take place on Sunday, June 26, 2016 and will travel on a contiguous route from South Pasadena to Azusa.

Conclusion

The MOU will formalize the relationship between the cities to work jointly and collaboratively, share grant monies, staffing, and other resources in the planning and hosting of the Golden Streets Festival through the creation of a "Golden Streets Working Group" to coordinate activities. The LACMTA "Open Streets Event" grant program requires a 20% in-kind or local fund match from each city participating in the event and based on the funding allocation for Duarte determined by the route length traffic control and Public Safety needs, Duarte's in-kind or match total is approximately \$16,700.

**A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITIES OF
ARCADIA, AZUSA, DUARTE, IRWINDALE, MONROVIA, SAN MANRINO,
AND SOUTH PASADENA TO SHARE RESOURCES TO PLAN AND HOST
THE GOLDEN STREETS FESTIVAL THROUGH THE CREATION OF A
"GOLDEN STREETS WORKING GROUP"**

WHEREAS, on June 26, 2014, the Los Angeles County Metropolitan Transportation Authority (LACMTA) Board approved the 2014 Open Streets Grant Program providing Congestion Mitigation Air Quality ("CMAQ") Funds for one-day events that close the street to automotive traffic and open them to people to walk or bike ("Open Street Event"). Further, the LACMTA Board approved that LACMTA serve as the pass through agency of the CMAQ Funds with local cities; and

WHEREAS, the City of South Pasadena (Grantee) and Bike San Gabriel Valley (BikeSGV) were successful in securing \$393,600 in CMAQ funds from the LACMTA county-wide "Open Streets Event" program to host the Golden Streets Festival for outreach, pre-event planning, and day of event staging costs; and

WHEREAS, the Golden Streets Festival, which qualifies as an "Open Street Event," for the use of the LACMTA pass through of CMAQ funds, will promote active transportation and complete street concepts in conjunction with the grand opening of the Gold Line Foothill Extension in Spring 2016; and

WHEREAS, LACMTA will advance local funds up to \$393,600, to the Grantee for the Golden Streets Festival and then submit requests, based on Grantee's invoices to Caltrans for reimbursement with CMAQ Funds; and

WHEREAS, the Grantee understands that the CMAQ Funds provided herein are subject to the federal grant agreement between the California Department of Transportation and LACTMA (Federal Grant); and

WHEREAS, Grantee shall be subject to, and shall comply with, all requirements of the Federal Grant and other applicable requirements of the United States Department of Transportation (USDOT), the United States Department of Labor (USDOL), and Caltrans. In addition, the Grantee shall comply with all requirements of LACMTA so that LACMTA can fulfill its responsibilities as the grantee under the Federal Grant and as the pass-through agency; and,

WHEREAS, the LACMTA "Open Streets Event" program requires a 20% in-kind or local fund match of the total cost of the event; and

WHEREAS, the Grantee shall utilize the local grant funds for non-infrastructure costs of implementing the Golden Streets Festival. Per the funding guidelines, physical infrastructure costs associated with the event are not eligible for reimbursement; and

WHEREAS, not more frequently than once a month, the Grantee will prepare and submit to LACMTA a Request for Reimbursement for allowable costs incurred; and

WHEREAS, each Request for Reimbursement must be submitted on Grantee's letterhead and shall include an invoice number and report the total expenditures, specify the percent and amount of CMAQ Funds to be reimbursed, the total amount of Local Match expended and include a detailed invoice describing all invoiced work completed along with appropriate detailed documentation supporting costs incurred. To ensure timely processing of invoices, each Request for Reimbursement shall not include any invoices which are older than three (3) months from the date of the Request for Reimbursement; and

WHEREAS, the South Coast Air Quality Management District (SCAQMD) has created a Mobile Source Air Pollution Reduction Review Committee (MSRC) to develop a work program to fund projects; and

WHEREAS, the City of South Pasadena and BikeSGV were successful in securing \$320,000 from the MSRC 2015 Local Government Match Program for direct costs associated with the Golden Streets Festival such as: marketing materials, traffic enforcement, rentals, planning staff, insurance, and permits; and,

WHEREAS, MSRC will match Subvention Funds and additional funding sources dollar for dollar in an amount not to exceed \$320,000; and

WHEREAS, MSRC match funds will be distributed on a reimbursement basis upon completion of the approved project and submittal of all required reports and invoices; and

WHEREAS, the cities of Arcadia, Azusa, Duarte, Irwindale, Monrovia, San Marino, and South Pasadena, and the County of Los Angeles (collectively referred to as the "Cities" or individually referred to respectively as "Partner City") have partnered together to host a 19.12 mile contiguous open streets event on Sunday, June 26, 2016 from South Pasadena to Azusa (referred to herein as the "Golden Streets Festival"); and

WHEREAS, the Cities will be responsible for street closures, vehicular detour plans, outreach, event staging, and public safety within their own jurisdiction; and

WHEREAS, the Cities desire to work jointly and collaboratively to share monetary, staffing, and other resources in planning and hosting the Golden Streets Festival, and desire to formalize their relationship through the creation of a "Golden Streets Working Group" or "Working Group" to coordinate their activities; and

WHEREAS, nothing in this MOU should be construed as creating a Joint Powers Agreement or Joint Powers Agency as would otherwise be authorized under California Government Code §§6500 as the Parties do not intend such a relationship.

NOW, **THEREFORE**, the Cities hereto agree as follows:

1. **CREATION OF THE "GOLDEN STREETS WORKING GROUP"** - There is hereby created a "Golden Streets Working Group" established for the purpose of combining resources (financial, staffing and other in-kind) in order to plan and host the Golden Streets Festival. The Working Group shall be composed of the City Manager, or designee, from each Partner City.
2. **MANAGEMENT OF OPERATIONS** - The City Managers (or their designees) from each Partner City shall be authorized to consider and direct, by majority vote the use of resources that are available to the Working Group consistent with the functions and purposes of the planning and hosting of the Golden Streets Festival.
 - a. **VOTING** - Each City Manager (or his/her designee) shall have one (1) vote on matters within the Working Group's subject matter jurisdiction. A majority vote shall be necessary to approve any policy, position or decision of the Working Group.

FIDUCIARY AGENT - The City of South Pasadena shall act as the "Fiduciary Agent" of the Working Group. The Fiduciary Agent will hold the financial contributions received on behalf of the Working Group and shall be responsible for the management and safekeeping of grant funding awarded to the Golden Streets Festival. Said contributions shall be held in trust and shall be accounted for on an apportioned basis such that, at any time, it can be readily determined the balance of each Partner Cities' contribution. Subject to direction of the Working Group, the Fiduciary Agent shall pay expenses of the Working Group and shall report regularly to the Working Group the funding and grant status of the Golden Streets Festival. The Fiduciary Agent shall retain 5% of each of the CMAQ funds and MSRC grant funds for these administrative services.
3. **CONTRIBUTIONS** - Each Partner City shall contribute to the 20% in-kind match for the funds received through the LACMTA grant. Contributions shall be determined based on the length of the route and the number of street closures in each Partner City as shown in Exhibit A. The available funding to each city will be determined after the shared expenditures and the 5% administrative fee has been provided to the Fiduciary Agent for their costs associated with the administration of the CMAQ funds.
4. **CONSULTANT WORK** - The Working Group may enlist the work of independent contractors, consultants, vendors, and other professionals to assist in the planning and operations of the Golden Streets Festival as set forth in the recitals herein. Such consultant(s) shall not be employees of the Working Group nor of any Partner City but shall be engaged by the Fiduciary Agent on behalf of the Working Group. The consultant(s) shall provide indemnification, hold harmless and additional insured coverage in the manner and amounts as set forth by the Working Group naming each respective Partner City.

5. **ALLOCATION OF FUNDS** – The Working Group will authorize the Fiduciary Agent to enter into contracts for the planning, implementation, and hosting of the Golden Streets Festival. Any remaining LACMTA funds that have not been expended on behalf of the Working Group for shared resources or purchases will be allocated to individual Partner Cities based on length of the route and the number of street closures within their respected jurisdictions for any additional costs associated with the Golden Streets Festival.
6. **INDEMNIFICATION** - Each Partner City to this MOU is a public entity. In contemplation of the provisions of Section 895.2 of the Government Code imposing certain tort liability jointly upon public entities, solely by reason of such entities being parties to an MOU as defined by Section 895 of the Government Code, the Partner Cities as between themselves, pursuant to the authorization contained in Government Code Sections 985.4 and 895.6 will each assume the full liability imposed upon it or upon any of its officers, agents or employees by law for injury caused by a negligent or wrongful act or omission occurring in the performance of this MOU, to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve the above stated purpose, each party indemnifies and holds harmless the other party solely by virtue of Government Code Section 895.2. The provision of California Civil Code Section 2778 is made a part hereto as if fully set forth herein. Each Partner City certifies that it has adequate self-insured retention of funds to meet any obligation arising from this MOU. Each Partner City also certifies that it has adequate self-insured retention of funds to meet any obligation arising from this MOU. Each Partner City will be responsible for its own actions in providing services under this MOU in connection with the Golden Streets Festival within its jurisdiction and shall not be liable for any civil liability that may arise from the furnishing of services by any other Partner City within that Partner City's jurisdiction.
7. **DISSOLUTION** - Upon completion of the purposes of this MOU, or as determined by the Partner Cities, at any time, this MOU may be terminated and the Working Group dissolved.
8. **NOTICE TO PARTIES (AUTHORIZED REPRESENTATIVES)** - Notices given pursuant to the requirements of this MOU shall be by personal service upon the Partner City to be notified by writing upon such notice being deposited into the custody of the United States Postal Service addressed as follows:

City of Arcadia
City Manager
240 West Huntington Drive
Arcadia, CA 91066

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

City of Azusa
City Manager
213 East Foothill Boulevard
Azusa, CA 91702

City of Irwindale
City Manager
5050 North Irwindale Avenue
Irwindale, CA 91706

Golden Streets Working Group MOU

City of Monrovia
City Manager
415 South Ivy Avenue
Monrovia, CA 91016

City of South Pasadena
City Manager
1414 Mission Street
South Pasadena, CA 91030

City of San Marino
City Manager
2200 Huntington Drive
San Marino, CA 91108

County of Los Angeles
Public Works Deputy Director
900 S. Fremont Ave.
Alhambra, CA 91803

9. **AMENDMENTS** - This MOU may be amended upon unanimous action by each respective Partner City's city manager.

IN WITNESS WHEREOF, the Parties hereto have caused MOU to be executed by their duly authorized representatives:

CITY OF ARCADIA:

Dominic Lazzaretto, City Manager

Date

CITY OF AZUSA:

Troy Butzlaff, City Manager

Date

CITY OF DUARTE:

Darrell George, City Manager

Date

CITY OF IRWINDALE:

John Davidson, City Manager

Date

CITY OF MONROVIA:

Oliver Chi, City Manager

Date

CITY OF SAN MARINO:

John Schaefer, City Manager

Date

CITY OF SOUTH PASADENA:

Sergio Gonzalez, City Manager

Date

COUNTY OF LOS ANGELES:

Pat Proano, Deputy Director

Date

EXHIBIT A
GOLDEN STREETS FESTIVAL
FUNDING ALLOCATION PLAN
FISCAL YEAR 2015-16

Metro Grant Award: \$393,600
Less Administrative Fee (5%): \$373,920

<u>Partner City</u>	<u>Route Length</u>	<u># of Hard Closures</u>	<u># of Soft Closures</u>	<u>Funding Allocation*</u>	<u>Maximum Funding Allocation</u>	<u>In-Kind Match Requirement</u>
Arcadia	4.30	27	4	21%	\$78,523.20	\$20,664.00
Azusa	1.87	10	3	10%	\$37,392.00	\$9,840.00
Duarte	3.00	23	3	17%	\$63,566.40	\$16,728.00
Irwindale	1.51	1	1	2%	\$7,478.40	\$1,968.00
Monrovia	2.66	12	3	11%	\$41,131.20	\$10,824.00
San Marino	2.92	22	3	17%	\$63,566.40	\$16,728.00
South Pasadena	1.63	19	5	17%	\$63,566.40	\$16,728.00
Los Angeles County	1.28	7	1	5%	\$18,696.00	\$4,920.00
Total	19.17	121	23	100%	\$373,920.00	\$98,400.00
* Route Length + 2(# of Hard Closures) + 4(# of Soft Closures) = 100%						

MSRC Grant Award: \$320,000
Less Administrative Fee (5%): \$304,000

MEMORANDUM



TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: ALEX TACHIKI, COMMUNITY DEVELOPMENT TECHNICIAN
DATE: JANUARY 12, 2016
SUBJECT: REQUEST FROM SANTA TERESITA AND HAYDEN CHILD CARE CENTER FOR CITY CO-SPONSORSHIP OF HAYDEN 5K RUN AND FAMILY WALK AND ROLL EVENT ON SATURDAY, MARCH 12, 2016

Recommendation: That the City Council approve a request to co-sponsor the eighth annual Hayden 5K Run and Family Walk and Roll scheduled for Saturday, March 12, 2016; waive City permit fees; and waive Buena Vista Street Banner permit fees.

Summary: The applicant, Hayden Child Care Center (an affiliate of Santa Teresita, Inc) is requesting the City co-sponsor the eighth annual Hayden 5K Run and Family Walk and Roll scheduled for Saturday, March 12, 2016. The 5K Run and Family Walk and Roll is scheduled to start at 9:00 am and is expected to conclude by 11:00 am. Following the run, the applicant will host a range of family activities (games, food, and entertainment, etc.) on the Santa Teresita Campus until 1:30 pm.

The Hayden 5K is an annual fundraiser for the Child Care Center and is expected to draw over 1,000 attendees. All revenue generated by the event will go to enhance programs and the environment of Hayden Child Care Center of Santa Teresita, Inc. An application has been filed for exclusive usage of the Duarte Recreational trail, where the item will be presented to the Parks and Recreation Commission on January 11, 2016 to waive the \$195 fee. Following Council action on this item, the Special Event Permit application will be reviewed by the Community Development Department and final conditions of approval will be imposed for the proposed event pursuant to Duarte Development Code 19.124 (Temporary Use Permits).

Discussion: The applicant is proposing to keep the same route as used in past events (March 2012-2015). The 5K route is shown on Map 1 (Attachment 1). The route includes street closures at the intersections of Royal Oaks Drive and: Buena Vista Street, Junipero Drive, Cotter Avenue, Duncannon Avenue, Eastford Avenue, Oak Avenue, Highland Avenue, Miltonwood Avenue and Chimes Avenue. There is also a street closure further south on Buena Vista Street, in front of the Little Scholars School and Santa Teresita Campus. At each street closure there will be barricades and delineation to mark the hard (street) closure locations. Additionally, there will be a soft (street) closure at the intersection of Royal Oaks Drive and Mt. Olive Drive, which is staffed by the Public Safety Department.

Notification to affected residents and businesses will also be conducted (Attachment 2). The applicant will supply copies of notification letters to the Public Safety Department. DART volunteers will distribute the notices to the affected local businesses and residents on and/or adjacent to Royal Oaks Drive. The notice describes the potential impact to the neighborhood as well as logistics of the event.

In the past, there have been issues with parking in areas not associated with the event. To alleviate this, the applicants are encouraging all participants to park on the campus or an approved off-site location. Santa Teresita will work with some of the local businesses to obtain temporary permission to utilize their parking lots. In particular, the Church of Latter Day Saints at 1452 Royal Oaks Drive and the Buena Vista Marketplace respectively have 128 and 328 parking spaces.

The applicant is requesting that the City co-sponsor the event again this year, waive permit fees and provide in-kind services such as event marketing and traffic control plan preparation. The permit fees that would be waived, if approved by Council, are listed below:

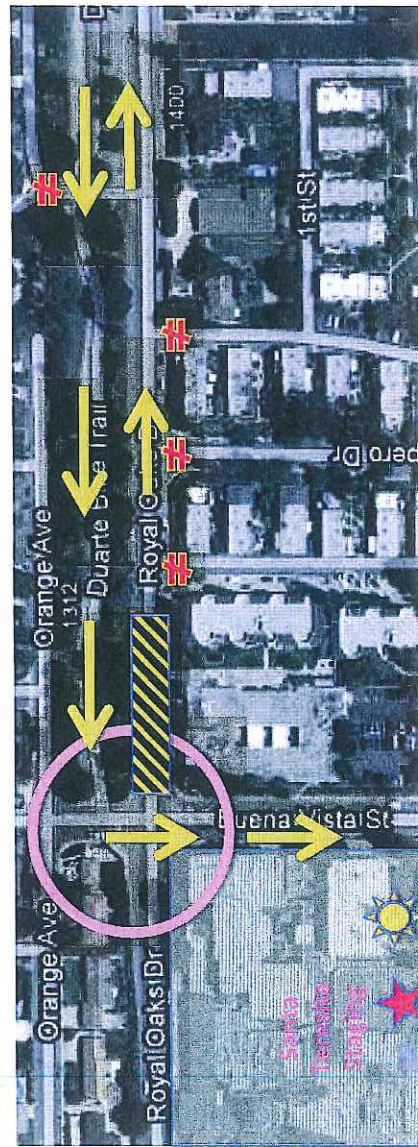
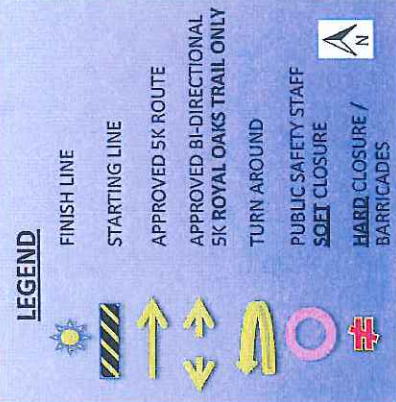
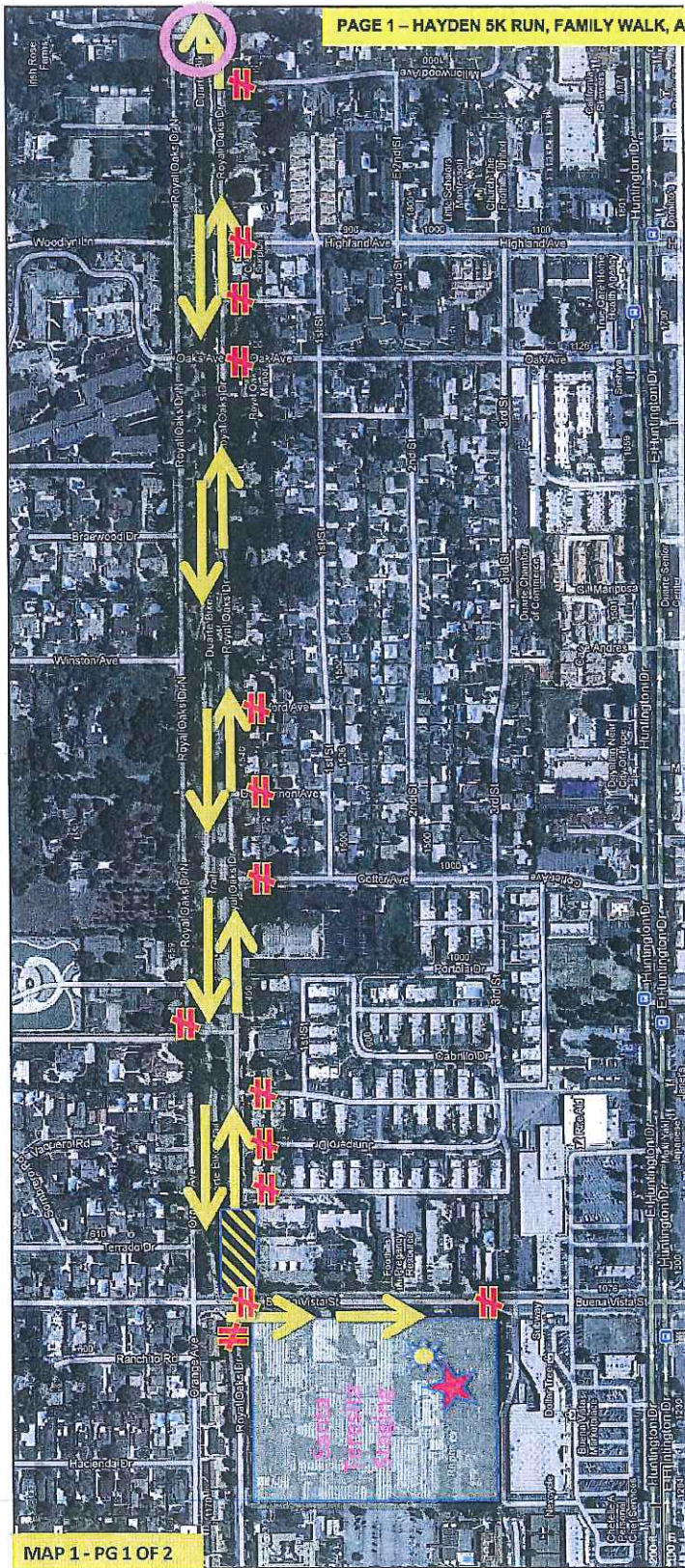
City Permit Fees Costs (Total)	\$485
<i>Waive Special Event Permit fee</i>	<i>\$25</i>
<i>Waive Street Banner Permit fees</i>	<i>\$100</i>
<i>Waive Traffic Control Right-of-Way Permit</i>	<i>\$150</i>
<i>Waive Temporary Banner Permit</i>	<i>\$15</i>
<i>Exclusive Trail Park Usage*</i>	<i>\$195</i>
<i>*January 11, 2016 - Duarte Parks and Recreation Commission item is pending approval before waiving of fees associated with the use of the Duarte Bike Trail.</i>	

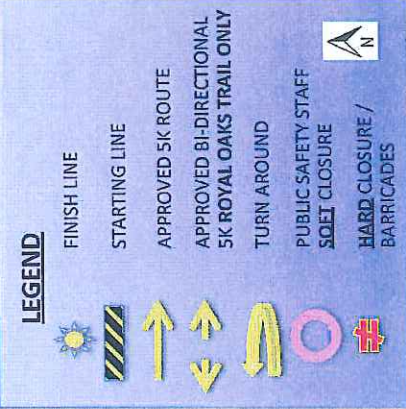
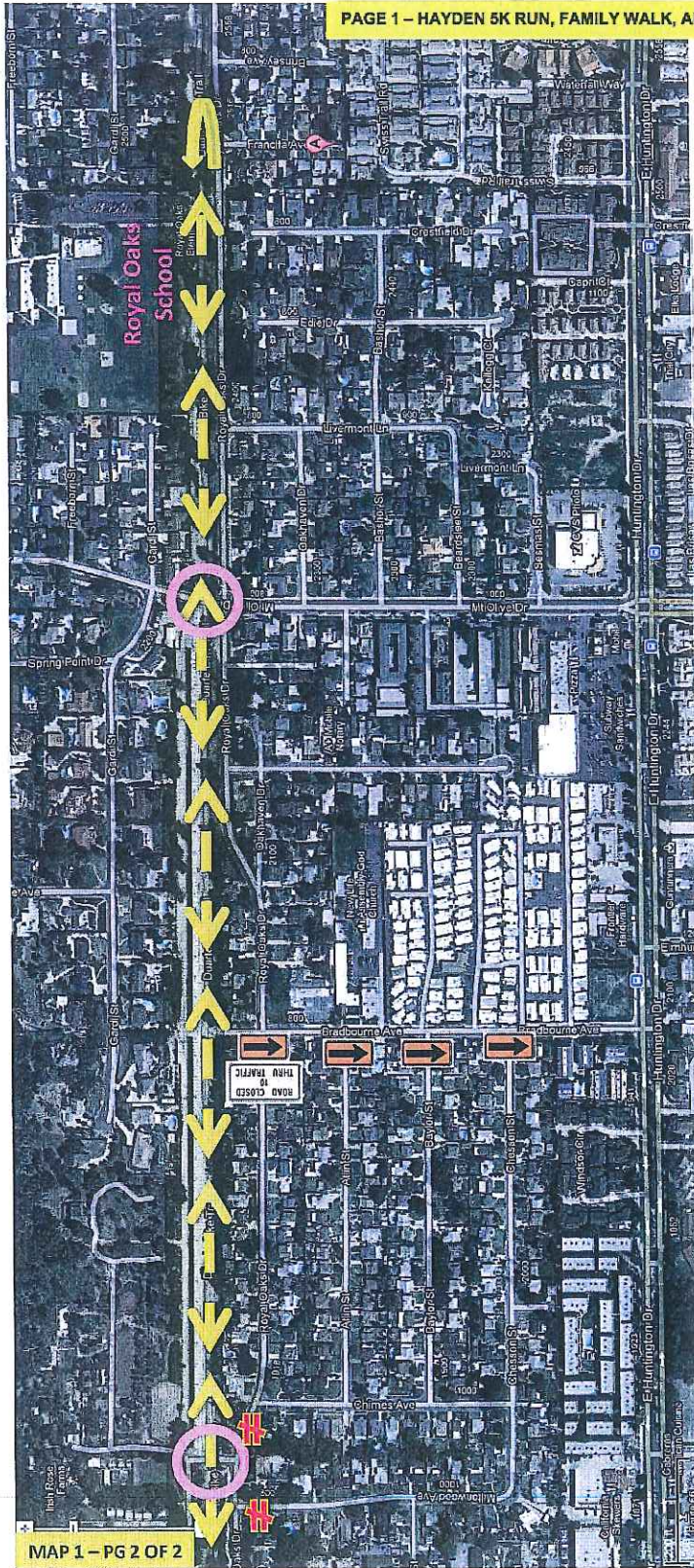
The applicant will be required to reimburse the City for staff time related to Traffic Control Implementation & Public Safety (Crowd Control) Services, which is estimated at \$4,029 (Attachment 3).

ATTACHMENTS:

- #1 - Race Route Map
- #2 - Notification to Residents
- #3 - General Event Logistics

PAGE 1 - HAYDEN 5K RUN, FAMILY WALK, AND ROLL COURSE SATURDAY, MARCH 12, 2016





ROUTE DESCRIPTION: The starting line and participant line up will take place along Royal Oaks Drive, east of Buena Vista Street to Junipero Drive. Participants will run, walk or roll, east on Royal Oaks Drive until Royal Oaks North where they will enter the Duarte Bike Trail. The race continues east on the Duarte Bike Trail until the turnaround on the trail near Royal Oaks Elementary School. The racers return west on the Duarte Bike Trail, reaching Buena Vista Street, will travel southbound on Buena Vista, with the finish line in the parking area of Santa Teresita Campus located at 819 Buena Vista Street, Duarte (Map 1).

MAP 1 TRAFFIC AND DETOUR MAP HAYDEN 5K (FOR CITY STAFF USE ONLY)

- 1  SC5 - SPECIAL EVENT AHEAD
- 2  W20-3 - ROAD CLOSED AHEAD
- 3  R11-2 - ROAD CLOSED ON TYPE III
- 4  R11-2 - ROAD CLOSED ON TYPE II
- 5  R11-4 - ROAD CLOSED TO THRU TRAFFIC ON TYPE II
- 6  M4-10R - DETOUR (R)
- 7  M4-10L - DETOUR (L)
-  PROPOSED STREET CLOSURE

NOTE:
INSTALL BARRICADES TO DRIVEWAYS WITHIN THE CLOSURE ROUTE.

ROUTE DESCRIPTION: The starting line and participant line up will take place along Royal Oaks Drive, east of Buena Vista Street to Junipero Drive. Participants will run, walk or roll, east on Royal Oaks Drive until Royal Oaks North where they will enter the Duarte Bike Trail. The race continues east on the Duarte Bike Trail until the turnaround on the trail near Royal Oaks Elementary School. The racers return west on the Duarte Bike Trail, reaching Buena Vista Street, will travel southbound on Buena Vista, with the finish line in the parking area of Santa Teresita Campus located at 819 Buena Vista Street, Duarte. (Map 2)



The map displays the Bradbury area with various streets including Bradbury, Duarte, Huntington Dr, and others. Numbered arrows (1-7) indicate specific route segments. A red line marks the 'DELINEATE PED'S ON TO THE TRAIL'.

ATTACHMENT 2

January 6, 2016

Dear Neighbors,

With much joy, Hayden Child Care Center of Santa Teresita, Inc. announces its **8th annual Hayden 5K Run, Family Walk and Roll and Family Festival with Car Show** which will be held on **Saturday, March 12, 2016**. The Race will begin at **9:00 AM**. It is our hope that this year's race will begin on Royal Oaks Drive just north of Buena Vista Street in the city of Duarte. Participants will begin on Buena Vista Street, run east on Royal Oaks Drive until Royal Oaks North where they will enter the Recreational Trail. The race continues east on the Duarte Recreational Trail until the turn about near Royal Oaks Elementary School. The return will be on the trail until Buena Vista Street with the Finish Line in the parking area of Santa Teresita at 819 Buena Vista Street, Duarte. Following the race, we will have activities for all on the grounds of Santa Teresita until 1:30PM.

The purpose of this letter is two-fold. First, we would like to invite you to participate in the day and invite your friends. Secondly, we want to inform you of the potential street closures and parking restriction of the event if permission is granted by the City of Duarte Council:

- Royal Oaks Drive east of Buena Vista Street until the driveway of Royal Oaks school just west of Francita Avenue:
 - Street closure from 8:45AM until approximately 10:00AM
 - Overnight parking restrictions from Friday, March 11th, 2016 until approximately 10:00AM on Saturday, March 12th, 2016

Hayden Child Care Center will be making this request of the City of Duarte Council on **Tuesday, January 12, 2016 at 7:00pm**, during its meeting open to all Duarte Citizens at the Duarte Community Center, 1600 Huntington Dr., Duarte Ca. It is our hope that our request will cause little inconvenience to you, the residents on Royal Oaks Drive, and that the event will be a fun-filled one for the participants that come out to run and/or walk in the 5K. Our "City of Health" has much to offer and a morning run down one of its most beautiful streets and its recreational trail will hopefully bring many wonderful and lasting memories to all who join in the 5K.

Please visit our website, www.hayden5k.com, for details about the 5K and how to register as a participant. The website also has details on the activities that will follow at Santa Teresita.

Join us for a day of fun, health, and entertainment that the entire family can enjoy. We look forward to seeing you there!

With gratitude,

Sister Lourdes, O.C.D.
Director, Hayden Child Care Center of Santa Teresita



ATTACHMENT 3

The applicant will reimburse the City for the services described below and will be responsible for the following event logistics:

1. Traffic Control Implementation & Public Safety (Crowd Control) Services – The Public Safety Director will direct the implementation of the traffic control plan as approved by the City Public Works Manager. Public Safety Staff will staff the street closures and oversee compliance with traffic laws, street delineators, and crowd control. The Field Services Division will use, set-up and knock down city owned street delineators and barricades for street closures per an approved traffic control plan.
2. The Public Safety Director will make every attempt possible to use trained volunteers and on-duty staff for traffic and crowd control in order to minimize costs to the applicant. In previous years the use of trained volunteers has reduced the cost to approximately \$1,200, however the City cannot guarantee that costs will be reduced to \$1,200. The applicant will be required to reimburse the City of Duarte for staff time used.

Total Estimated Reimbursement Amount - \$4,029*

\$3,053 (includes one sergeant, four deputies, four community service officers, and two code compliance officers and one code compliance manager)

\$976 (includes two Field Services staff members to set-up & knock down street delineators and barricades related to street and trail closures)

Emergency medical response, if needed, would be provided by Los Angeles County Fire and the cost of those services along with any other emergency response services would be the sole responsibility of the applicant.

3. Staffing – The applicant will supply the volunteers/staff for the water stations on the Duarte Bike Trail route and the post- event activities on the Santa Teresita Campus.
4. Set-up/Break down – The applicant's volunteers/staff will be responsible for setting up and breaking down a series of lightweight tables along the trail without the need for a vehicle entering the trail.
5. Event Parking – Same as last year. Parking for the event will be on the grounds of the Santa Teresita Campus (819 Buena Vista Street) and on neighboring streets. The applicant will be working with some of the local businesses to obtain permission for the use of their parking lots. The Church of Latter Day Saints at 1452 Royal Oaks Drive has 128 spaces and the Buena Vista Marketplace at 1200 Huntington Drive has 328 parking spaces.

ATTACHMENT 3

6. Event Notification – The applicant supplied copies of the notification to the Public Safety Director and notices will be distributed by DART volunteers (Attachment 2). The notice describes the potential impact to the neighborhood.
7. Insurance – The applicant will be required to provide the City with a \$2 million dollar insurance policy naming the City as additionally insured. Upon approval of the application with the United States Track and Field Association (USTFA) Hayden Child Care will provide the required proof of insurance.
8. City of Monrovia – The applicant shall be responsible for obtaining approval for special event activities planned on the portion of the campus located in the City of Monrovia and the applicant shall be responsible for any requirements imposed by City of Monrovia related to traffic control.
9. City of Bradbury - The applicant shall be responsible for notifying and obtaining any required approvals by the City of Bradbury.
10. Exclusive Trail Park Usage Refundable Deposit – On January 11, 2016 the Parks and Recreation Commission will review the application for the facility use. The Commission will consider waiving the facility use fee, which is \$195. A \$300 Refundable Deposit is still required by the Parks and Recreation Department.
11. Trash Removal – The applicant will request from Burrtec Waste Industries cardboard trash containers and liners at no cost that would be placed along the trail by applicant. Upon completion of the race, the applicant's volunteers would be responsible removing the temporary containers, which will be taken back to the Santa Teresita Campus for disposal.

MEMORANDUM

TO: Mayor and Councilmembers

FROM: Darrell J. George, City Manager

DATE: January 7, 2016

SUBJECT: Conference Attendance – City Council Meeting of January 12, 2016



National League of Cities
2016 Congressional City Conference
March 5-9, 2016
Marriott Wardman Park Hotel or Omni Shoreham Hotel
Event Fee: \$575 (through 1/31/16)
Event Fee: \$700 (2/1/16 through 3/3/16)
Hotel: \$269/night

2016 CONGRESSIONAL CITY CONFERENCE



NATIONAL
LEAGUE
of CITIES

WASHINGTON, D.C. | MARCH 5-9, 2016

Rates

Registration Fees:	Early Bird	Advance	On-Site
Registrant Type	Valid Through 1/31/16	Valid Through 3/3/16	Beginning 3/4/16
NLC Member City	\$575	\$700	\$800
SML Member City	\$675	\$800	\$900
Non-Member/Other	\$705	\$905	\$1005
First Time Attendee	\$440	\$440	\$540
Youth Delegate/Chaperone	\$150	\$150	\$150
Student	\$125	\$125	\$125
Spouse/Guest*	\$100	\$100	\$100

Washington, D.C. has been attracting visionaries, revolutionaries, and doers since 1790. As a city leader, you fit right in. Be a part of a long history of men and women who have come to Washington to make a difference in your communities and in the lives of the families who live in them.

Come to Washington, D.C. March 5-9, 2016, to become a history-maker for your community. Hear from federal policy makers and those vying to be the next President of the United States, as you prepare to advocate for cities on Capitol Hill.

**Register before January 31st
for the early bird rate at
www.nlc.org/ccc.**



March 5-9, 2016 | Washington, D.C.

2016 CONGRESSIONAL CITY CONFERENCE



NATIONAL
LEAGUE
of CITIES

WASHINGTON, D.C | MARCH 5-9, 2016

What will you experience?

Get In The Know

Hear directly from policy makers and thought leaders on the issues that matter this election year. You'll get up to speed on the federal policies that affect cities, the latest funding opportunities, and the emerging practices you can pioneer in your community. Becoming informed about infrastructure, public safety, community resilience, and federal regulations will make you a stronger advocate for your city.

The Action Plan

Bring together city leaders and some of Washington's most influential people and you can make big things happen. During the 2016 Congressional City Conference, you'll have designated time to visit your congressional delegation on Capitol Hill.

Accommodations

The Congressional City Conference takes place at the [Marriott Wardman Park Hotel](#), where we have arranged for reduced room rates for conference attendees. You may also choose to stay at the nearby [Omni Shoreham Hotel](#). Room rates for both hotels are \$269, and are subject to availability.

The conference is located at the intersection of the Woodley Park and Adams Morgan neighborhoods in the nation's capital. Local restaurants surround the area, and the [National Zoo](#) is a short walk away. The hotels are just 8 miles from Reagan National Airport and 28 miles from Dulles International Airport. You can take [Metro Rail's](#) red line to the Woodley Park station, where you can exit right in front of the hotels.



DUARTE PUBLIC SAFETY STAFF REPORT



To: Darrell George; City Manager

From: Aida Torres; Crime Prevention Specialist

Subject: Resolution to Accept CalGRIP Grant Funds

Date: January 6, 2016

This is a resolution for the City Council to consider accepting the California Gang Reduction and Intervention Program (CalGRIP) grant funding for year 2 for \$325,171, along with the Board of State and Community Corrections (BSCC) recommendations for extension of the Cal-GRIP grant. The grant period is for 12 months, from January 1, 2016, through December 31, 2016.

The Duarte Public Safety will continue to successfully employ a multidimensional approach to gang prevention and intervention. A portion of this grant will provide the Duarte Prevention and Intervention Program with the funds necessary to retain a School Resource Deputy position and to add an additional Deputy Probation Officer position. Additionally, \$20,000.00 of the funds will go to the Flintridge Center to continue contracting for reintegration services provided by them. Funds will also support the Duarte Public Safety and Teen Center youth outreach programs and the Duarte Boxing Program. As required by the grant, twenty percent of the funds will go to our local Community Based Organization (CBO) partners, the Boys and Girls Club of the Foothills, the Sheriff Youth Foundation, and Southland Sings.

Fiscal Impact: The CalGRIP Grant is a 50% matching grant. The resolution accepting the grant and the attached budget, which was already incorporated in the FY 2015/16.

LINE ITEM	GRANT FUNDS	CASH MATCH	IN-KIND MATCH	TOTAL
1. Salaries and Benefits	\$	\$	\$	\$
1. Services and Supplies	\$31,769	\$	\$31,770	\$63,539
2. Professional Services	\$188,385	\$168,385	\$	\$
3. CBO Contracts <i>(minimum 20% of grant funds)</i>	\$72,500	\$26,500	\$79,620	\$356,770
4. Indirect Costs <i>(no more than 10% of grant funds)</i>	\$	\$	\$	\$
5. Data Collection / Evaluation <i>(minimum 10% of grant funds)</i>	\$32,517	\$	\$18,897	\$51,414
6. Fixed Assets / Equipment	\$	\$	\$	\$
7. Other <i>(Including Training, Travel, etc.)</i>	\$	\$	\$	\$
TOTAL	\$325,171	\$194,885	\$130,287	\$650,343

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE
ACCEPTING THE SECOND YEAR OF THE CALIFORNIA GANG REDUCTION
AND INTERVENTION PROGRAM (CalGRIP) FUNDING OF \$325,171 FOR 2016,
AND THE BOARD OF STATE AND COMMUNITY CORRECTIONS (BSCC)
RECOMMENDATIONS FOR ADMINISTERING THE GRANT**

WHEREAS, the City of Duarte will use local collaborative efforts to reduce gang activity through the use of evidence based prevention, intervention, and reintegration activities during January 1, 2016, through December 31, 2016; and

WHEREAS, the City of Duarte will contract to work in a collaboration with the community based organizations of the Boys and Girls Club of the Foothills, the Flintridge Center, the Sheriff Youth Foundation, and Southland Sings, and contribute the required twenty percent of funding toward the growth of their programs; and

WHEREAS, the City of Duarte has applied for and has been awarded a grant in the amount of \$325,171 for calendar year 2016, from CalGRIP Gang Reduction and Intervention Program, which grant is subject to certain recommendations made by the BSCC; and

WHEREAS, the City of Duarte will match the approved funding dollar for dollar and will administer the Duarte CalGRIP grant;

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

Section 1. The City Council approves the budget allocation to City and Community Based Organization partner programs enhanced by the CalGRIP grant (Exhibit 1).

Section 2. The City of Duarte accepts the approved funding of \$325,171 for the calendar year 2016, and resolves to work with the BSCC recommendations for the CalGRIP grant to address gang related issues in our community.

PASSED, APPROVED, AND ADOPTED this 12th day of January, 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 Resolution No. 16-03 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 12th day of January, 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

EXHIBIT 1
Resolution No. 16-03

LINE ITEM	GRANT FUNDS	CASH MATCH	IN-KIND MATCH	TOTAL
1. Salaries and Benefits	\$	\$	\$	\$
1. Services and Supplies	\$31,769	\$	\$31,770	\$63,539
2. Professional Services	\$188,385	\$168,385	\$	\$
3. CBO Contracts (minimum 20% of grant funds)	\$72,500	\$26,500	\$79,620	\$356,770
4. Indirect Costs (no more than 10% of grant funds)	\$	\$	\$	\$
5. Data Collection / Evaluation (minimum 10% of grant funds)	\$32,517	\$	\$18,897	\$51,414
6. Fixed Assets / Equipment	\$	\$	\$	\$
7. Other (Including Training, Travel, etc.)	\$	\$	\$	\$
TOTAL	\$325,171	\$194,885	\$130,287	\$650,343

Legal Notice	Legal Notice	Legal Notice	Legal Notice
NOTICE OF A JOINT PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF DUARTE AND THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF DUARTE TO CONSIDER A PROPOSED PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF DUARTE AND SOUTHERN PACIFIC REALTY PARTNERS III, LLC, A DELAWARE LIMITED LIABILITY COMPANY, FOR THE SALE OF CERTAIN PROPERTY LOCATED AT 946, 952, AND 962 HUNTINGTON DRIVE (ASSESSOR'S PARCEL NUMBERS 8530-013-902, 8530-013-903, AND 8530-013-904) IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33433(a) AND THE REQUIREMENTS OF THE LONG RANGE PROPERTY MANAGEMENT PLAN OF THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF DUARTE, AS AUGMENTED BY SUCCESSOR AGENCY RESOLUTION SA-15-02 AND OVERSIGHT BOARD RESOLUTION OB-15-08, PUBLIC NOTICE IS HEREBY GIVEN that a joint public hearing will be held before the Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte ("Successor Agency") and the City Council of the City of Duarte ("City Council") on Tuesday, January 12, 2016, at 7:00 p.m. or as soon thereafter as the matter may be heard, in the Council Chambers of Duarte City Hall, 1600 Huntington Drive, Duarte, California, to consider a proposed Purchase and Sale Agreement ("PSA") between the City of Duarte ("City") and Southern Pacific Realty Partners III, LLC, a Delaware limited liability company ("Developer"), for the sale of certain property located at 946, 952, and 962 Huntington Drive (Assessor's Parcel Numbers 8530-013-902, 8530-013-903, and 8530-013-904). The PSA provides for the sale of the City's property to Developer for a full fair market value of seven hundred sixty seven thousand dollars (\$767,000.00) as more specifically set forth in the PSA. A copy of the proposed PSA and summary report (Report), required by Health and Safety Code Section 33433, may be reviewed at the Duarte City Hall located at 1600 Huntington Drive, Duarte, California, between the hours of 7:30 am to 5:30 pm, Monday through Thursday. Any person may submit written comments on these matters to the Successor Agency and the City prior to the hearing and/or may appear and be heard in support of or in opposition to the proposed PSA and Report at the time of the hearing. All interested persons are invited to appear and present evidence and testimony concerning any or all of the matters described in this Notice. You may wish to make your comments in writing and submit them to the City Clerk for inclusion into the public record. If you challenge the decision of this case in court, you may be limited to raising only those issues that you or someone else raised at the public hearing, or in written correspondence delivered to the City or Successor Agency at, or prior to, the public hearing. Furthermore, you must exhaust any administrative remedies prior to commencing a court challenge to City and/or Successor Agency action. In the City and Successor Agency's efforts to comply with the requirements of Title II of the Americans with Disabilities Act of 1990, the City Clerk requires that persons in need of special equipment, assistance, or accommodation(s) to communicate at the hearing, inform the City Clerk a minimum of 72 hours prior to the scheduled hearing. If you have any questions, you may contact Craig Hensley, Community Development Director, at (626) 357-7931 during regular business hours. DUARTE CITY COUNCIL By: Maria Akana City Clerk Published on: Dec. 24, 2015 & Jan. 1, 2016 Pasadena Star News			
Ad#750819			



AGENDA MEMO

TO: CITY COUNCIL OF THE CITY OF DUARTE
FROM: Jeffrey Melching, Duarte City Attorney
SUBJECT: Purchase and Sale Agreement for Sale of Property Pursuant to Long Range Property Management Plan
DATE: January 12, 2016

RECOMMENDATION: That the City Council of the City of Duarte approve the sale, pursuant to the Purchase and Sale Agreement ("PSA") attached as Exhibit A, of the property located at 946, 952, and 962 Huntington Drive (the "Mountain Vista Site") from the City to Southern Pacific Realty Partners III, LLC ("Developer") for its full fair market value of seven hundred sixty seven thousand dollars (\$767,000.00). If approved, the PSA is intended to lead to the near term entitlement and planned development of the Mountain Vista Site with 26 multi-family residential units in a three story structure, including landscaping, lighting, signage, and other amenities, and other on-site and off-site improvements required for such development. The net proceeds of the sale will be distributed to affected taxing entities as required by the Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte's approved Long-Range Property Management Plan ("LRPMP").

BACKGROUND AND DISCUSSION:

When the State elected to dissolve redevelopment, the Redevelopment Agency of the City of Duarte owned the Mountain Vista Site, which consists of three separate legal parcels totaling 43,887 square feet, located at 946, 952, and 962 Huntington Drive. As required by the redevelopment dissolution process, the Mountain Vista Site has been transferred to the Successor Agency.

The redevelopment dissolution law also required that the Successor Agency create and obtain approval of a LRPMP to address the disposition of all Successor Agency-owned properties. 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. A copy of the LRPMP is attached as Exhibit B. A copy of the Department of Finance's approval of the LRPMP is attached as Exhibit C. The City and the Successor Agency, with the approval of the Oversight Board, have since augmented the property disposition process to allow the sale to proceed within requiring a "compensation agreement." The California Department of Finance elected not to review the Oversight Board's approval of that augmented process.

With an approved property transfer process in place, and with the required public reporting completed (see Exhibit D), the City is now in the position to enter into the PSA that provides for the sale of the Mountain Vista Site for full fair market value of seven hundred sixty seven thousand dollars (\$767,000.00). As noted, the net proceeds from the sale of the Property will be distributed to affected taxing entities.

During the escrow period under the PSA, the Developer will (1) complete the purchase of the property at 956 Huntington Drive, which is adjacent to the Mountain Vista Site, and (2) seek land use entitlement from the City sufficient to build the above-referenced 26 unit multi-family development on the Mountain Vista Site as combined with the property at 956 Huntington Drive. If Developer is successful in obtaining those entitlements, escrow will close and the full purchase price will be paid to the City. Thereafter, it is contemplated that the Mountain Vista Site will be developed in accordance with its land use entitlements.

If, however, Developer is not successful in obtaining the entitlements (or otherwise does not close escrow), then the City will (1) retain the Mountain Vista Site, which must be disposed of in accordance with the LRPMP, and (2) purchase the property at 956 Huntington Drive from the Developer, at a pre-set price of approximately seven hundred forty five thousand dollars (\$745,000) *plus* City-approved costs of site demolition incurred by Developer. The City could then seek an alternative means of selling and/or developing the assembled property (i.e., the Mountain Vista Site together with the property at 956 Huntington Drive.)

As demonstrated above, the PSA and the sale of the Mountain Vista Site are consistent with the LRPMP (as augmented). The Mountain Vista Site will be sold for full fair market value, will be developed for a use that will be a benefit to the City (and to affected taxing entities), and the proceeds of the sale will be distributed in the manner envisioned by the redevelopment dissolution law.

FISCAL IMPACT: Sale of the Mountain Vista Site will result in an additional distribution of approximately \$85,000 to the City, as a result of the City's status as an affected taxing entity.

ATTACHMENT:

- Exhibit A – Purchase and Sale Agreement
- Exhibit B – Long Range Property Management Plan
- Exhibit C – Department of Finance approval Letter
- Exhibit D – Report Under Health and Safety Code § 33433
- Exhibit E – Resolution approving Purchase and Sale Agreement

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

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

PREAMBLE

A. Pursuant to a Long Range Property Management Plan that has been prepared and duly approved pursuant to Health & Safety Code section 34191.5 ("**LRPMP**"), 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 946, 952, and 962 Huntington Drive, Duarte, California 91010, designated Assessor's Parcel Numbers 8530-013-902, 8530-013-903, and 8530-013-904, 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 SIXTY SEVEN THOUSAND DOLLARS (\$767,000) ("**Purchase Price**").

2. Escrow.

2.1 **Escrow Instructions.** Within seven (7) days after the Seller obtains title to the Property pursuant to the LRPMP, 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. Notwithstanding anything to the contrary in this Section 2.1, this Agreement shall terminate if Seller has not obtained title to the Property on or prior to _____, 2016.

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 TWENTY-FIVE THOUSAND DOLLARS (\$25,000) ("**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.

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 three hundred sixty-five (365) 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) **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.

(5) **Entitlements.** Buyer shall have timely obtained all land use approvals and entitlements for the development on the Property of 26 multi-family residential units in a three story structure as further described and depicted in **Exhibit D** Site Plan and Level 2 & 3 Plan including, landscaping, lighting, signage, and other amenities, and all other on-site and off-site improvements required for such development (collectively, the "**Project**"), with all improvements to be consistent with the development and building plans and permits to be approved by City. Buyer shall have timely obtained approval of its final grading plans and building plans for the Project and grading permits and building permits shall be ready to be issued. In the event of any inconsistency between the description of the Project in this Agreement or the approved plans and permits, the approved plans and permits shall govern.

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.

(5) **Entitlements.** Buyer shall have timely obtained all land use approvals and entitlements for the development of the Project, with all improvements to be consistent with the development and building plans and permits to be approved by City. Buyer shall have timely obtained approval of its final grading plans and building plans for the Project and grading permits and building permits shall be ready to be issued. In the event of any inconsistency between the description of the Project in this Agreement or the approved plans and permits, the approved plans and permits shall govern.

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 for 26 multi-family residential units in a three story structure as further described and depicted in *Exhibit D* Site Plan and Level 2 & 3 Plan or otherwise, 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, one-half (1/2) of 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. Seller shall pay for the cost of recording the documents described in Section 2.11, the documentary transfer tax, the Seller Title Costs, one-half (1/2) of Escrow Holder's fee, 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 each represent and warrant to each other that they have not employed, dealt with or incurred any obligation to any broker, agent or finder in connection with the Property, and that they have not incurred any obligation to pay any other real estate brokerage or other commission or fee in connection with the conveyance of the Property to Buyer. 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 a breach of the foregoing representation and warranty or arising out of any action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the indemnifying Party, respectively, in connection with this transaction.

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.** To the best of Sellers' knowledge, Seller 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

Sellers' knowledge, each individual or entity 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.** Buyer 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. Buyer 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 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).

DRAFT

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: 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

Buyer: 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

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. **Purchase of Adjacent Property.** Buyer represents that it has entered into an agreement to purchase the "**Adjacent Property**" located at 956 Huntington Drive, Duarte, California 91010 (Assessor's Parcel Number: 8530-013-009) from Alma Smith pursuant to the Commercial Property Purchase Agreement and Joint Escrow Instructions dated May 19, 2015 combined with Seller Counter Offer No. 1 dated September 23, 2015 and Buyer Counter Offer No. 2 dated December 16, 2015.

9.1 **Buyer Election.** If, despite reasonable efforts by Buyer, City has not granted the necessary land use approvals and entitlements for the economically feasible development of the Project (as evaluated under a commercial reasonableness standard) on or before the Outside Closing Date, Buyer has the right, at its election, to transfer all of its rights in the Adjacent Property to City for a purchase price not to exceed the price paid by Buyer to Alma Smith, as referenced in the closing documents for the sale of the Adjacent Property from Alma Smith to Buyer (at a sale price not to exceed \$700,000), plus any additional commission, escrow, title, and closing costs incurred by Buyer in the purchase of the Adjacent Property (which additional costs shall not exceed \$45,000) plus costs incurred by Buyer in the demolition of the structures on the Adjacent Property (so long as such demolition costs are reasonably approved by the City before the demolition is commenced). If Buyer elects to exercise its rights under this Section 9.1, City shall cooperate with Buyer in executing any and all documents as necessary to convey title to the Adjacent Property to City and effectuate the provisions of this Section 9.1.

9.2 **City Election.** If Escrow does not close on or before the Outside Closing Date for any reason other than that provided in Section 9.1, City has the right, at its election, to

purchase the Adjacent Property from Buyer for a purchase price not to exceed the price paid by Buyer to Alma Smith, as referenced in the closing documents for the sale of the Adjacent Property from Alma Smith to Buyer. If City elects to exercise its rights under this Section 9.2, Buyer shall cooperate with City in executing deeds and such other documents as necessary to convey title to the Adjacent Property to City and effectuate the provisions of this Section 9.2.

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 Seller. 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 Seller so long as such actions do not substantially change the uses or development permitted on the Property, or substantially add to the costs of Seller as specified herein as agreed to by the City Council of City. In addition to the foregoing, the City Manager shall have the authority on behalf of the Seller, 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 _____,

“Seller”

“Buyer”

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 _____, 2015, by THE CITY OF DUARTE, a California municipal corporation ("Seller"), and _____, a _____ ("Buyer").

RECITALS:

A. Seller is 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. Seller desires to sell the Property to Buyer, and Buyer desires to acquire the Property from Seller, for Buyer's development on the Property.

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 _____, 2015 ("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.

"Seller"

THE CITY OF DUARTE, a
California municipal corporation

"Buyer"

By: _____
_____, Mayor

By: _____
Its _____,

ATTEST:

City Clerk

APPROVED AS TO FORM:

Rutan & Tucker, LLP

City Attorney

APPROVED AS TO FORM:

By: _____

Name: _____

Its: _____

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 CITY OF DUARTE, a California municipal corporation, as successor agency to the Redevelopment Agency of the City of Duarte, hereby grants to _____, a _____, 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 _____, 2015

THE CITY OF DUARTE, a
California municipal corporation

By: _____
Its: _____

ATTEST:

City Clerk

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 "D"

SITE PLAN AND LEVEL 2 & 3 PLAN

DRAFT

Long Range Property Management Plan

Successor Agency to the Dissolved
Redevelopment Agency of the City of Duarte

1600 Huntington Drive, Duarte, California 91010

Approved by Successor Agency on August 27, 2013

Approved by Oversight Board on June 2, 2014

Approved by Department of Finance on _____, 2014

Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

Table of Contents

Introduction	1
Part I: Property Inventory	1
North City Yard (Parcels 1-3):	2
Duarte Plaza Park (Parcel 4):	3
Hacienda Park (Parcels 5-7):	4
City of Duarte Senior Center (Parcel 8):	5
Non-Contiguous Landscaped Walkways (Parcels 9-14)	6
Old Texaco Site (Parcels 15 – 16):	7
Near SEC Huntington & Mountain (Parcels 17 – 19):	9
Wal-Mart Fragment (Parcel 20):	11
Landscape Strip Adjacent to LA County Library (Parcel 21):	12
Duarte Unified School District Administration Office (Parcel 22):	13
Northview Middle School Athletic Field (Parcel 23):	14
Part II: Property Disposition & Use	15
Summary of Plan Category Decision	15
Long-Term Planned Use / Disposition of Each Property	17
Implementation Steps	20

Appendix A	Finding of Completion Letter
Appendix B	Property Tracking Worksheet
Appendix C	Map of Properties
Appendix D	Redevelopment Plan
Appendix E	Implementation Plan
Appendix F	Old Texaco Site Plans
Appendix G	Long Range Property Management Plan Checklist

Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

INTRODUCTION

As required by Health & Safety Code Section 34191.5, this document is the Long-Range Property Management Plan (LRPMP) of the Successor Agency (Successor Agency) of the former Redevelopment Agency of the City of Duarte (Former RDA). The Successor Agency received a finding of completion from the Department of Finance (DOF) on October 23, 2013 (Appendix A).

In accordance with Health & Safety Code Section 34191.5(c), Part I of the LRPMP includes an inventory of properties included in the Community Redevelopment Property Trust Fund, and Part II provides the proposed plan for disposition and uses of each of the properties.

PART I: PROPERTY INVENTORY

Section 34191.5(c)(1) of the Health and Safety Code, which was added as part of Assembly Bill 1484 (AB 1484), requires that the LRPMP include an inventory of all properties held in the Community Redevelopment Property Trust Fund. For the Successor Agency, this inventory identifies 23 parcels comprising 11 properties. In accordance with statutory requirements each of these 23 legal parcels comprising 11 properties are described in Appendix B and a map showing the location of the 11 properties is presented in Appendix C.

The following pages describe each of the following 11 properties, and the applicable legal parcel or parcels comprising each:

Property Name	Parcel Number on Inventory
North City Yard	1, 2, 3
Duarte Plaza Park	4
Hacienda Park	5, 6, 7
Duarte Senior Center	8
Non-Contiguous Landscaped Walkways	9, 10, 11, 12, 13, 14
Old Texaco Site	15, 16
Near SEC Huntington & Mountain	17, 18, 19
Wal-Mart Fragment	20
Landscape Strip Adjacent to LA County Library	21
Duarte Unified School District Administration Office	22
Northview Middle School Athletic Field	23

The following pages describe the parcels grouped as 11 properties.

North City Yard (Parcels 1-3):

The property, consisting of 3 legal parcels, is located on the South side of Oak Avenue. The property is currently used for Filed Services offices, equipment storage, a workshop and overflow plant storage.

North City Yard



APN: 8530-011-913
Size: 9,706 sq. ft.
Zoning: Public Facility

APN: 8530-011-914
Size: 3,642 sq. ft.
Zoning: Public Facility

APN: 8530-011-915
Size: 3,681 sq. ft.
Zoning: Public Facility

Acquisition Information

The former Redevelopment Agency purchased the property in 2005 for \$649,000, or \$38 per square foot of land area.

Purpose of Acquisition

This facility was acquired for the purpose to house the City's Field Services Division, which is the current use. The Division handles maintenance of City infrastructure and physical plant, and includes a City yard

Parcel Data

The three parcels are zoned Public Facility and are improved with a 2,266 square foot office building and adjacent parking spaces.

Current Value

Based on current zoning, use restrictions and the existing units, the parcels have no value.

Advancement of Planning Objectives

Not applicable.

History of Development Proposals and Activity

The North Yard building is adjacent to the Old City Hall facility. It was purchased for City use. A seismic safety and building accessibility assessment was completed for the building in January 2012 that determined that the building did not meet current accessibility requirements and needed some seismic upgrades. The cost to address these items was estimated at \$215,000 just to address deficiencies with additional cost, of \$100,000 to \$150,000, necessary to address other building code issues.

PROPERTY INFORMATION

Address:

1101 Oak Avenue

Assessor's Parcel #:

8530-011-913; 8530-011-914; 8530-011-915

Lot Size:

17,029 Sf

Acquisition Date:

8/19/2005

Acquisition Price:

\$649,000

Existing

Improvements:

2,266 Sf office building and parking spaces

Current Zoning:

Public Facility

Use Restrictions:

Subject General Plan and zoning restrictions for Public Facility (Governmental) uses

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination /

Remediation:

None

TOD Potential:

None

Current Owner:

Successor Agency

Duarte Plaza Park (Parcel 4):

The Duarte Plaza is a City park located directly across from City Hall and is used as a public plaza and gathering area.

Duarte Plaza Park



APN: 8530-017-906
Size: 8,371 sq. ft.
Zoning: Open Space

Acquisition Information

Duarte Plaza Park, a City public park, is approximately 8,371 square feet. The larger property from which Duarte Plaza Park was created was approximately 26,000 square feet and was acquired by the former Redevelopment Agency in 2000 for \$431,540, plus the former Redevelopment Agency incurred an additional \$180,420 in relocation costs and \$20,868 in demolition costs, for a total acquisition cost of \$632,828.

Purpose of Acquisition

The property is part of implementing a pedestrian oriented Town Center vision in the central portion of the City. The retention of the property for development of a landscaped public plaza was recommended in 2004 by the then-existing Downtown Duarte Committee.

Parcel Data

The parcel is zoned for Open Space.

Current Value

Given that the parcel is restricted to public open space by the zoning, the current value is \$0.

Advancement of Planning Objectives

Not applicable.

History of Development Proposals and Activity

In June 2006, the former Redevelopment Agency entered into a Disposition and Development Agreement (DDA) for the sale of approximately 17,629 square feet of the 26,000 square feet for development of a housing project consisting of 17 single family homes (13 detached units and four attached units), which was completed in 2007. The remaining approximately 8,371 square feet was situated across from City Hall and retained in former Redevelopment Agency ownership and was developed as Duarte Plaza Park, a City public park. The former Redevelopment Agency inadvertently failed to convey ownership of Duarte Plaza Park to the City. The annual cost to the City to maintain the park is approximately \$3,000.

PROPERTY INFORMATION

Address:
No address

Assessor's Parcel #:
8530-017-906

Lot Size:
8,371 Sf

Acquisition Date:
2000

Acquisition Price:
\$632,828

**Existing
Improvements:**
Park

Current Zoning:
Open Space

Use Restrictions:
Property is zoned Open
Space and has existing park
improvements

Revenues Generated:
None

**Contractual
Requirements:**
None

**Environmental
Contamination /
Remediation:**
None

TOD Potential:
None

Current Owner:
Successor Agency

Hacienda Park (Parcels 5-7):

Hacienda Park, a City park consisting of three legal parcels, was built in the 1970s and acts as a neighborhood park in the Rancho Verde neighborhood.

Hacienda Park



APN: 8610-001-900
Size: 24,674 sq. ft.
Zoning: Open Space

APN: 8610-001-901
Size: 20,598 sq. ft.
Zoning: Open Space

APN: 8604-009-910
Size: 36,130 sq. ft.
Zoning: Open Space

Acquisition Information

The former Redevelopment Agency acquired the property in 1978. It is located under electric transmission lines operated by Southern California Edison as part of the Tehachapi Renewable Transportation Project.

Purpose of Acquisition

The former Redevelopment Agency purchased the property for the purpose of constructing a neighborhood park in the Rancho Verde neighborhood. The parcels were dedicated by the Developer as a City park associated with a residential development (Tract 23089).

Parcel Data

The parcel is zoned for Open Space.

Current Value

Given that the parcel is restricted to public open space by zoning, the current value is \$0.

Advanced Planning Objectives

Not applicable.

History of Development Proposals and Activity

The property has been used as a neighborhood park since the 1970s and costs the City approximately \$11,000 per year to maintain. The former Redevelopment Agency inadvertently failed to convey the property to the City.

PROPERTY INFORMATION

Address:
2695 Hacienda Drive

Assessor's Parcel #:
8610-001-900; 8610-001-910; 8604-009-910;

Lot Size:
81,402 Sf

Acquisition Date:
11/16/1978

Acquisition Price:
\$44,771 (estimate)

Existing Improvements:
Park

Current Zoning:
Open Space

Use Restrictions:
Undevelopable Open Space as it lies beneath the high power electric transmission lines operated by Southern California Edison

Revenues Generated:
None

Contractual Requirements:
None

Environmental Contamination / Remediation:
None

TOD Potential:
None

Current Owner:
Successor Agency

City of Duarte Senior Center (Parcel 8):

The Duarte Senior Center, consisting of one legal parcel, is located within the City's Civic Center.

Duarte Senior Center



APN: 8530-022-909
Size: 20,674 sq. ft.
Zoning: Public Facility

Acquisition Information

The former Redevelopment Agency purchased the parcel in 1988 for an unknown purchase price. The City paid for the construction of the Senior Center.

Purpose of Acquisition

The former Redevelopment Agency purchased the property with the purpose of constructing a senior center to be used by senior citizens living in Duarte. The parcel is part of the City's Civic Center.

Parcel Data

The parcel is zoned Public Facility and can only be used for government use and is improved with a two-story senior citizen center. Parking for the building is shared with other City-owned Civic Center buildings.

Current Value

Given that the current zoning is Public Facility and its current use is the Duarte Senior Center, the property has a current value of \$0.

Advanced Planning Objectives

Not applicable.

History of Development Proposals and Activity

The City of Duarte Senior Center provides recreational opportunities and programs for area senior citizens and is part of the City's Civic Center consisting of City Hall and other government buildings. Numerous senior programs, including a senior lunch program, are operated at this facility. The City receives no income from the property and it is maintained by City staff. The former Redevelopment Agency inadvertently failed to convey the property to the City.

PROPERTY INFORMATION

Address:

1610 Huntington Drive

Assessor's Parcel #:

8530-022-909

Lot Size:

20,863 Sf

Acquisition Date:

4/28/1988

Acquisition Price:

\$11,475 (estimate)

Existing

Improvements:

Two story Senior Center

Current Zoning:

Public Facility

Use Restrictions:

Property is zoned Public Facility for government use

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination /

Remediation:

None

TOD Potential:

None

Current Owner:

Successor Agency

Non-Contiguous Landscaped Walkways (Parcels 9-14)

The six non-contiguous parcels are landscaped walkway areas within a small lot subdivision (Tract 34276) known as Las Lomas Villas.



Acquisition Information

The former Redevelopment Agency purchased the parcels in 1997, with the exception of one parcel that was purchased in 1979, for an unknown purchase price.

Purpose of Acquisition

The parcels were purchased as part of a larger acquisition with the purpose of developing the Las Lomas Villas neighborhood. These parcels provide the sidewalk access for the residential development. The parcels were dedicated by the Developer as a City Park associated with a residential development. These parcels are required open space (walkways and landscaping areas), owned by the Successor Agency and maintained by the City through a maintenance assessment district.

Parcel Data

The six parcels are improved with landscaped walkways in the midst of the Las Lomas Villas residential development.

Current Value

While the parcels are zoned R-3 (Medium Residential Density), the use is restricted to open space and sidewalk access for the residential development. Hence the parcels are undevelopable and have a \$0 current value.

Advanced Planning Objectives

Not applicable.

History of Development Proposals and Activity

The subdivision is part of a landscape maintenance district where property owners pay an assessment and the City maintains landscape in the front yards and along these landscaped sidewalk areas. Given the location of the parcels, they are not developable. The cost to the City to maintain the parcels exceeds the assessments generated from the assessments. Ownership by the former Agency appears to be an error and the property should be City-owned as it has been maintained by the City for years.

PROPERTY INFORMATION

Address:

No address

Assessor's Parcel #:

8604-021-939; 8604-007-953; 8604-007-954; 8604-007-959; 8604-007-964; 8604-007-969

Lot Size:

10,307 Sf

Acquisition Date:

2/15/1997; 5/17/1979 (969)

Acquisition Price:

\$4,074 (estimate)

Existing

Improvements:

Landscaped walkways

Current Zoning:

R-3 (Medium Residential Density)

Use Restrictions:

Open space and sidewalk access for a residential development

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination / Remediation:

None

TOD Potential:

None

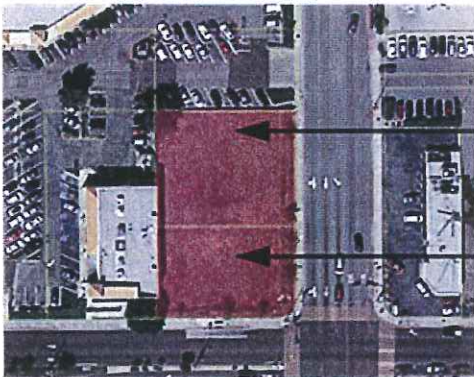
Current Owner:

Successor Agency

Old Texaco Site (Parcels 15 – 16):

The property consisting of two legal parcels, is located on the NWC of Huntington Drive and Buena Vista Avenue and is surrounded by public streets on the south and east sides, by a parking lot of an adjacent shopping center on the north and by a commercial building built at the property line on the west. The highest and best use for the property is a retail commercial use as it is adjacent to the Ralph's Shopping Center, at a major commercial corner in the City and along Huntington Drive, which is the main commercial corridor in the City.

Old Texaco Site



APN: 8530-003-930
Size: 13,647 sq. ft.
Zoning: Commercial General

APN: 8530-003-931
Size: 10,719 sq. ft.
Zoning: Commercial General

Acquisition Information

The property was purchased by the former Redevelopment Agency in 2004 for \$1.05 million, or \$43 per square foot of land area.

Purpose of Acquisition

The purpose of the acquisition was to develop the property with approximately 4,500 square feet of restaurant and retail uses.

Parcel Data

This property is a corner property that is zoned General Commercial (C-G), a designation that permits retail commercial development. It has the advantage of being on the corner of two arterial streets, but is also constrained because of its size and its limited access to the street. Access to the site will be limited to one driveway access on Huntington Drive and another access drive onto the adjacent shopping center property.

Because of the parking requirements, set-back requirements, and the need to access the adjacent property, it is estimated that the maximum floor area ratio that can be attained on the site is approximately 0.18, or 4,400 square feet; if a restaurant use is located in one or all of the tenant spaces, this coverage would be less. Depending on the future tenants and how much restaurant use is proposed (food uses require more parking), it is anticipated that the site could accommodate 2,800 to 4,500 square feet of building area.

Current Value

A recent appraisal is not available. It should be noted, however, that this property will be required to obtain a shared access agreement with the adjacent shopping center to allow access to Buena Vista Street. In addition to any cost in obtaining this shared access, the property will also be burdened with the cost of a minor parking lot redesign for the adjacent property because the shared access will require the relocation or removal of some parking spaces. As such, these access and parking issues will negatively impact the value of the property.

PROPERTY INFORMATION

Address:

1263 Huntington Drive

Assessor's Parcel #:

8530-003-930; 8530-003-931

Lot Size:

24,366 Sf

Acquisition Date:

5/24/2004

Acquisition Price:

\$1,052,030

Existing

Improvements:

Vacant

Current Zoning:

General Commercial (G-C)

Use Restrictions:

Reciprocal access agreement
with adjacent center required

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination /

Remediation:

The property is a former gas
station. An UST was
removed and final sign-off
received from the County of
Los Angeles

TOD Potential:

None

Current Owner:

Successor Agency

Based on area sales comparables, the market values range from \$17 to \$22 per square foot, or \$414,222 to \$536,052.

Advancement of Planning Objectives

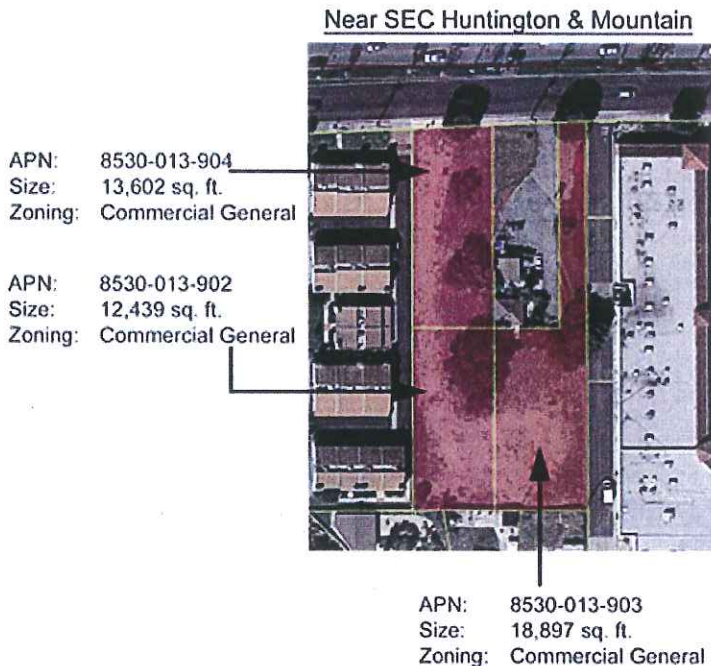
The property is referred to in the Implementation Plan as "Retail Project (NWC Huntington Drive & Buena Vista)". The stated goal is to develop the property with approximately 4,500 square feet of restaurant and retail. Appendix F includes the plans that have been rendered for the site.

History of Development Proposals and Activity

The former Redevelopment Agency entertained several development proposals for the property since 2004 but property constraints made development difficult in a sluggish economy. At one point, the former Redevelopment Agency contracted with an architect to develop a concept plan that allowed for a corner building, joint access with the adjacent shopping center, and a public seating area.

Near SEC Huntington & Mountain (Parcels 17 – 19):

The property, consisting of three legal parcels, is surrounded to the north by a public street; the west by a multi-family residential project; to the south by single-family homes; and to the east by the Mountain Vista Plaza Shopping Center. Because it is adjacent to the Mountain Vista Plaza Shopping Center, the highest and best use for the property is commercial development.



Acquisition Information

The former Redevelopment Agency purchased the three lots between 2001 and 2008 for a total of \$1.20 million.

Purpose of Acquisition

The parcels were purchased with the intent of assembling them together with the 11,073 square foot property located at 956 Huntington Drive. With the four properties assembled, the development site would total 55,217 square feet, or 1.267 acres. The 956 Huntington Drive property is surrounded by these three parcels but as of now remains owned by a resident of a house on that lot. The expansion of the Mountain Vista Plaza Shopping Center may be a possible use for the property.

Parcel Data

The property is zoned General Commercial (G-C), a designation that permits retail commercial development.

Current Value

A recent appraisal is not available for the parcels. The property is constrained by the presence of the 956 Huntington Drive property and will have an extremely limited value unless it is assembled with these parcels. The property has the advantage of being along Huntington Drive and adjacent to the Mountain Vista Plaza Shopping Center. Because the most effective development of this property requires the acquisition of the 956 Huntington Drive property owned by a private party, there has been minimal interest in the parcels.

PROPERTY INFORMATION

Address:

946, 952, 962 Huntington
Drive

Assessor's Parcel #:

8530-013-902; 8530-013-
903; 8530-013-904

Lot Size:

43,887 Sf

Acquisition Date:

946 – 8/14/2001
952 – 7/15/2008
962 – 8/14/2001

Acquisition Price:

\$1,195,522

Existing

Improvements:

Vacant

Current Zoning:

General Commercial (G-C)

Use Restrictions:

Additional property not
owned by Successor Agency
is necessary for development
of this property

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination / Remediation:

None

TOD Potential:

None

Current Owner:

Successor Agency

Based on area sales comparables, the market values range from \$17 to \$22 per square foot, or \$763,946 to \$988,636.

Advancement of Planning Objectives

This property is referred to in the Implementation Plan as the "SEC of Huntington Drive and Mountain Avenue". The goal for the property is to extend the commercial developments to the south and east with additional retail and possibly residential opportunities.

History of Development Proposals and Activity

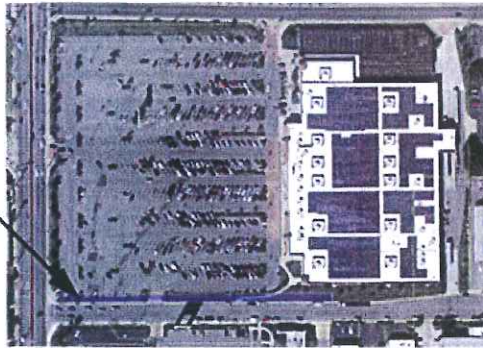
There have been no development proposals or activity since the property was acquired due to the sluggish economy and the need to acquire other properties not under the former Redevelopment Agency's ownership.

Wal-Mart Fragment (Parcel 20):

This parcel is 18 feet wide and is part of the Wal-Mart project. A portion of the parcel is a landscaped area that is maintained by Wal-Mart.

Walmart Fragment

APN: 8528-001-901
Size: 10,831 sq. ft.
Zoning: Mountain/Evergreen
Specific Plan



Acquisition Information

The former Redevelopment Agency purchased the parcel in 1995 for an unknown purchase price.

Purpose of Acquisition

The acquisition of the parcel was part of a larger acquisition for the purpose of developing a Wal-Mart store.

Parcel Data

The parcel falls under the Mountain/Evergreen Specific Plan.

Current Value

The parcel has no value (\$0) given it is undevelopable and part of parking lot landscaping for the Wal-Mart store. The Successor Agency ownership is an error and there will likely be a cost to transferring the property.

Advanced Planning Objectives

Not applicable.

History of Development Proposals and Activity

The parcel should have been transferred to the adjacent property owner, Wilmington Trust (Wal-Mart) as part of the project and remains in the former Redevelopment Agency ownership as a result of an inadvertent error.

PROPERTY INFORMATION

Address:
No address

Assessor's Parcel #:
8528-001-901

Lot Size:
10,831 Sf

Acquisition Date:
1/23/1995

Acquisition Price:
\$124,881 (estimate)

**Existing
Improvements:**
Landscaping and parking

Current Zoning:
Mountain/Evergreen Specific
Plan

Use Restrictions:
The property is not
developable; it is part of a
larger commercial
development

Revenues Generated:
None

**Contractual
Requirements:**
None

**Environmental
Contamination /
Remediation:**
None

TOD Potential:
None

Current Owner:
Successor Agency

Landscape Strip Adjacent to LA County Library (Parcel 21):

The parcel is a small landscaped strip of land adjacent to the LA County Library driveway.

CarMax Fragment



APN: 8530-016-
Size: 3,403 sq. f
Zoning: Commerci

Acquisition Information

The former Redevelopment Agency purchased the parcel in 1997 for an unknown purchase price.

Purpose of Acquisition

The acquisition of the parcel was part of a larger acquisition for the purpose of developing the adjacent CarMax dealership and was left as a landscaped area for the LA County Library.

Parcel Data

The parcel is zoned Commercial Facility and is currently a portion of the CarMax parking lot.

Current Value

The parcel has no value (\$0) given it is undevelopable and an easement for access to the adjacent Library. There will likely be a cost to transferring the property.

Advanced Planning Objectives

Not applicable.

History of Development Proposals and Activity

The CarMax project was developed pursuant to a Disposition and Development Agreement between C-Max Auto Superstores, Inc. and the former Redevelopment Agency dated May 13, 1997. The Car Max auto dealership was developed shortly thereafter and has been operating on the site ever since. The parcel Was not included in the CarMax development but was kept as a small landscaped strip for the adjacent LA County Library through an easement.

PROPERTY INFORMATION

Address:
No address

Assessor's Parcel #:
8530-016-916

Lot Size:
3,403 Sf

Acquisition Date:
11/14/1997

Acquisition Price:
\$1,872 (estimate)

**Existing
Improvements:**
Parking lot

Current Zoning:
Commercial Professional

Use Restrictions:
The property is not
developable; it is part of a
landscape area adjacent to
Library

Revenues Generated:
None

**Contractual
Requirements:**
None

**Environmental
Contamination /
Remediation:**
None

TOD Potential:
None

Current Owner:
Successor Agency

Duarte Unified School District Administration Office (Parcel 22):

The property is a portion of the Duarte Unified School District administration office building and maintenance facility. The Property is held by the Successor Agency by Assessor error and should be owned by the Duarte Unified School District.

School District Administration Site



APN: 8530-022-906
Size: 48,787 sq. ft.
Zoning: Public Facility

Acquisition Information

The former Redevelopment Agency purchased the parcel in 1988 for an unknown purchase price.

Purpose of Acquisition

The former Redevelopment Agency acquired the parcel for the purpose of conveying the property to the Duarte Unified School District.

Parcel Data

The parcel is zoned Public Facility and is improved with an office building.

Current Value

The property, given its zoning and use restrictions is currently valued at \$0. It is likely that there will be a cost to transfer the property.

Advanced Planning Objectives

Not applicable.

History of Development Proposals and Activity

The property is in the former Redevelopment Agency ownership as a result of an inadvertent error.

PROPERTY INFORMATION

Address:

1634 Huntington Drive

Assessor's Parcel #:

8530-022-906

Lot Size:

1.12 acres

Acquisition Date:

2/29/1988

Acquisition Price:

\$26,833 (estimate)

Existing

Improvements:
Offices

Current Zoning:

Public Facility

Use Restrictions:

The property is not developable; it is part of the larger school district administration offices and maintenance facilities

Revenues Generated:

None

Contractual

Requirements:
None

Environmental Contamination / Remediation:

None

TOD Potential:

None

Current Owner:

Successor Agency

Northview Middle School Athletic Field (Parcel 23):

This property is a portion of the Duarte Unified School District's Northview Middle School athletic field. . The Property is held by the Successor Agency by Assessor error and should be owned by the Duarte Unified School District.

Northview
Middle School



APN: 8530-023-906
Size: 9,700 sq. ft.
Zoning: Public Facility

Acquisition Information

The former Redevelopment Agency purchased the parcel in 1990 for an unknown purchase price.

Purpose of Acquisition

The former Redevelopment Agency acquired the parcel for the purpose of conveying the property to the Duarte Unified School District.

Parcel Data

The parcel is zoned Public Facility and is improved with an athletic field.

Current Value

The property has \$0 value given the use and zoning. It is likely that there will be a cost to transfer the property.

Advanced Planning Objectives

Not applicable.

History of Development Proposals and Activity

The property is in the name of the former Redevelopment Agency ownership as a result of an inadvertent error.

PROPERTY INFORMATION

Address:

1417 Highland Avenue

Assessor's Parcel #:

8530-023-906

Lot Size:

9,700 Sf

Acquisition Date:

6/18/1990

Acquisition Price:

\$5,335 (estimate)

Existing

Improvements:

Athletic field

Current Zoning:

Public Facility

Use Restrictions:

The property is not developable; it is a portion of the Northview Middle school sports field

Revenues Generated:

None

Contractual

Requirements:

None

Environmental Contamination /

Remediation:

None

TOD Potential:

None

Current Owner:

Successor Agency

Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

PART II: PROPERTY DISPOSITION & USE

The second part of the LRPMP provides the planned use or disposition of each of the three properties in the manner described in Health & Safety Code Section 34191.5(c)(2). The following summarizes the four types of permitted disposition/use:

Plan Category	Use/Disposition Purpose of Property	Property Transferee
Enforceable Obligation	Use Consistent with Enforceable Obligation Terms	Designated Enforceable Obligation Recipient
Governmental	Governmental Use in Accordance with Section 34181(a)	Appropriate Public Jurisdiction
Approved Redevelopment Plan Project	Transfer to City for use in a project identified in the Approved Redevelopment Plan. Disposition proceeds to be distributed among Taxing Entities in accordance with a Compensation Agreement	City
Other Liquidation	Sale by Successor Agency to private buyer with proceeds distributed to Taxing Entities	Approved Buyer

Summary of Plan Category Decision

The relevant "approved redevelopment plan" that identifies the projects for which the properties will be disposed and used consists of:

- ❖ The Duarte Merged Redevelopment Plan, which was adopted by Ordinance No. 742 on July 13, 1999 and became effective on August 12, 1999 (Appendix D); and
- ❖ The accompanying Implementation Plan for the Merged Project Area (Implementation Plan) adopted by the Former RDA by Resolution No. RA-385 on December 8, 2009 (the Implementation Plan Resolution) in accordance with the requirements of Health & Safety Code Section 33490 (Appendix E).
- ❖ Old Texaco Site Plans

Redevelopment Plan

The objectives and goals of the Redevelopment Plan are provided below:

Redevelopment Plan Objectives:

1. Eliminate blighting influences in the Project Area including deteriorating buildings, obsolete structures and other environmental, economic and social deficiencies; improve the overall appearance of buildings, streets, parking areas and other facilities, public and private.
2. Provide adequate streets, curbs, gutters and street lights and permit improved pedestrian and/or vehicular circulation in the Project Area.
3. Strengthen retail and other commercial functions throughout the Project Area.

Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

4. Change the pattern of land use along the Huntington Drive "corridor" area by creating and encouraging a desirable setting for medium density residential development as well as sub-regionally oriented retail/commercial uses.
5. Provide adequate land for parking and open space.
6. Provide street furniture (benches, trash receptacles, etc.), landscaping, public plazas and thematic crosswalks to improve the aesthetic environment of the Project Area.
7. Preserve artistically, architecturally and historically worthwhile structures and sites.
8. Establish and implement criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire project.
9. Strengthen and upgrade existing residential uses.
10. Cause the undergrounding of unsightly overhead utility lines.

Redevelopment Plan Goals

1. Implement the land uses and concepts of the General Plan and the Zoning Ordinance as may be amended from time to time.
2. Provide adequate public improvements, public facilities, open spaces and utilities which cannot be remedied by private or governmental action without redevelopment.
3. Assure that buildings are safe for persons and businesses to occupy.
4. Encourage cooperation and participation of residents, businesspersons, public agencies and community organizations in revitalizing the area.
5. Encourage private sector investment in development of the area.
6. Promote the economic wellbeing of the area by encouraging diversification of its commercial base.
7. Promote development of local job opportunities.
8. Provide for relocation assistance and benefits to area businesses and residences, which may be displaced, in accordance with the provisions of Redevelopment Law and the Government Code of the State of California.
9. Make provision for housing as is required to satisfy the needs and desires of various age, income and ethnic groups of the community, maximizing opportunity for individual choice.
10. Provide a procedural and financial mechanism by which the Agency can assist, complement and coordinate public and private development, redevelopment, revitalization and enhancement of the community.

Implementation Plan

The goals and objectives of the Implementation Plan match those of the Redevelopment Plan. However, the following property-specific programs mentioned in the Implementation Plan are as follows:

Retail Project (NWC Huntington Drive and Buena Vista) – Parcels 15 – 16

This property is also referred to as the Old Texaco Site. The goal is to develop the property with approximately 4,500 square feet of restaurant and retail space.

Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

SEC of Huntington Drive and Mountain Avenue – Parcels 17 – 19

The area north of the Best Buy center, west of Mountain Vista Plaza (Target) shopping center, south of Huntington Drive and east of Mountain Avenue consists of a mix of commercial, industrial, single-family residential and multi-family residential. There are multiple ownerships and much of the area is blighted. The goal for the property is to extend the commercial developments to the south and east with additional retail and possibly residential opportunities.

Long-Term Planned Use / Disposition of Each Property

As required by Health & Safety Code Section 34191.5(c)(2), the LRPMP identifies that:

- ❖ None of the parcels are needed to be retained for purposes of fulfilling an enforceable obligation;
- ❖ Nine (9) of the properties (18 legal parcels) are dedicated for governmental use purposes;
- ❖ One (1) property (two legal parcels) is to be liquidated or held for approved redevelopment plan projects; and
- ❖ One (1) of the properties is to be held for approved redevelopment plan projects.

Properties to be Retained for Governmental Use

The following summarizes the properties to be retained for governmental use:

Property	Parcel #s	Recipient	Estimated Current Value	Sales Price to Recipient
North City Yard	1, 2, 3	City	\$0	\$0
Duarte Plaza Park	4	City	\$0	\$0
Hacienda Park	5, 6, 7	City	\$0	\$0
Duarte Senior Center	8	City	\$0	\$0
Un-Contiguous Landscaped Walkways	9, 10, 11, 12, 13, 14	City	\$0	\$0
Wal-Mart Fragment	20	City/Mountain Vista Plaza Partnership	\$0	\$0
Landscape Strip Adjacent to LA County Library	21	County	\$0	\$0
School District Administration Office	22	School District	\$0	\$0
Northview Athletic Field	23	School District	\$0	\$0

Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

North City Yard

The three parcels are zoned as Public Facility and are improved with a 2,266 square foot office building and a parking lot. The cost to upgrade the building to be handicapped accessible is estimated at \$200,000, which exceeds value of building. The parcels will transfer to the City at no cost, which is the same as the effective current value.

Duarte Plaza Park

This parcel is zoned as Open Space. The City is responsible for the maintaining the property. The parcel will be transferred to the City at no cost, which is the same as the effective current value. Parcel is located across the street from City Hall.

Hacienda Park

This City park has been in existence since 1978 and is zoned as Open Space. The City is responsible for maintaining the property. The parcel will be transferred to the City at no cost, which is the same as the effective current value.

Duarte Senior Center

Parcel 8 is the City's Senior Center. The property is zoned as Public Facility and the City is responsible for maintaining the property. The parcel will be transferred to the City at no cost, which is the same as the effective current value.

Un-Contiguous Landscaped Walkways

During a search of properties owned by the former Agency, the City discovered that four parcels remain in the name of the former Agency but should have been transferred to the appropriate party but was not due to administrative error.

These parcels are fragments throughout the Las Lomas Villas, a residential development. As a requirement for the development, the walkways were created and are now maintained by the City. While the neighborhood pays into a landscape maintenance district, the costs to maintain the parcels is usually higher than the assessments generated. The parcels will be transferred to the City at no cost, which is the same as the effective current value.

Wal-Mart Fragment

The former Redevelopment Agency and Mountain Vista Plaza Partnership entered into the agreement that led to the sale of property on which Wal-Mart was developed in 1995. That sale included this remnant parcel that inadvertently was not included due to an administrative error. The sale of the various parcels that comprised the property on which the shopping center was developed included this remnant parcel and was included in the sale price paid to the former Redevelopment Agency. As such, this remnant parcel, which effectively is owned and maintained by Mountain Vista Plaza Partnership, must be transferred by the City to the shopping center owner. The parcel will be transferred to the City and then Mountain Vista Plaza Partnership at no cost, which is the same as the effective current value.

Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

Landscape Strip Adjacent to LA County Library

This remnant parcel is an easement for access to the adjacent LA County Library. As such, the property will be transferred to the County at no cost, which is the same as the effective current value.

Duarte Unified School District Administration Site

This parcel was inadvertently not transferred to the Duarte Unified School District by Assessor error. In fact the Assessor Map labels the parcel as school use. The parcel is a portion of Duarte School District Administration building and adjacent driveway. As a part of the LRPMP, the parcel will be transferred to the Duarte Unified School District at no cost, which is the same as the effective current value.

Northview Middle School Athletic Field

This parcel was inadvertently not transferred to the Duarte Unified School District by Assessor error. Again, the Assessor Map labels the parcel as school use. The parcel is a portion of the Northview School soccer field. As a part of the LRPMP, the parcel will be transferred to the Duarte Unified School District at no cost, which is the same as the effective current value.

Properties to be Sold

The following summarizes the properties to be sold:

Property	Parcel #s	Recipient	Estimated Current Value	Sales Price to Recipient
Old Texaco Site	15, 16	City/Future Developer	\$414,222 - \$536,052	Reuse Value to be determined

Old Texaco Site

The Successor Agency is currently in negotiations with an adjacent property owner, WRI Golden State, LLC, for the sale of the parcels as a commercial site with the existing concept plans included. This property has the potential to be included as a development piece tied to the comprehensive mixed-use project that is desired to the east on the Big Lots center property and adjacent properties. The proceeds from the sale at a reuse value to be determined by an appraisal will be distributed to the Taxing Entities.

If the sale to WRI Golden State, LLC does not occur, the property will be transferred to the City for future development in accordance with the Implementation Plan. The City will prepare a request for proposals for the property to be purchased at the reuse value. Finally, if the City is unable to find a buyer for the property that will comply with the existing concept plans, the City will separately market the two parcels. The proceeds from the sale of these parcels after the transfer to the City will be subject to a Compensation Agreement that the City will have entered into with the Taxing Entities prior to the transfer to the City.

Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

Properties to be Retained for Future Development

The following summarizes the properties to be retained for future development:

Property	Parcel #s	Recipient	Estimated Current Value	Sales Price to Recipient
Near SEC Huntington & Mountain	17, 18, 19	City/Future Developer	\$736,946 - \$988,636	Reuse Value to be determined

Near SEC Huntington & Mountain

The parcels will be transferred to the City for future development in accordance with the Compensation Agreement that the City will enter into with the Taxing Entities. The property will be sold with a contingency that it be developed along with the 956 Huntington Drive property (the abutting single family home property in private ownership that is necessary). The property will be sold at a reuse value to be determined by an appraisal. The property may have value to the adjacent Mountain Vista Plaza shopping center ownership and that ownership would be contacted to determine interest. Each of these options is in keeping with the Implementation Plan.

Implementation Steps

The following summarizes the steps to transfer the properties as government use, or for future development.

Government Use

The Successor Agency, upon approval of this LRPMP, promptly will affect the transfer of the government use properties to the applicable public entity by grant deed or quitclaim deed.

For Sale

The Successor Agency, upon approval of this LRPMP, will conclude negotiations for the Old Texaco site with the adjacent property owner. If the negotiations are successful, the proceeds from the sale will be distributed to the Taxing Entities. However, if the negotiations are not successful, the Successor Agency will transfer the property to the City for future development in accordance with a Compensation Agreement with the Taxing Entities.

Properties to be Retained for Development – Guidelines for Future Development

The City will enter into a Compensation Agreement with the other taxing entities as is required under HSC Section 34180(f) to provide payments to them in proportion to their share of the base property tax for the value of the property retained. While this agreement has yet to be executed, the City intends to enter into one prior to the transfer of the property to the City.

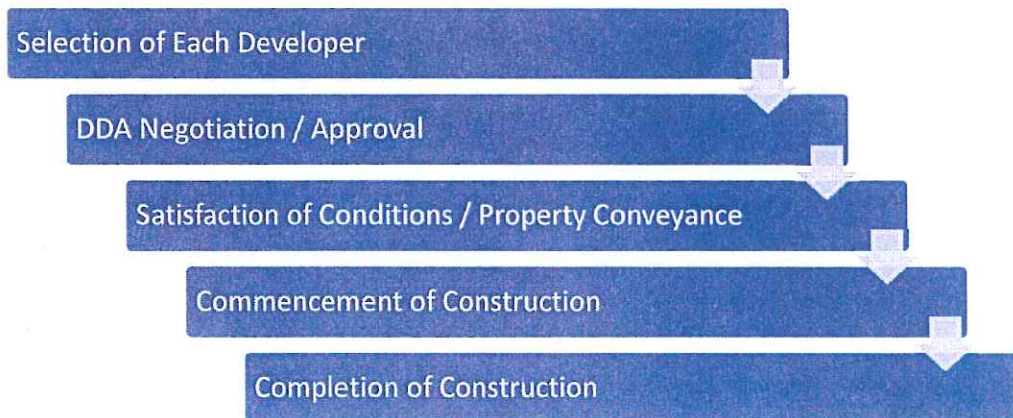
Long Range Property Management Plan

Successor Agency to the Dissolved Redevelopment Agency of the City of Duarte

Upon transfer pursuant to this LRPMP, the City will cause the properties to be developed in accordance with the following principals and guidelines:

1. **Qualified Real Estate Developer.** Each property will be disposed of to a qualified real estate developer (Developer) with the experience and financial capability to timely acquire and develop the property in accordance with an approved Disposition and Development Agreement (DDA) or other type of agreement. The Developer will be selected through an appropriate selection process involving solicitation of interested prospective developers through a request for qualifications (RFQ), Request for Proposals (RFP), qualified bid or similar selection process.
2. **DDA or Other Type of Agreement.** Each property will be disposed of and developed pursuant to an approved DDA. The purchase price or lease payments to be paid by the Developer of each property under the DDA will equal not less than either the fair market value of the property or the fair reuse value of the property at the use and with covenants and conditions and the development costs authorized pursuant to the DDA, as determined by formal action of the Successor Agency. Among other provisions, each DDA will require the Developer to:
 - a. Meet specified pre-disposition conditions demonstrating its readiness and ability to commence construction;
 - b. Develop the property in accordance with the General Plan and the specific land use entitlements granted by the City; and
 - c. Commence and complete construction of the approved development within specified deadlines.
3. **Legislative Body Approval.** The Developer, the DDA and any substantial amendment to the DDA for each property will be subject to approval by the City Council at a public meeting duly noticed in accordance with the notices and procedures described in Health and Safety Code Section 33433(a).

While the timing of disposition and development of each property will depend on market conditions and interest of the private real estate development and financing community, it is currently anticipated that such disposition and development may occur generally in accordance with the following process:



OVERSIGHT BOARD RESOLUTION NO. OB-14-08

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF DUARTE APPROVING THE LONG RANGE PROPERTY MANAGEMENT PLAN (JUNE 2014 REVISION) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor signed, from the 2011-12 First Extraordinary Session, Assembly Bill X1 26 ("AB X1 26"), requiring that each redevelopment agency be dissolved; and

WHEREAS, on December 29, 2011, the California Supreme Court upheld the validity of AB X1 26 and modified certain of the dates pertaining to actions related to the dissolution of redevelopment agencies; and

WHEREAS, as of February 1, 2012, the Redevelopment Agency of the City of Duarte ("RDA") was dissolved pursuant to the provision of AB X1 26; and

WHEREAS, the City Council of the City of Duarte by operation of law and by action duly and regularly taken became the successor agency to the dissolved redevelopment agency ("Successor Agency"); and

WHEREAS, the State Legislature enacted and the Governor signed into law, effective June 27, 2012, Assembly Bill 1484 ("AB 1484"), which amended AB X1 26; and

WHEREAS, among its provisions, AB 1484 requires the Successor Agency to prepare for Oversight Board approval, and thereafter submission to the California Department of Finance for approval, a "long range property management plan" pursuant to Health and Safety Code Section 34191.5, which plan, among other required information, is to identify real properties owned by the former RDA and the proposed disposition of those properties; and

WHEREAS, pursuant to the requirements of Health and Safety Code Section 34191.5, the Successor Agency has prepared a Long Range Property Management Plan; and

WHEREAS, the Long Range Property Management Plan was presented for review and approval to the Board of the Successor Agency at its meeting of August 27, 2013, and at that meeting the Board of the Successor Agency approved the Long Range Property Management Plan as presented and recommended Oversight Board approval of same; and

WHEREAS, the Oversight Board to the Successor Agency has been appointed pursuant to Health and Safety Code Section 34179; and

WHEREAS, the Successor Agency has presented the Long Range Property Management Plan as described above to the Oversight Board for its approval pursuant to Health and Safety Code Section 34191.5;

WHEREAS, the Oversight Board reviewed and approved the Long Range Property Management Plan at its September 9, 2013 meeting and the document was submitted to the State for review and this revision is to address comments made in the process of that review;

NOW, THEREFORE, the Oversight Board resolves as follows:

Section 1. The foregoing Recitals are incorporated herein and made a part hereof.

Section 2. The Long Range Property Management Plan (June 2014 Revision), attached as Exhibit "A" to this Resolution, is hereby approved.

Section 3. The Oversight Board authorizes and directs the Successor Agency staff to (1) make any technical and clerical corrections or modifications to the Long Range Property Management approved pursuant to this Resolution as necessary to submit the Long Range Property Management Plan to the California Department of Finance no later than six months after the Successor Agency's receipt, pursuant to Health and Safety Code Section 34179.7, of a Finding of Completion from the Department of Finance; and (2) thereafter respond to any inquiries and make such other and further revisions to the Long Range Property Management Plan in response the Department of Finance's review, and ultimately obtain approval from the Department of Finance of the Long Range Property Management Plan.

PASSED, APPROVED, AND ADOPTED by the Oversight Board this 2nd day of June, 2014.


Chair John Fasana

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

I, Marla Akana, Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at a regular meeting of the Oversight Board, held on the 2nd day of June, 2014, by the following vote:

AYES: Board Members: Bauler, Burnett, Cheng, Golding, Kirchner, Fasana

NOES: Board Members: None

ABSENT: Board Members: None


Marla Akana
Secretary, Oversight Board

LOS ANGELES COUNTY
LONG RANGE PROPERTY MANAGEMENT PLAN - PROPERTY INVENTORY DATA

For the first part of the proof, we consider $\mathbb{R}^2 \times \mathbb{R}^2 \times \mathbb{R}^2$ for $\mathbb{R}^2$ denoting the plane. The first two coordinates define a point in $\mathbb{R}^2$ and the third coordinate is the distance from the origin in $\mathbb{R}^2$.



**DEPARTMENT OF
FINANCE**

EDMUND G. BROWN JR. ■ GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

June 20, 2014

Ms. Kristen Petersen, Assistant City Manager
City of Duarte
1600 Huntington Drive
Duarte, CA 91010

Dear Ms. Petersen:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Duarte (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on November 14, 2013. The Agency subsequently submitted a revised LRPMP to Finance on June 5, 2014. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on October 23, 2013. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3 the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

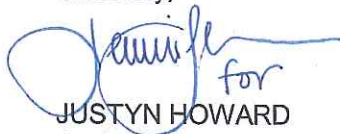
Agency actions taken pursuant to a Finance approved LRPMP which requires the Agency to enter into a new agreement are subject to oversight board (OB) approval per HSC section 34181 (f). Any OB action approving a new agreement in connection with the LRPMP should be submitted to Finance for approval.

Pursuant to HSC section 34167.5 and 34178.8, the California State Controller's Office (Controller) has the authority to claw back assets that were inappropriately transferred to the city, county, or any other public agency. Determinations outlined in this letter do not in any way eliminate the Controller's authority. Should the Controller claw back real property assets not contemplated in the existing approved LRPMP, the LRPMP must be revised to include these additional real assets. The revised LRPMP must be approved by the OB and Finance before the disposition of the clawed back assets can occur.

Please direct inquiries to Kylie Oltmann, Supervisor, or Brian Dunham, Lead Analyst at (916) 445-1546.

Ms. Kristen Petersen
June 20, 2014
Page 2

Sincerely,



JUSTYN HOWARD
Assistant Program Budget Manager

cc: Mr. Dan Slater, City Attorney, City of Duarte
Ms. Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office

A REPORT PREPARED PURSUANT TO
CALIFORNIA HEALTH AND SAFETY CODE SECTION

33433 REGARDING:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE TO
AUTHORIZE A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF
DUARTE AND AND SOUTHERN PACIFIC REALTY PARTNERS III, LLC, A
DELAWARE LIMITED LIABILITY COMPANY, FOR THE SALE OF CERTAIN
PROPERTY LOCATED AT 946, 952, AND 962 HUNTINGTON DRIVE
(ASSESSOR'S PARCEL NUMBERS 8530-013-902, 8530-013-903, AND
8530-013-904)**

DECEMBER 28, 2015

The report prepared pursuant to California Health and Safety Code Section 33433 is 182 pages long, and is available for viewing in its entirety at the Duarte City Hall, 1600 Huntington Drive, Duarte, in the City Clerk's Office.

RESOLUTION NO.**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT FOR THE SALE OF THE PROPERTY AT 946, 952, AND 962 HUNTINGTON DRIVE FROM THE CITY TO SOUTHERN PACIFIC REALTY PARTNERS III, LLC FOR ITS FULL FAIR MARKET VALUE OF AND SUBSEQUENT DISTRIBUTION OF NET SALES PROCEEDS TO AFFECTED TAXING ENTITIES, IN SUBSTANTIAL CONFORMANCE WITH THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF DUARTE'S APPROVED LONG RANGE PROPERTY MANAGEMENT PLAN**

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 estimated value of the Mountain Vista Site at the time the LRPMP was approved was between \$763,946 and \$988,636; and

WHEREAS, The LRPMP indicates that the first choice for disposition of the Mountain Vista Site was the transfer of the property 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 (Assessor's Parcel Number 8530-013-009, the "Adjacent Property"); and

WHEREAS, the Successor Agency and the Oversight Board to the Successor Agency ("Oversight Board") have approved resolutions that augment the LRPMP property disposition process, such that a Compensation Agreement is no longer required, so long as the property is

sold for full fair market value and the net proceeds of that sale are distributed to affected taxing entities.

WHEREAS, the California Department of Finance was provided an opportunity to review the resolution adopted by the Oversight Board, but elected not to conduct such review.

WHEREAS, an appraisal has identified the current full fair market value of the Mountain Vista Site as seven hundred sixty seven thousand dollars (\$767,000); and

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

WHEREAS, the City and the proposed purchaser have agreed that if the combined Mountain Vista Site and Adjacent Property are not entitled to allow 26 units of multi-family development, then the proposed purchaser need not close need not close Escrow, in which case the City will be obliged to purchase the Adjacent Property from the proposed purchaser at a price of approximately seven hundred forty five thousand dollars (\$745,000) *plus* City-approved costs of demolition of the Adjacent Property.

WHEREAS, upon the completion of the sale of the Mountain Vista Site, the City will forward the net sales proceeds for distribution to the affected taxing entities in proportion to their respective shares of taxes derived from the Mountain Vista Site; and

WHEREAS, the LRPMP required that the City comply with Health and Safety Code section 33433(a) prior to authorizing the sale of the Mountain Vista Site; and

WHEREAS, pursuant to Health and Safety Code section 33433, the City has prepared, and the City Council has reviewed and considered, a Summary Report setting forth: (1) the cost of the Agreement to the City; (2) the estimated value of the interest in the Mountain Vista Site to be conveyed; (3) an explanation of how the conveyance of the Mountain Vista Site will assist in the elimination of blight; and (4) a copy of the Purchase and Sale Agreement. The City has made the Summary Report available for public inspection in accordance with Health and Safety Code section 33433; and

WHEREAS, proper public notice of the public hearing for this matter has been provided in accordance with the requirements of Health and Safety Code section 33433; and.

WHEREAS, pursuant to the California Environmental Quality Act, Public Resources Code Sections 21000 et seq. ("CEQA"), and the State's CEQA Guidelines (Title 14 California Code of Regulations Sections 15000, et. seq.), the City is the lead Agency concerning the Project and will file a Notice of Exemption for the project.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, 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 the Mountain Vista Site in substantially the form attached as Exhibit A hereto.

Section 3. Following the completion of the sale, the net proceeds of the sale of the Mountain Vista Site shall be distributed to appropriate authorities for further distribution to affected taxing entities.

PASSED, APPROVED, AND ADOPTED this 12th day of January, 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 Resolution No. 16-02 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 12th day of January, 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

Legal Notice

Legal Notice

Legal Notice

Legal Notice

**CITY OF DUARTE
CITY COUNCIL**

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that, pursuant to State law, the City Council of the City of Duarte will hold a Public Hearing at 7:00 p.m., on Tuesday, January 12, 2016, in the Council Chambers, 1600 Huntington Drive, Duarte, California, to consider the following:

Municipal Code Amendment 15-4: A city-initiated request to amend the Duarte Municipal Code by adding Chapter 6.19, prohibiting cannabis related uses including cultivation, dispensaries, and delivery of cannabis in the City of Duarte. The amendment is in response to the recent changes in State law (AB 243, AB 266 and SB 643) known as the Medical Marijuana Regulation and Safety Act (MMRSA). The MMRSA will establish a State-licensing system for medical marijuana uses but still allow Cities to retain local control, including the ability to prohibit such medical marijuana uses.

Staff has determined that this project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations; therefore no further environmental review is necessary.

Any interested party may appear in person, or by agent, and be heard. If this matter is challenged in Court, there will be a limit to only those issues that were raised at the Public Hearing described in this Notice, or in written correspondence delivered to the City Council at, or prior to, the Public Hearing. Written correspondence may be sent to Duarte City Hall, City Clerk's Office, at 1600 Huntington Drive, Duarte, CA 91010.

Further information may be obtained from David Eoff IV, Associate Planner with the Community Development Department, at (626) 357-7931, ext. 239, Monday through Thursday between the hours of 7:30 AM and 6:00 PM.

**Marla Akana
City Clerk**

PUBLISH: The Duartean, Saturday, December 26, 2015

POSTED: Duarte City Hall, Duarte Public Safety Office, Duarte
Library 12/15/15 AD#750364



CITY COUNCIL STAFF REPORT

Date: January 12, 2016

To: Mayor and Duarte City Council

From: David F. Eoff IV, Associate Planner

Subject: MUNICIPAL CODE AMENDMENT 15-04: An Ordinance of the City Council of the City of Duarte, California adding Chapter 6.19 to the Duarte Municipal Code prohibiting all cannabis related uses, commercial cannabis activities, and the delivery and cultivation of cannabis in the city

RECOMMENDATION

That the City Council introduce and hold a first reading of an Ordinance entitled: An ordinance of the City Council of the City of Duarte, California adding chapter 6.19 to the Duarte Municipal Code to prohibit all cannabis related uses, commercial cannabis activities, and the delivery and cultivation of cannabis in the city.

SUMMARY

The Medical Marijuana Regulation and Safety Act ("MMRSA"), which implements a variety of changes to state and local laws related to medical marijuana, was signed by the Governor and will become effective January 1, 2016. The MMRSA sets up a dual state and local licensing system for all "commercial cannabis activities."

While the MMRSA generally protects a city's ability to regulate or even ban cannabis related uses, either expressly or through the principles of permissive zoning, there are two distinct exceptions. First, if a city desires to regulate marijuana cultivation, it must do so by adopting an ordinance or other regulation by March 1, 2016, or the State will become the sole licensing/regulatory authority. Second, if a city desires to prohibit marijuana deliveries, it must do so "explicitly by local ordinance."

The City of Duarte has adopted a permissive zoning code, which does not list any marijuana related use (such as a dispensary or cultivation) as a permitted use. As a result, at this point in time, all marijuana related uses are deemed prohibited. The City has not, however, adopted any express ordinance or regulation relating to marijuana uses.

In order to ensure that the City retains jurisdiction over marijuana related activities, and to preserve the *status quo*, the City Attorney has prepared an ordinance that, if adopted, would expressly prohibit all cannabis related activities, including those defined as "commercial cannabis activities" under the MMRSA, as well as the cultivation and delivery of marijuana.

ANALYSIS

In 1996, California voters adopted the Compassionate Use Act (“CUA”) as a ballot initiative, codified at Health and Safety Code section 11362.5. The CUA provides a limited defense from prosecution for cultivation and possession of marijuana¹. Several years later, in 2003, the Legislature adopted the Medical Marijuana Program Act (“MMPA”), codified at Health and Safety Code sections 11362.5 through 11362.83. The MMPA provides qualified persons, primary caregivers, and holders of valid identification cards a defense to certain enumerated marijuana-related state crimes¹.

California courts have found that neither the CUA nor the MMPA provide medical marijuana patients with an unfettered right to obtain, cultivate, or dispense marijuana, regardless of whether for medical purposes². Rather, these statutes only provide certain limited defenses to state criminal prosecution. Moreover, despite the CUA and MMPA, the manufacture, distribution, or possession of marijuana remains unlawful and a federal crime under the Federal Controlled Substance Act³.

In 2015, the Legislature introduced three bills (AB 266, AB 243, and SB 643) comprising the Medical Marijuana Regulation and Safety Act (“MMRSA”). The MMRSA generally requires all individuals who are engaged in “commercial cannabis activities” (which is defined to include cultivators, manufacturers, testers, dispensaries, distributors, and transporters) to obtain both a state license and local permit (if one is required) prior to commencing operations. While the MMRSA directs state agencies to adopt regulations relating to commercial marijuana (e.g., labeling and production of edibles, use of pesticides, environmental impacts of cultivation, and cumulative impacts of water diversion), those regulations (once adopted) and the MMRSA only establish the minimum statewide standards relating to commercial cannabis activities. Thus, the City retains the ability to enact and enforce additional (and potentially more strict) standards relating to marijuana.

There are, however, two exceptions to the MMRSA’s general protection of local control: cultivation and “deliveries” or mobile dispensaries. With respect to cultivation, the MMRSA provides that the State will become the sole licensing authority for all cultivation permits if a local agency has not adopted an ordinance/regulation relating to the cultivation of marijuana, either expressly or otherwise under the principles of permissive zoning, by March 1, 2016. With respect to “deliveries” or mobile marijuana dispensaries, the MMRSA provides that “deliveries” are only permitted in cities that do not explicitly prohibit them by local ordinance. The term “delivery” under the MMRSA generally means the transfer of marijuana or marijuana products from a dispensary to a caregiver, patient, or testing laboratory.

¹ *City of Claremont v. Kruse*, (2009) 177 Cal.App.4th 1153

² *City of Riverside v. Inland Empire Patients Health and Wellness Center*, (2013) 56 Cal.4th 729 (upholding city’s ability to ban dispensaries); *Maral v. City of Live Oak*, (2013) 221 Cal.App.4th 975 (upholding city’s ability to ban all cultivation, including cultivation for personal use)

³ 21 U.S.C. §§ 812, 841, 844

The City's Development Code, adopted in 2010, does not list any marijuana related use (such as a marijuana dispensary or marijuana cultivation) as a permitted use, therefore, all marijuana related uses are deemed prohibited.

The City has not, however, adopted any express ordinance relating to any marijuana uses, including cultivation and mobile deliveries. While an express ordinance is not necessarily required to ban or regulate cultivation, there is some concern that the State may interpret general agricultural uses (which are conditionally permitted or permitted as an accessory in some zones) as allowing for marijuana cultivation as well. As a result, in order to ensure the *status quo*, and eliminate any potential confusion at the State level, the City Attorney has drafted a proposed ordinance that would clarify that all marijuana related uses (including dispensaries, cultivation, and deliveries), regardless of whether commercial or personal in nature, or for medicinal or other purposes, are prohibited in all zoning districts throughout the City.

The MMRSA does not prevent a local jurisdiction, like the City, which enacts an ordinance either banning or otherwise regulating cultivation or mobile dispensaries, from changing that ban or other regulation at some future point, as long as an initial regulation or ordinance (at least for cultivation) is in place by March 1, 2016.

Therefore, Staff's recommendation, is that the City Council introduce and conduct a first reading of Ordinance 16-O-01 banning all marijuana related uses, including all "commercial cannabis activities" as defined by the MMRSA, as well as cultivation and mobile deliveries.

ATTACHMENTS

Exhibit A: Ordinance No. 16-O-01

ORDINANCE NO.**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA ADDING CHAPTER 6.19 TO THE DUARTE MUNICIPAL CODE TO PROHIBIT ALL CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES, AND THE DELIVERY AND CULTIVATION OF CANNABIS IN THE CITY**

WHEREAS, in 1996, the voters of the State of California approved Proposition 215 (codified as California Health & Safety Code § 11362.5, and entitled “The Compassionate Use Act of 1996” or “CUA”); and

WHEREAS, the intent of Proposition 215 was to enable persons who are in need of marijuana for legitimate medical purposes to use it without fear of criminal prosecution under limited, specific circumstances; and

WHEREAS, Proposition 215 further provides that “nothing in this section shall be construed or supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes;” and

WHEREAS, the ballot arguments supporting Proposition 215 expressly acknowledged that “Proposition 215 does not allow unlimited quantities of marijuana to be grown anywhere;” and

WHEREAS, in 2004, the Legislature enacted Senate Bill 420 (codified as California Health & Safety Code § 11362.7 *et seq.* and referred to as the Medical Marijuana Program Act or “MMPA”) to clarify the scope of the CUA and to provide qualifying patients and primary caregivers who collectively or cooperatively cultivate marijuana for medical purposes with a limited defense to certain specific state criminal statutes; and

WHEREAS, Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMPA to expressly recognize the authority of counties and cities to “[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective” and to civilly and criminally enforce such ordinances; and

WHEREAS, in *City of Riverside v. Inland Empire Patients Health and Wellness Center* (2013) 56 Cal.4th 729, the California Supreme Court confirmed the ability of local entities to ban and/or regulate medical marijuana cooperatives and collectives, holding that “[n]othing in the CUA or MMP[A] expressly or impliedly limits the inherent authority of a local jurisdiction, by its own ordinances, to regulate the use of its land...”; and

WHEREAS, in *Maral v. City of Live Oak* (2013) 221 Cal.App.4th 975, the Court of Appeal held that “there is no right – and certainly no constitutional right – to cultivate medical marijuana...” and thus confirmed the ability of a local governmental entity to prohibit the cultivation of marijuana under its land use authority; and

WHEREAS, the Federal Controlled Substances Act (21 U.S.C. § 801 *et seq.*) classifies marijuana as a Schedule 1 Drug, which is defined as a drug or other substance that has a high potential for abuse, no currently accepted medical use for treatment in the United States, and which has not been accepted as safe for use under medical supervision; and

WHEREAS, the Federal Controlled Substances Act makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense, or possess with an intent to manufacture, distribute, or dispense marijuana; and

WHEREAS, the Federal Controlled Substances Act contains no exception for medical purposes, but, through federal legislation related to appropriations of federal funds, the United States has suspended funding to the United States Department of Justice to prevent states that have adopted limited marijuana use for medical purposes from implementing those states' medical marijuana laws; and

WHEREAS, on October 9, 2015, Governor Brown signed three (3) bills into law (AB 243, AB 266, and SB 643) which collectively are known as the Medical Marijuana Regulation and Safety Act ("MMRSA"); and

WHEREAS, the MMRSA sets up a State licensing system for commercial medical marijuana uses, while protecting local control by requiring that all such businesses must have a local license or permit in addition to a State license in order to operate; and

WHEREAS, the MMRSA allows cities to completely prohibit all commercial medical marijuana activities; and

WHEREAS, the MMRSA also requires numerous State agencies to issue regulations relating to their areas of expertise; and

WHEREAS, the State estimates that it will not begin processing licenses for marijuana related uses until January 2018 at the earliest; and

WHEREAS, as a result of this new State licensing system, as well as the yet-to-be issued State regulations, there is uncertainty as to how the MMRSA and its regulations will be implemented by State officials; and

WHEREAS, as recognized by the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, marijuana cultivation or other concentration of marijuana in any location or premises without adequate security increases the risk that surrounding homes or businesses may be negatively impacted by nuisance activity such as loitering or crime; and

WHEREAS, the City Council finds that medical marijuana activities, as well as cultivation for personal medical use as allowed by the CUA and MMPA can adversely affect the health, safety, and well-being of City residents if such activities are either unregulated or not properly regulated; and

WHEREAS, the City Council finds that in order to err on the side of caution, Citywide prohibition is proper and necessary at this point in time to avoid the risks of criminal activity, degradation of the natural environment, malodorous smells, and indoor electrical fire hazards that may result from such activities if they are either unregulated or not properly regulated, with the understanding that the City Council may, at a future period in time, revisit the regulation of cannabis related uses and commercial cannabis activities as authorized under the MMRSA; and

WHEREAS, the limited immunity from specified state marijuana laws provided by the CUA and MMPA does not confer a land use right or the right to create or maintain a public nuisance; and

WHEREAS, the MMRSA contains language that requires cities to prohibit cultivation uses by March 1, 2016 either expressly or otherwise under the principles of permissive zoning, or the State will become the sole licensing authority; and

WHEREAS, the MMRSA also contains language that requires delivery services to be expressly prohibited by local ordinance, if the City wishes to do so; and

WHEREAS, the MMRSA is silent as to how the City must prohibit these or other types of commercial medical marijuana activities; and

WHEREAS, while the City Council expressly believes and reiterates its intent that dispensaries, deliveries, and all related types of marijuana uses are prohibited under the City's Municipal Code, including its permissive zoning regulations, the City Council desires to enact this ordinance to expressly make clear that all cannabis related uses and commercial cannabis activities are prohibited throughout the City; and

WHEREAS, although the City desires to clarify that all medical marijuana uses are banned at this point in time, the City Council retains the ability to either modify or repeal this as well as any other related ordinances in the event that the MMRSA proves to be an effective means by which to regulate marijuana related uses.

NOW, THEREFORE, the City Council of the City of Duarte does ordain as follows:

SECTION 1: Recitals. The foregoing recitals are true and correct and are incorporated herein as though set forth in full.

SECTION 2: Authority. This Ordinance is adopted pursuant to the authority granted by the California Constitution and State law, including but not limited to Article XI, Section 7 of the California Constitution, the CUA, the MMPA, and the MMRSA.

SECTION 3: Adoption. Chapter 6.19 is hereby added to the Duarte Municipal Code as written in Exhibit A attached hereto.

SECTION 4: No Changes to Permitted Uses. Nothing in this Ordinance shall be interpreted to allow any land use which is not expressly listed as permitted or conditionally permitted within the City's Zoning Code.

SECTION 5: CEQA Determination. In adopting this Ordinance, the City Council finds that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 California Code of Regulations Sections 15061(b)(3) and 15378, in that it can be seen with certainty that the adoption of the Municipal Code amendments propose no activity that may have a significant effect on the environment and will not cause a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

SECTION 6: Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more section, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared unconstitutional.

SECTION 7: Effective Date. This Ordinance shall become effective thirty (30) days after its passage and adoption. Within fifteen (15) days of the date of adoption of this Ordinance, the City Clerk shall post a copy of said Ordinance in places designated for such posting and shall certify to the same. The City Clerk shall certify the passage of this Ordinance and shall cause the same to be published as required by law.

PASSED, APPROVED and ADOPTED, at a regular meeting of the Duarte City Council held 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 6.19**CANNABIS RELATED USES, COMMERCIAL CANNABIS ACTIVITIES,
DELIVERIES, AND CULTIVATION PROHIBITED****6.19.010 Definitions**

“Cannabis” shall mean all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from marijuana. “Cannabis” also means “marijuana” as defined by Section 11018 of the California Health and Safety Code as enacted by Chapter 1407 of the Statutes of 1972. The term “Cannabis” shall also have the same meaning as set forth in Section 19300.5(f) of the California Business and Professions Code, as may be amended from time to time. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, “cannabis” does not mean “industrial hemp” as defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

“Caregiver” or “Primary Caregiver” shall have the same meaning as set forth in Section 11362.7 of the California Health and Safety Code, as may be amended from time to time.

“Commercial Cannabis Activity” shall have the same meaning as set forth in Section 19300.5(k) of the California Business and Professions Code, as may be amended from time to time.

“Cooperative” shall mean two or more persons collectively or cooperatively cultivating, using, transporting, possessing, administering, delivering, or making available marijuana, with or without cultivation.

“Cultivation” or “Cultivate” shall have the same meaning as set forth in Section 19300.5(l) of the California Business and Professions Code, as may be amended from time to time.

“Delivery” shall have the same meaning as set forth in Section 19300.5(m) of the California Business and Professions Code, as may be amended from time to time.

“Dispensary” shall have the same meaning set forth in Section 19300.5(n) of the California Business and Professions Code, as may be amended from time to time. For purposes of this Chapter, Dispensary shall also include a Cooperative. Dispensary shall not include the following uses: (1) a clinic licensed pursuant to Chapter 1 of Division 2 of the California Health and Safety Code; (2) a health care facility licensed pursuant to Chapter 2 of Division 2 of the California Health and Safety Code; (3) a residential care facility for persons with chronic life threatening illnesses licensed pursuant to Chapter 3.01 of Division 2 of the California Health and

Safety Code; (4) a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the California Health and Safety Code; (5) a residential hospice or home health agency licensed pursuant to Chapter 8 of Division 2 of the California Health and Safety Code.

“Medical Cannabis” or “Cannabis” shall have the same meaning as set forth in Section 19300.5(ag) of the California Business and Professions Code, as may be amended from time to time.

“Medical Marijuana Regulation and Safety Act” or “MMRSA” shall mean and refer to the following three bills signed into law on October 9, 2015, as the same may be amended from time to time: AB 243, AB 266, SB 643.

“Qualifying Patient” or “Qualified Patient” shall have the same meaning as set forth in Section 11362.7 of the California Health and Safety Code, as may be amended from time to time.

6.19.020 Prohibitions.

All Cannabis related uses, including but not limited to dispensaries, deliveries, cultivation and all other Commercial Cannabis Activities for which a State license is required under the MMRSA, are prohibited in all zones throughout the City. Accordingly, the City shall not issue any permit, or process any license or other entitlement for any Cannabis related use or any other activity for which a State license is required under the MMRSA.

- A. Cannabis Related Uses. All Cannabis related uses, including but not limited to cultivation, dispensaries, and deliveries are prohibited in all zones and all specific plan areas in the City, regardless of whether the Cannabis is used for medicinal purposes or whether such uses qualify as Commercial Cannabis Activities under the MMRSA. No person shall establish, operate, conduct, permit or allow any Cannabis related use anywhere within the City.
- B. Medical Cannabis Uses. All Medical Cannabis related uses, including cultivation, dispensaries, and deliveries are expressly prohibited in all zones and all specific plan areas in the City, regardless of whether such uses qualify as Commercial Cannabis Activities under the MMRSA. No person shall establish, operate, conduct, permit or allow any Medical Cannabis related land use anywhere within the City.
- C. Commercial Cannabis Activities. All Commercial Cannabis Activities, including but not limited to Cooperatives, Dispensaries, Cultivation, and Deliveries, are expressly prohibited in all zones and all specific plan areas in the City. No person shall establish, operate, conduct, permit or allow a Commercial Cannabis Activity anywhere within the City.
- D. Cannabis Deliveries. All Deliveries of Cannabis and Medical Cannabis are expressly prohibited in the City. No person shall conduct any Deliveries of Cannabis or Medical Cannabis that either originate or terminate at any location within the City.

- E. Cannabis Cultivation. The Cultivation of Cannabis, regardless of whether for commercial or non-commercial purposes, and including Cultivation by a Qualified Patient or Primary Caregiver is expressly prohibited in all zones and all specific plan areas in the City. No person, including but not limited to a Qualified Patient or Primary Caregiver, shall Cultivate any amount of Cannabis in the City, regardless of whether or not the Cannabis is intended to be used for medical purposes.

6.19.030 Public Nuisance

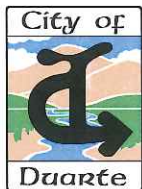
Any use or condition caused, or permitted to exist, in violation of any provision of this Chapter shall be, and is hereby declared to be, a public nuisance and may be summarily abated by the city pursuant to Section 731 of the California Code of Civil Procedure or any other remedy available at law.

6.19.040 Civil Penalties

In addition to any other enforcement permitted by the Duarte Municipal Code, the city attorney may bring a civil action for injunctive relief and civil penalties against any person who violates any provision of this chapter. In any civil action that is brought pursuant to this chapter, a court of competent jurisdiction may award civil penalties and costs to the prevailing party.

6.19.050 Provisions in Chapter Cumulative

The prohibitions and provisions in this Chapter are cumulative to any and all other prohibitions and regulations in the Duarte Municipal Code concerning Cannabis, Medical Cannabis, and marijuana, including but not limited to the City's ban on marijuana related uses via its permissive zoning regulations. Nothing in this Chapter supersedes or shall be construed to conflict with any other prohibitions or regulations in the Duarte Municipal Code.



CITY COUNCIL STAFF REPORT

Date: January 12, 2016

To: Mayor and Duarte City Council

From: David F. Eoff IV, Associate Planner

Subject: Citywide Bicycle Master Plan & Safe Routes to Transit Plan: A Resolution of the City Council of the City of Duarte, California adopting a Citywide Bicycle Master Plan and a Safe Routes to Transit Plan

SUMMARY

Over the past several months the City and consultant firm Fehr & Peers have been working together to create a Citywide Bicycle Master Plan and a Safe Routes to Transit Plan. The bicycle plan incorporates a variety of facilities to create a network throughout the City while the safe routes to transit plan focuses on pedestrian improvements around the Duarte Gold Line station. Both plans are designed to improve the quality of life and support multi-modal transportation throughout the Duarte community and surrounding communities. Additionally, the recommended plans have been designed to follow the Metro "*First-Last Mile*" planning guidelines.

A memorandum from the consultant Fehr & Peers is attached and includes detailed information on the plans, the improvements, suggested phasing, and potential funding sources. Staff recommends approval of Resolution 16-R-01 adopting the Bicycle Master Plan and the Safe Routes to Transit plan.

BACKGROUND

City Staff provided the Consultant an overview of the City to identify the existing sidewalks and bicycle lanes along major streets. The Consultant was then able to analyze these current conditions and identify the perceived gaps in the pedestrian and bicycle network. The "gap analysis" set the foundation for creating the bicycle master plan and the safe routes to transit plan.

- *Citywide Bicycle Master Plan (BMP).* A majority of the proposed bicycle plan network consists of Class III bike routes using shared-roadway markings known as sharrows or bike boulevards. There is a common misunderstanding that bicyclists are not allowed to use the roads in the same manner as vehicles. This leads to frustration between cyclists and motorists and some times dangerous accidents. The Class III lanes are suggested on streets with relatively low vehicle speeds and narrow street widths that can't accommodate a separate bike lane. Incorporating these Class III lanes will provide a route for bicyclists and help make motorists more aware of potential bicycle activity.

The remainder of the network suggests the use of Class II lanes and potential improvements for Class I lanes. The Class II lanes tend to have a greater impact to streets as they involve striping and potential alterations to driving lanes or on-street parking. However, they're a safer option compared to Class III as they provide a dedicated travel lane just for bicyclist. The Class II lanes are proposed on portions of Buena Vista Street, Highland Avenue, Las Lomas Road, Duarte Road, and Encanto Parkway. Improvements on Encanto Parkway will require collaboration with the City of Azusa, as the street is within their jurisdiction. However, based on the current width of these streets it appears the Class II lanes can be accommodated with and without the removal of street parking.

Class I improvements include constructing a new trail along an existing Los Angeles County flood control channel and possibly widening the existing Royal Oaks bike trail. Class I lanes tend to be the safest type of bike lane as they provide travel lanes for cyclist completely off the street and separated from vehicle travel lanes. The existing flood control channel is located between Buena Vista Street and Cinco Robles Drive. The channel contains an existing 15-foot wide service road that can be accessed from Duarte Road and could potentially provide a safer alternative to using Buena Vista Street (suggested Class III) for bicycle travel.

- Safe Routes to Transit Plan (S RTP). The S RTP focuses on pedestrian improvements around the new Gold Line Specific Plan area and the Duarte Gold Line Station. The proposed improvements include new sidewalks, new pedestrian lighting, new high visibility crosswalks, and new streetscape enhancements. The S RTP is designed to provide safe and efficient access to the new Gold Line station and complement future development of the Gold Line Specific Plan.

In October, a public open house was hosted by the City to introduce both plans and give the public an opportunity to share opinions and suggestions on the plans. A public survey on the bicycle plan was also available for roughly four weeks. The survey included a variety of questions that were designed to gather info on the level of bicycle activity in and through the City, as well as concerns from the cyclists, motorist, residents, and more. In December 2015, the information was presented to the Traffic and Safety Commission to receive additional comments and feedback. The results of the open house, survey, and Traffic Commission were generally positive. The separated Class II lane gained the most support among the survey results. Other suggestions included installing bicycle parking/racks near stores and other popular destinations, providing adequate signage identifying bicycle travel areas, and emphasis on pedestrian safety.

Bicycle Master Plan and Safe Routes to Transit Plan will create a plan for future implementation. While traffic analysis was part of the process up to this point, there will likely be a need for further analysis prior to implementing portions of the plans that are not already in progress. Additionally, Metro has established a countywide bikeshare program that will provide bicycles for rent strategically located at docking stations near transit and other popular destinations in various Los Angeles County cities. The program promotes the "first-last mile" strategies and helps enhance alternative methods of transportation. Metro is looking to work with participating

cities to implement this program throughout the County. Staff plans to gather more information on how the City may be able to participate in this program and work with other neighboring cities to strengthen the local and regional bike networks.

Respectfully Submitted,



David F. Eoff IV
Associate Planner

Attachments: Exhibit A: Fehr & Peers Memorandum
Exhibit B: City Council Resolution 16-R-01
Exhibit 1: Station Area Detail, Proposed Bicycle & Pedestrian Access Improvements
Exhibit 2: Existing and Proposed Bicycle Facilities
Table 1: Bicycle Master Plan Cost Estimates
Table 2: Annual Maintenance Cost Estimates



MEMORANDUM

Date: January 6, 2016
To: David Eoff, City of Duarte
From: Nathan Schmidt, Fehr & Peers
Subject: City of Duarte Bicycle Master Plan and Safe Routes to Transit Plan

SD15-0167

The City of Duarte's Bicycle Master Plan and Safe Routes to Transit Plan will serve as a blueprint to help develop a transportation network that meets the needs of all users- including pedestrians, bicyclists and public transit patrons, as well as motorists- fulfilling the City's commitment to Complete Streets. The Safe Routes to Transit Plan seeks to improve access for pedestrians and bicyclists to the City's Gold Line Station with a focus on improving connections to and around the station. The Bicycle Master Plan identifies a citywide network of bicycle facilities that will provide connections to destinations within the City and to adjacent jurisdictions and regional trails. The recommendations provided in both of these Plan's will help the City reach goals adopted in the General Plan by creating an environment that will improve multi-modal access to the Duarte Gold Line station and support bicycling for transportation and recreation, encourage fewer trips by car and support active lifestyles.

VISION FOR THE DUARTE BICYCLE MASTER PLAN AND SAFE ROUTES TO TRANSIT PLAN

Duarte has a well-developed regional and local transportation system. Duarte enjoys excellent access to the regional transportation assets such as the I-210 and I-605 freeways, the San Gabriel River Bike Path, the Emerald Necklace Bikeway, and will soon have access to the Metro Gold Line Station.

Some areas in Duarte experience congestion related to traffic accessing local freeways or vehicles using the local roadway network to avoid the freeways during peak periods. The local road network required to support these needs can often mean an unsupportive or uncomfortable environment for both walking and bicycling.

Improving Duarte's station access and bicycle infrastructure will have a number of community benefits, including better safety and quality of life. Providing residents with a safe and comfortable



place to ride results in fewer cars on the road, reduces vehicle emissions, improves public health, and makes the community a more pleasant place to live and work.

GOLD LINE STATION SAFE ROUTES TO TRANSIT PLAN

The purpose of the Duarte Gold Line Station Safe Routes to Transit Plan is to generate increased transit ridership by identifying specific strategies that improve transit center access and pedestrian and bicyclists safety. These strategies provide what is often referred to as the “first-mile” (access from home to transit) and “last-mile” (access from transit to work, school, etc.) solutions. The Plan accomplishes this objective by establishing a list of station access improvement projects within ½ mile radius of the Gold Line Station area.

The plan provides recommendations for a range of infrastructure improvements including projects that have already been constructed, projects in-progress that are fully funded, and future projects that are currently unfunded. The recommended improvements are shown on the Safe Routes to Transit Plan map (Exhibit 1).

CITYWIDE BICYCLE MASTER PLAN

The Bicycle Master Plan guides the future development of bicycle facilities throughout the City. The recommendations in this plan will guide investments in bicycle infrastructure, improve connections between the regional trails network, fill in gaps in the existing infrastructure, and improve safe access between schools, jobs, shopping districts, and other important areas of the City.

BICYCLE FACILITY TYPES

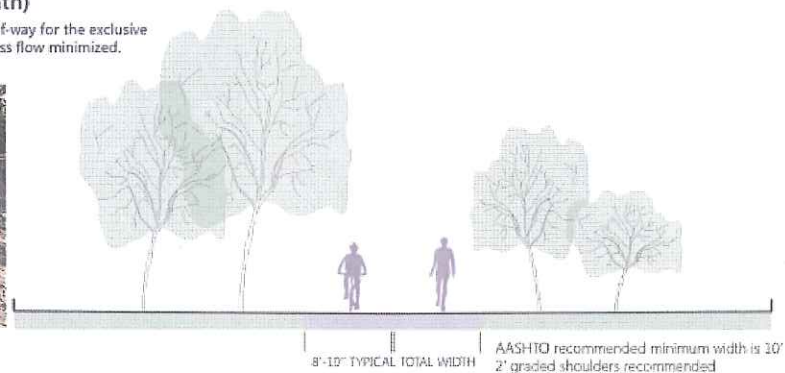
Guidelines and design standards for bikeway planning and design in California are established by the California Department of Transportation (Caltrans) and presented in the Highway Design Manual (Chapter 1000: Bikeway Planning and Design). Bicycle facilities comprise of bike paths (Class I), bike lanes (Class II), and bike routes (Class III) as described and shown on the accompanying figures below.



CALIFORNIA BIKEWAY CLASSIFICATIONS

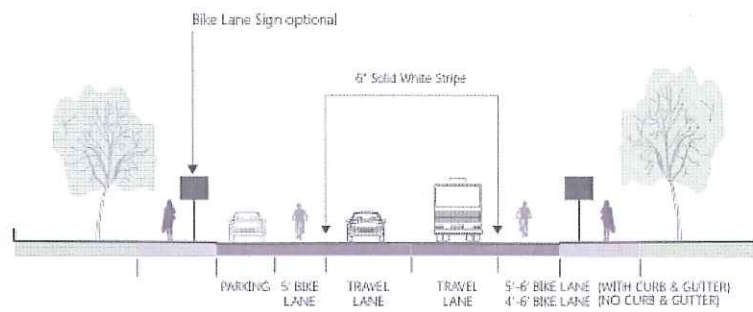
CLASS I BIKEWAY (Bike Path)

Provides a completely separated right-of-way for the exclusive use of bicycles and pedestrians with cross flow minimized.



CLASS II BIKEWAY (Bike Lane)

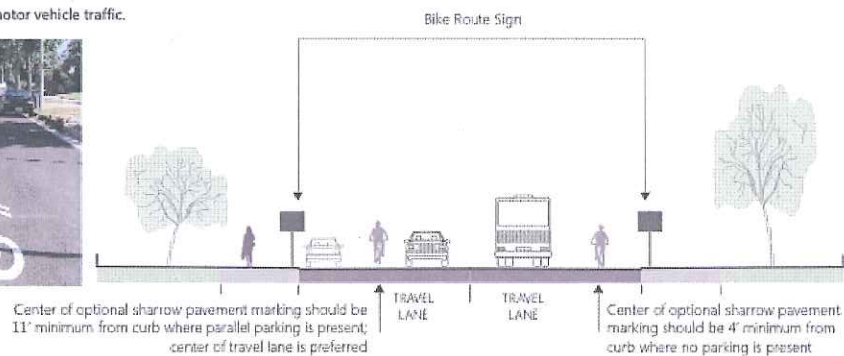
Provides a striped lane for one-way bike travel on a street or highway.



CLASS III BIKEWAY (Signed Bike Route)

With Optional Sharrow Pavement Marking

Provides for shared use with motor vehicle traffic.





Based on the existing conditions in Duarte and the public input obtained through the Bicycle Master Plan process, new bicycle facilities are proposed in three tiers.

Tier 1 – High Priority Projects

The tier 1 High Priority Projects include a set of bicycle projects that are either already funded through ATP grant funds or relatively low-cost improvements that will “get the ball rolling”. In total, nine Tier 1 projects include over two miles of Class II bike lanes and five miles of Class III bike routes. Key corridors include improving access to the San Gabriel River Trail by providing Class II bike lanes on Encanto Parkway (requires collaboration with the City of Azusa), and improving access to the Gold Line station via Class II bike lanes on Highland Avenue and Duarte Road. All Class II bike lanes within the Tier 1 category could be constructed without any other change to the existing cross-section of the street.

The recommended Class III bikeway facilities are appropriate for narrower residential streets that experience less vehicular traffic. These bikeways include signage and wayfinding, on-street sharrows, and additional traffic calming elements if necessary. In some cases, such as on Highland Avenue at Business Center Road, Class II bike lanes will transition to Class III bike routes in advance of intersections that require higher vehicular capacity, in order retain two travel lanes in each direction through the intersection.

Tier 2 – Second Priority Projects

As the Tier 1 improvements are implemented, public support may be strong enough to begin discussions about implementing additional connections in the citywide bicycle network. These additional connections include the Tier 2 projects, which will further improve bicycle access within Duarte and from the surrounding communities. Most of these projects can be constructed without any change to the existing roadway cross-section however some of these projects may require innovative treatments and adjustments to existing pavement marking or traffic signal timing. For example, the Class II bike lane on Encanto Parkway would be extended south to Central Avenue via Huntington Drive, but the intersection of Encanto Parkway and Huntington Drive would require changes to provide safe access for bicycles traveling eastbound on Huntington to Encanto Parkway. In total, Tier 2 projects include 3.8 miles of Class II bike lanes and Class III bike routes.

Tier 3 – Long Term Projects

The Tier 3 projects may or may not be feasible, and are likely not appropriate for short-term implementation without further study because of the perceived barriers to implementation and/or poor cost-effectiveness and could be implemented only if external funding become available. These projects include the expansion of the Royal Oaks Recreational Trail to include a separate “Bike’s Only” trail and construction of new trail along an existing County flood control channel accessible from Duarte Road (between Buena Vista Street and Cinco Robles Drive). Including these projects in



the Bicycle Master Plan provides a framework for future improvement to the bicycle network throughout Duarte.

Table 1 and Table 2 (attached) provide cost estimates for implementing each of the recommended tiers and cost estimates for annual maintenance. Implementing the suggested bicycle improvements may also require improvements to intersections along the roadway, which could include bike detection, signage, and other improvements to facilitate the bike activity. These intersection improvements are also included in the cost estimates. Combining the bike improvement with the intersection improvement provides a general idea of the cost to implement each component within a tier.

LOS ANGELES COUNTY REGIONAL BIKE SHARE

The City of Duarte is currently exploring options to participate in the Los Angeles County Regional Bike Share program. The current bike share system is envisioned to begin with 99 stations and 1,580 bikes in the Phase 1 and 2 pilot areas of Downtown Los Angeles and Pasadena, and will eventually grow to a total of 254 station and 3,800 bikes in multiple communities throughout Los Angeles County, with future expansions to bikeshare ready communities to be identified later. The City of Duarte was not identified as a community that is currently suitable for bike share however it may become a more viable option as the City's bike infrastructure is expanded and the Gold Line station area develops.

In order to participate in the Los Angeles County Bike Share program, the City will be required to enter into a contract with Metro. Metro will pay up to 50% of the capital cost and up to 35% of the operating cost for the bike share program. The City would need to cover the remaining costs through grants or City funding. City of Duarte staff is actively monitoring the development of LA County bike share program and meeting with San Gabriel Valley Council of Government in regards to their program as well.

THE BICYCLE POTENTIAL FUNDING SOURCES

Numerous funding sources are potentially available at the federal, state, regional, county, and local levels for the City of Duarte to implement the projects and programs in the Bicycle Master Plan. Below is a description of the most promising funding programs available for the proposed projects at the federal, state, MPO and county levels. Most of these sources are highly competitive and require the preparation of extensive applications.



Local

Local City Funds

For some projects or programs, the use of general fund monies may be an appropriate funding strategy. Projects can also be implemented along the normal schedule of roadway maintenance, taking advantage of resurfacing projects to restripe roads to include bicycle facilities or enhanced pedestrian crossings.

Development Fees

Some agencies have implemented development fees that can then be used to fund various types of infrastructure. This funding is combined with funds from other projects to establish a source of funds to construct the improvements that are on an adopted project list, which can include a variety of projects that serve several travel modes.

Public Private Partnership

Increasingly, innovative bicycle projects are being implemented with the assistance and funding from private entities. These types of projects typically do not occur in the public right-of-way, but support the investments made by a city to encourage more use of the facilities. These projects may include the provision of shared bicycles at hotels, the funding of city bike share programs, the construction of shower and changing facilities in office buildings, and the development of bicycle storage rooms at new residential development sites.

Regional

Metro Call for Projects

The biannual Metro Call for Projects is the largest local source of transportation funding. The Call for Projects program is a competitive process that distributes capital transportation funds to regionally significant projects on a discretionary basis. Funding for the Call for Projects comes from a variety of local, state, and federal sources (including Congestion Mitigation and Air Quality [CMAQ] funds and Regional Surface Transportation Program [RSTP] funds). Funding levels for each mode are announced during the initial stages of each Call for Projects cycle, and are based on the available funds from the component funding sources.

Metro (Other)

Other funding is disbursed on a per-capita basis by Metro that can be used for related bicycle or pedestrian projects, or may become available in the future, including:



- Proposition A, Proposition C, and Measure R Local Return programs (per capita)
- Transportation Development Act funds (per capita)
- FTA Section 5310 Program (competitive application administered by Metro, for accessible pedestrian upgrade projects at transit stops or stations)

SCAG Sustainability Planning Grant

Formerly the Compass Blueprint Program, the Southern California Association of Governments (SCAG) Sustainability Planning Grant was established in 2005 to test innovative local planning tools. Grants are available in three categories, including Active Transportation. Future project cycles will be announced on the SCAG website.

State

California Active Transportation Program (ATP)

The California Transportation Commission developed program guidelines and project selection criteria for the first call for projects for the statewide Active Transportation Program (ATP). The Active Transportation Program consolidated and replaced the former Transportation Alternatives Program, Safe Routes to School Program, and Bicycle Transportation Account. The ATP provides funding for infrastructure improvements and non-infrastructure programs.

Highway Safety Improvement Program (HSIP)

The Highway Safety Improvement Program (HSIP) is a core federal-aid program that aims to reduce traffic fatalities and serious injuries on public roads. HSIP funds can be used for projects such as bike lane or sidewalk projects on local roadways, improvements to Class I multi-use paths, or for traffic calming measures. Applications that identify a history of incidents and demonstrate their project's improvement to safety are most competitive for funding.

Caltrans Sustainable Transportation Planning Grant

Caltrans provides Transportation Planning Grants on an annual basis. These grants are available to jurisdictions focusing on improving mobility by innovatively addressing problems or deficiencies in the transportation system. Community outreach is a key component of successful grant applications. Funds can be used for planning or feasibility studies.

Affordable Housing and Sustainable Communities (AHSC) Program

The Strategic Growth Council's Affordable Housing and Sustainable Communities (AHSC) Program funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduces greenhouse gas emissions. Over \$140 million in projects were funded in



fiscal year 2014/2015, from the state Greenhouse Gas Reduction Fund (GGRF). Beginning in fiscal year 2015/2016, 20% of GGRF funds will be apportioned to the AHSC annually. Developers, cities and public agencies are eligible to apply, and applications that include changes to the public right-of-way must include the relevant public agency as a co-applicant. Eligible transportation components can include active transportation planning, construction, transit-related infrastructure, or programs that shift trips from single occupant vehicles to other modes such as walking, biking, or transit.

Environmental Enhancement and Mitigation Program (EEMP)

The Environmental Enhancement and Mitigation Program (EEMP) was established in 1989 and is administered by the California Natural Resources Agency and Caltrans. The program offers a total of \$7 million each year for grants to local, state, and federal governmental agencies and to nonprofit organizations. EEMP Funds are allocated to projects that either directly or indirectly offset environmental impacts of modified or new public transportation facilities including the acquisition, restoration, or enhancement of resource lands to mitigate the loss of or detriment to such lands within or near transportation right-of-way, and the planting of trees and other plants to offset vehicular emissions.

Federal

TIGER

The US DOT's Transportation Investment Generating Economic Recovery (TIGER) competitive grant program is intended to fund capital investments in surface transportation infrastructure that will have a significant impact on the US, region, or metropolitan area. Capital bicycle and pedestrian projects are eligible for TIGER grants.

**CITY OF DUARTE
RESOLUTION NO. 16-R-01**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE APPROVING THE CITYWIDE BICYCLE MASTER PLAN AND THE SAFE ROUTES TO TRANSIT PLAN WHICH WILL ESTABLISH A NETWORK OF BICYCLE FACILITIES THROUGHOUT THE CITY AND IMPROVE PEDESTRIAN ACCESS TO AND AROUND THE DUARTE GOLD LINE STATION.

WHEREAS, the Duarte General Plan encourages and promotes the use of alternative travel modes such as bicycling and walking; and

WHEREAS, the current conditions of the City were analyzed to determine the perceived gaps in the pedestrian and bicycle network throughout the City; and

WHEREAS, a Safe Routes to Transit Plan and a Citywide Bicycle Master Plan were developed to identify locations for recommended improvements to the current pedestrian and bicycle networks; and

WHEREAS, the Safe Routes to Transit Plan seeks to improve access for pedestrians and bicyclist to the City's Gold Line Station with a focus on improving connections to and around the station area; and

WHEREAS, the Citywide Bicycle Master Plan creates a citywide network of bicycle facilities that will provide connections to destinations within the City, adjacent jurisdictions, and regional trails; and

WHEREAS, the recommendations in both plans will improve multi-modal access throughout the City, promote healthy lifestyles, encourage fewer trips by vehicle, and support bicycling for transportation and recreation; and

WHEREAS, the recommendations in both plans will help the City of Duarte meet the goals and objectives identified in the City's General Plan; and

WHEREAS, the recommendations in both plans are designed to implement the Metropolitan Transportation Authority (Metro) "*First-Last Mile*" planning guidelines; and

WHEREAS, on October 28, 2015 a public open house was held to provide information and receive public comments on the Citywide Bicycle Master Plan and the Safe Routes to Transit Plan; and

WHEREAS, on December 1, 2015, the Citywide Bicycle Master Plan and the Safe Routes to Transit Plan was presented to the Traffic and Safety Commission of the City of Duarte to receive comments; and

WHEREAS, the City Council has considered the recommendation and information provided in the staff report and at the January 12, 2016 City Council Meeting.

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

SECTION 1. All of the facts set forth in the Recitals of this Resolution are true and correct and incorporated herein by this reference.

SECTION 2. The Safe Routes to Transit Plan is adopted as shown on attached Exhibit 1, and the Citywide Bicycle Master Plan is adopted as shown on attached Exhibit 2.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Duarte at a regular meeting held on the 12th day of January 2016.

Mayor Samuel Kang

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

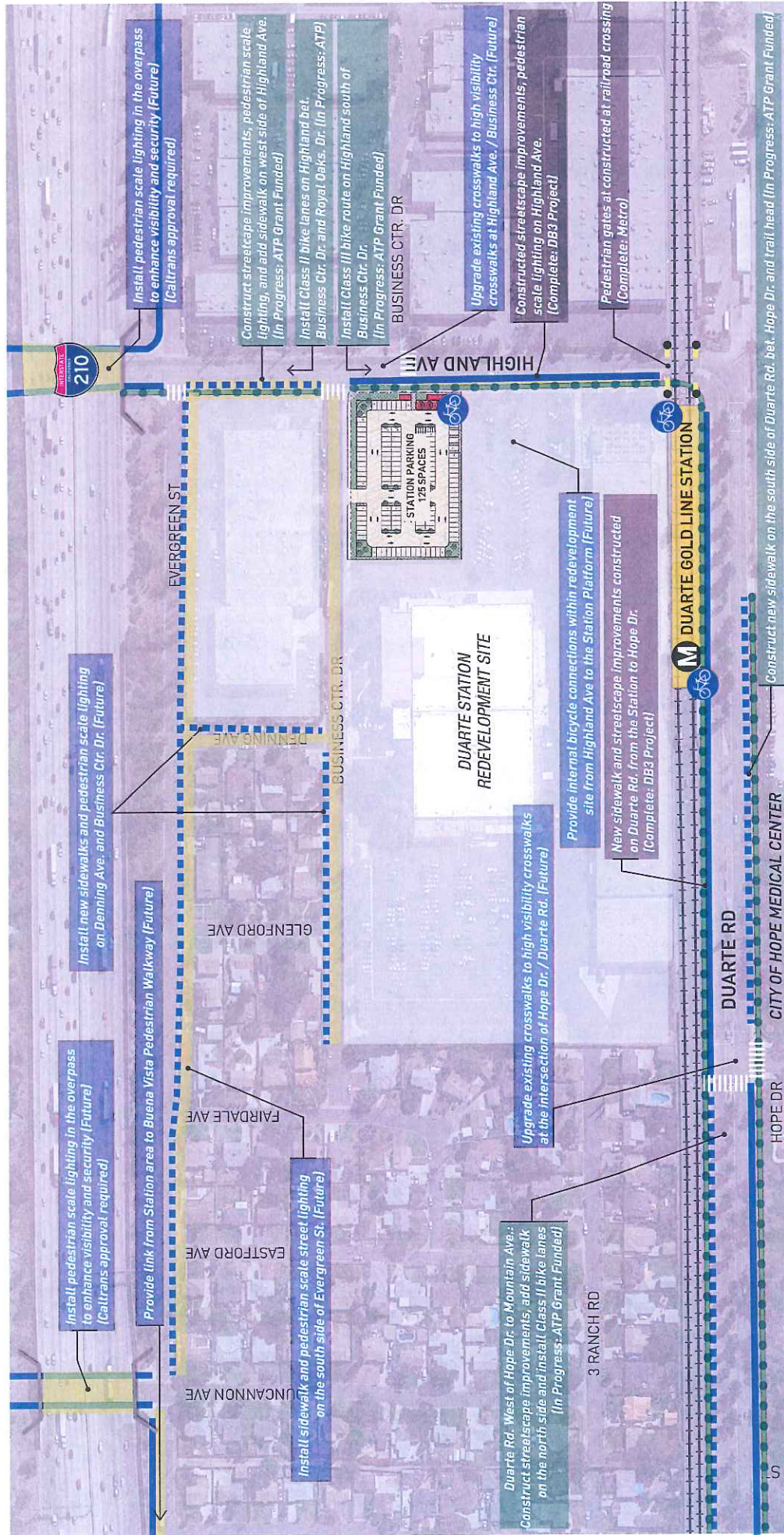
I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution 16-R-01 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 12th day of January 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California



LEGEND

The color of project description indicates project status as follows:

Color	Project Status
Blue	Completed
Green	In Progress
Yellow	Future

Legend Symbols:

- = High Visibility Crosswalk
- = Existing Sidewalk
- = New Sidewalk
- = Railroad Tracks
- = Freeway Underpass
- = Pedestrian Scale Street Lighting
- = Install Bike Parking and/or Bike Lockers
- = Streetscape Improvements

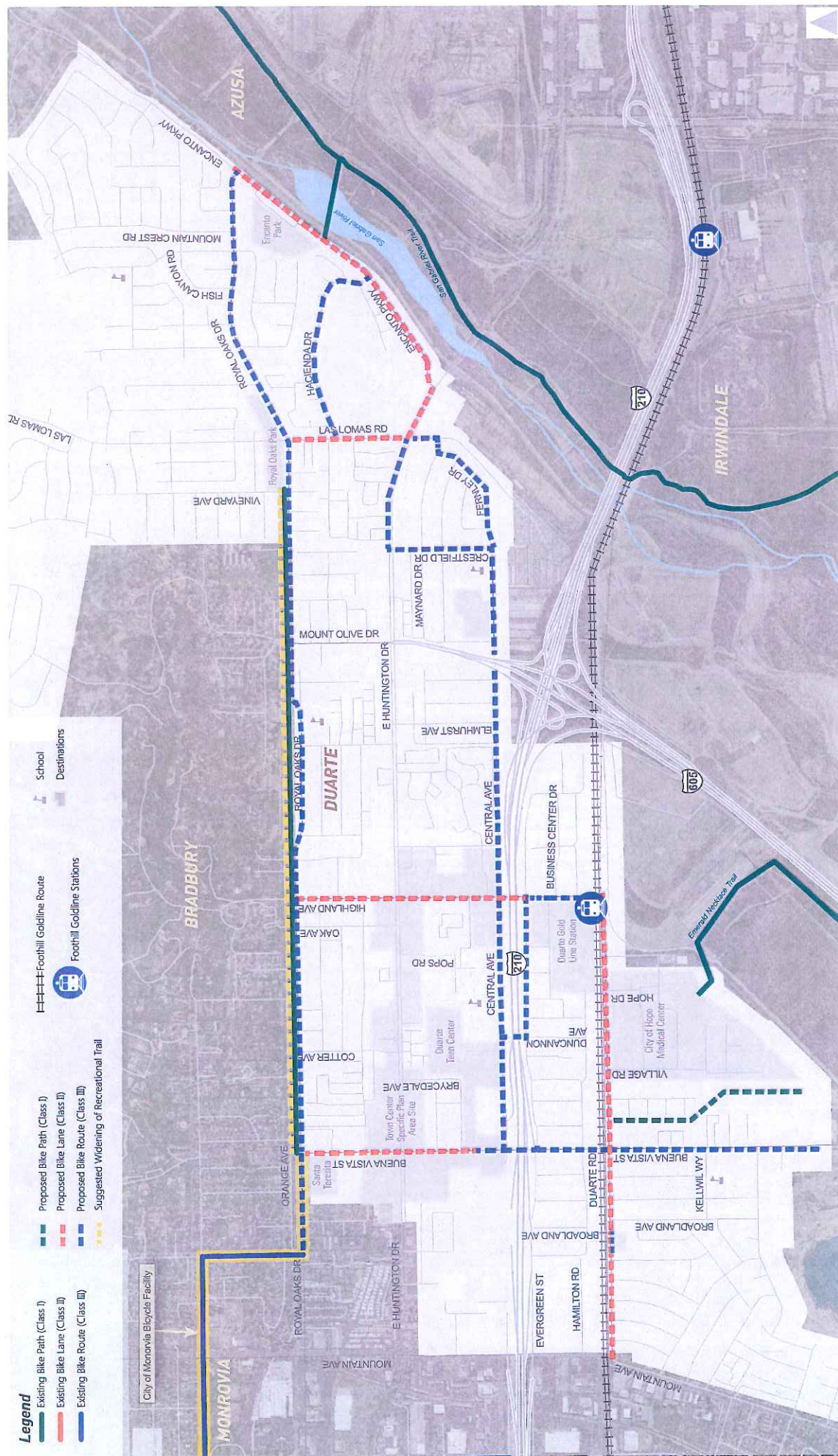
City of Duarte

Exhibit 1

Station Area Detail

Proposed Bicycle and Pedestrian Access Improvements

DUARTE GOLD LINE STATION SAFE ROUTES TO TRANSIT PLAN



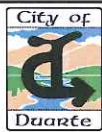


Table 1
City of Duarte Bicycle Master Plan
Cost Estimates

ROADWAY	BETWEEN	BIKE LANE IMPROVEMENTS			INTERSECTION IMPROVEMENTS		TOTAL PER ROADWAY
		FACILITY TYPE	LENGTH (MILES)	COST	INTERSECTION	COST¹	
Tier 1 - Top Priority Projects							
Royal Oaks Dr.	Encanto Pkwy. & Buena Vista St.	Class III	2.60	\$42,500	None	\$0	\$42,500
Encanto Pkwy.	Royal Oaks Dr. & Hacienda Dr.	Class II	0.43	\$27,500	None	\$0	\$27,500
Hacienda Dr.	Encanto Pkwy. & Las Lomas Rd.	Class III	0.50	\$8,000	None	\$0	\$8,000
Las Lomas Rd.	Royal Oaks Dr. & Huntington Dr.	Class II	0.30	\$0	Las Lomas Rd. & E Huntington Dr.	Project is fully funded through the City Street Resurfacing Project	\$0
	Huntington Dr. & Maynard Dr.	Class III	0.12	\$2,000	None		
Maynard Dr.	La Lomas Rd. & Fernley Dr.	Class III	0.10	\$1,500	None	\$0	\$1,500
Fernley Dr.	Maynard Dr. & Central Ave.	Class III	0.30	\$5,000	None	\$0	\$5,000
Central Ave.	Crestfield Dr. & Highland Ave.	Class III	0.90	\$14,500	Highland Ave. & Central Dr.	\$24,000	\$38,500
Highland Ave.	Royal Oaks Dr. & Duarte Rd.	Class II	0.65	\$0	Highland Ave. & Huntington Dr.	Project is fully funded through the Active Transportation Plan (ATP) Grant	
		Class III	0.20	\$0	Highland Ave. & Business Cnt.		
Duarte Rd.	Highland Ave. & Mountain Ave.	Class II	1.25	\$0	Buena Vista St. & E Duarte Rd.	Project is fully funded through the Active Transportation Plan (ATP) Grant	
		Class III	0.10	\$0	S Mountain Ave. & E Duarte Rd.		
Tier 1 - Subtotal			7.45	\$101,000		\$24,000	\$125,000
Tier 2 - Second Priority Projects							
Encanto Pkwy.	Hacienda Dr. & Huntington Dr.	Class II	0.35	\$22,000	Encanto Pkwy. & Huntington Dr. *	\$24,000	\$46,000
Huntington Dr.	Encanto Pkwy. & Las Lomas Rd.	Class II	0.20	\$12,500	Crestfield Dr. & Huntington Dr.	\$24,000	\$41,500
	La Lomas Rd. & Fernley Dr.	Class III	0.30	\$5,000			
Crestfield Dr.	Huntington Dr. & Central Ave.	Class III	0.25	\$4,000	None	\$0	\$4,000
Evergreen St.	Highland Ave. & Duncannon Ave.	Class III	0.35	\$5,500	None	\$0	\$5,500
Duncannon Ave.	Evergreen St. & Central Ave.	Class III	0.10	\$1,500	None	\$0	\$1,500
Central Ave.	Highland Ave. & Buena Vista St.	Class III	0.70	\$11,500	Buena Vista St. & Central Ave.	\$24,000	\$35,500
Buena Vista St.	Royal Oaks Dr. & Tuckaway Ln.	Class II	0.55	\$35,000	Buena Vista St. & Huntington Dr.	\$48,000	\$99,500
		Class III	1.00	\$16,500	Buena Vista St. & Evergreen St.		
Tier 2 - Subtotal			3.80	\$113,500		\$120,000	\$233,500
Tier 3 - Long-term Projects							
Royal Oaks Dr.	Vineyard Ave. & Buena Vista St.	Class I	1.70	\$1,178,500	None	\$0	\$1,178,500
Channel (East of Buena Vista St.)	Duarte Rd. & City of Irwindale	Class I	0.50	\$346,500	None	\$0	\$346,500
Tier 3 - Subtotal			2.2	\$1,525,000		\$0	\$1,525,000
GRAND TOTAL			13.45	\$1,739,500		\$144,000	\$1,883,500
Notes: ¹Estimates include 30% for survey and design work, contingencies and construction administration. Cost estimates are planning level and do not include feasibility, environmental clearance, or right-of-way acquisition costs. Project-specific factors such as landscaping, intersection modifications, and/or bridge construction may increase the actual cost of construction, sometimes significantly. * Intersection improvements at Encanto Pkwy. & Huntington Dr. include provision of enhanced bikeway striping at turning movements. No signalization improvements are required.							

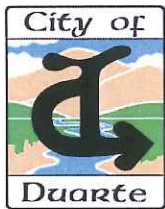
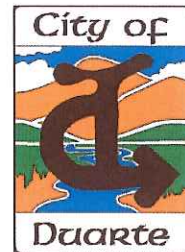


Table 2 City of Duarte Bicycle Master Plan Annual Maintenance Cost Estimates

	Total Length (Miles)		Annual Cost (\$)
Tier 1 - Top Priority Projects			
Class-I Shared-Use Path ¹	1.62	\$	4,320
Class-II Bike Lanes	2.63	\$	3,068
Class-III Bike Routes	4.82	\$	3,213
TIER 1 TOTAL	9.07	\$	10,602
Tier 2 - Second Priority Projects			
Class-I Shared-Use Path	0.00	\$	-
Class-II Bike Lanes	1.10	\$	1,283
Class-III Bike Routes	2.70	\$	1,800
TIER 2 TOTAL	3.80	\$	3,083
Tier 3 - Long-term Priority Projects			
Class-I Shared-Use Path	2.20	\$	5,867
Class-II Bike Lanes	0.00	\$	-
Class-III Bike Routes	0.00	\$	-
TIER 3 TOTAL	2.20	\$	5,867
GRAND TOTAL		\$	19,552

Notes:

(1) Tier 1 maintenance cost includes the existing Royal Oaks Class-I Shared-Use Path



MEMORANDUM

TO: Mayor and City Council
FROM: Craig Hensley, Community Development Director 
DATE: January 12, 2016
SUBJECT: Wayfinding Sign Program Design Approval – Active Transportation Program Grant Implementation

The City of Duarte received a grant from the California Transportation Commission (CTC) as part of the 2014 Active Transportation Program / Safe Routes to School Call for Projects (ATP/SRS2). The application was submitted as a First Mile Last Mile pilot program and received support from Metro.

The overall ATP project in Duarte includes a citywide wayfinding sign program, in addition to: sidewalks, bike lanes and other pedestrian improvements along the north side of Duarte Road from Hope Drive to Mountain Avenue, on the south side of Duarte Road from the City of Hope to the Emerald Necklace trailhead and on the west side of Highland Ave. from Business Center to the 210 Freeway; and bike lane improvements on Highland Avenue from the 210 Freeway to the Royal Oaks Trail; and bike improvements on Buena Vista Avenue from Royal Oaks Dr. to the south city limits.

The City has been in the process of preparing plans for bid documents for the past several months and a two-pronged design approach has been used. The City has been working with RKA Consulting Group on the sidewalk, bike and pedestrian improvements and with Hunt Design on the wayfinding sign program.

Plans are nearing final and when complete will be submitted to Cal Trans for final approval. That process does take some time, but Staff estimates that the bid process will take place in May or June with construction occurring soon after.

The item before the Council this evening includes a presentation from Hunt Design on the proposed wayfinding sign design. To move forward, acceptance of the design is necessary and Staff recommends approval of the design theme that Hunt Design has developed. These wayfinding signs would appear throughout the City and would be of a coordinated design theme.

The goal of wayfinding signs is well beyond just providing directions to major points in the city, it is also to create a positive local image for Duarte. Significant detail has gone into the proposed designs with special care given to choosing fonts that are readable,

selecting a color palette that exhibits a sense of class and developing a design that helps to sell the "Duarte" brand. We feel that the Hunt Design proposal has clearly met the goal.

Hunt Design is well qualified for the task of developing a high class wayfinding program that provides a positive image for the community. The firm has designed similar projects in over 100 cities, theme parks, National Parks, Museums and business including, City of Pasadena, City of Long Beach, City of Brea, City of Claremont, Disneyland, Hollywood Bowl, and many more.

The ATP grant will only provide for wayfinding signs in the community, it does not include city entry and other image and identification signs.

Because of the desire to coordinate a design theme for a citywide image on signs, the City chose to enter into a separate contract for the design of City Entry signs. That task covered is referred to as Design Theme Part II and is addressed in the next part of this report.

Based in the sign design and the number of signs proposed, the proposed cost of the wayfinding sign implementation is approximately \$130,000 (34 two sided, signs and poles installed at \$3,800 rounded). This project is funded from the ATP grant funds. The entire ATP funded project, street improvements and wayfinding signs is estimated to cost \$1,750,000 including the grant amount and City match. The City match will be funded with Prop A funds that were set aside for improvements associated with the Gold Line Station. When the final design and funding package is completed, Staff will bring the entire project to Council for approval of the final construction contract with more exact numbers. What is needed this evening is an acceptance of the wayfinding design theme.

Citywide Sign Design Theme Part II

To provide a comprehensive sign design theme in the city, Hunt Design has also provided other proposed signs. At the meeting, they will present a proposed: entry monument sign, themed street banners, major street ID signs and city limits signs.

None of these signs are being proposed for funding at this time, but Staff would like to receive input from the Council on the design and determine interest in considering this item for next year's budget.

The idea behind these signs would be to replace existing concrete City entry signs and major street ID signs that are located in medians and to replace weathered city limits signs that are located on posts at city entries. The proposed street banners are an idea generated by Hunt Design that is intended to promote the city image. These banners

would be located banners at prominent locations in the city are designed to be compatible with the wayfinding sign design.

For reference, estimated cost to implement Part II would be as follows:

Type of Sign	Number	Est. Cost Per Sign	Total
Major Entry Sign	2-3	\$14,000	\$28,000-\$42,000
Major Street ID	8-10	\$8,000	\$64,000-\$80,000
City Limit	16	\$1,000	\$16,000
Street Banners	30	\$800	\$24,000
Total			\$132,000-\$162,000

Street name signs are not a part of the task that Hunt Design was contracted to complete. Staff plans to make a budget proposal for next fiscal year to start the multi-year process of replacing street name signs. This process is involved and quite costly, but it is on Staff's list of projects to move forward with soon.

MEMORANDUM

TO: Darrell J. George, City Manager

FROM: Kristen Petersen, Assistant City Manager

DATE: January 6, 2016

SUBJECT: DIAL-A-RIDE TRANSIT OPERATIONS SERVICES FOR CITY OF DUARTE

Background

As you know, the City runs a fixed-route bus system that began more than 28 years ago. Since then, it has grown to an annual ridership of 209,000 in 2015. With the recently discussed changes to the fixed route service Duarte Transit will be expanded to run from 5:30 a.m. to 7:00 p.m., Monday through Saturday. During the week, two buses operate continuously, while a single bus runs on Saturday. For the current fiscal year, the fixed route operating budget is \$831,000, which utilizes all of the City's annual Proposition A, Proposition C and NTD funds. With 209,000 riders per year, this represents an average cost of \$4 per rider.

The possibility of adding a Dial-A-Ride system in Duarte has been revisited many times over the last 15 years. In each case staff gave examples of dial-a-ride programs in surrounding communities and estimated what we thought program costs would be based on other communities' contracts.

Recently, the City of Duarte was approached by the Cities of Monrovia and Covina to participate in an actual joint Request For Proposals (RFP) for Dial-A-Ride services. This effort allowed Duarte to clearly define and scope the services of a Dial-A-Ride system and see the actual costs for contracting services specifically in Duarte. This gives City Council the detailed real cost information to make a decision on whether or not to add Dial A Ride services in the City of Duarte.

Dial-A-Ride Services

The three cities began the process in May 2015 and issued the RFP in October 2015. Four qualified proposals were received and interviews and reference checks were conducted in December 2015. Following the interviews, MV Transportation, Inc was ranked as the top proposer and additionally was the lowest bid. The general scope of Duarte's Dial-A-Ride services is as follows:

- The Dial-A-Ride service would offer a span of service similar to the hours of our fixed-route service (approximately 13 hours per day Monday through Saturday). As a result the projected annual revenue hours for our Dial-A-Ride service is 4,200. Annual revenue hours are the hours that vehicles travel while in service and layover/recovery time. It

Dial-a-Ride Transit Services

January 6, 2016

Page 2

does not include deadhead, operator training or maintenance testing time.

- The Contractor will provide all vehicles or the City can purchase and provide all the vehicles, whichever the City chooses. (Given that the recommended bid shows a cost increase of only \$550 more per year to use the contractor's vehicles, we would definitely want to opt for using the Contractor's vehicles, as opposed to purchasing and using our own)
- A fare for this service may be charged, however a fare schedule for Duarte's Dial-A-Ride service has not been determined, because the cost of the contract is not contingent upon fare revenue. Any and all revenue generated by a fare would be the City's revenue, not the contractors. (The City's taxi fare from the Senior Center to a location within City boundaries is \$5, so we would assume that we would set a Dial-A-Ride fare somewhere less than that).
- The Contractor will provide all drivers, dispatchers, communication tools, trainers, vehicle maintenance, insurance, dispatchers, supervisors, administrative personnel, and day-to-day oversight for the City of Duarte's Dial-A-Ride program.
- The Contractor will provide a maintenance yard and dispatch office in Covina.

The lowest bid received in response to the RFP was also the highest ranked bidder from the interviews, MV Transportation, Inc. MV Transportation is located in Vacaville, CA and they operate transportation contracts throughout California, including West Covina, Beverly Hills, Burbank and Thousand Oaks.

Duarte's annual cost per the bid would be \$225,443, \$219,548 and \$232,088 in Years 1, 2, and 3 accordingly. This represents an average of \$53 per revenue hour. If the Council wanted to charge for this service this cost could be slightly offset. For example, if we set a one-way fare of \$3 and we have an average of 3 riders per hour, it would generate annual revenue of approximately \$38,000. While this is still a substantial cost commitment, suffice to say that for the scope of this program and in comparison to contracts in surrounding communities, the price in this bid is very competitive, particularly given the fact that it would not include any purchase and use of City vehicles. It is clear that the contractor sees Duarte as an opportunity to enter into a brand new service area and as a result has given us a very good price.

As proposed, MV Transportation would be ready to begin services as early as March 2016 and the contract would be for a three year term and two additional optional years.

Advantages:

- Dial-a-ride comes much closer than fixed route systems to providing passengers with door-to-

Dial-a-Ride Transit Services

January 6, 2016

Page 3

door service. It does not require that persons get to or from a bus stop.

- By making appointments in advance, dial-a-ride passengers can schedule service to meet their particular needs.

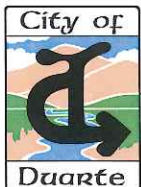
Disadvantages:

- For the cost, dial-a-ride provides less transportation service per dollar. In looking at Monrovia's dial-a-ride system, which has been around for more than 30 years, they currently serve approximately 50,000 passengers per year or 3.5 passengers per revenue hour. Assuming that we are going to charge \$3 per trip and that our program will eventually average 3 passengers per revenue hour, the net cost to the City for dial-a-ride services will be approximately \$15 per rider. In comparison, the existing Duarte Transit Fixed Route system costs approximately \$4 per rider.
- We anticipate that this Dial-A-Ride program can accommodate anywhere from 8,000-15,000 riders per year. Our fixed route system serves over 209,000 riders per year.

Another important issue to consider is how the City would pay for a dial-a-ride program. For this fiscal year, the City will utilize all annual Prop A, C and NTD funding for the fixed route system. Therefore the funding for this program would most likely have to come from the General Fund. The City could try to purchase Prop A funds from another agency as it has in the past and if successful could reduce the General Fund commitment by 30%.

Recommendation

If the City Council would like to implement dial-a-ride services, it is recommended that the City Council authorize the City Manager to negotiate and enter into a final contract with MV Transportation not to exceed \$225,443 in Year One, \$219,548 in Year Two, \$232,088 in Year Three.



MEMORANDUM

To: Mayor and City Council

From: Alex Tachiki, Community Development Technician

Date: January 12, 2016

Subject: Award of Contract – Duarte Fitness Center Pool Improvements, City Project # 16-3

RECOMMENDED ACTION

Staff recommends that the City Council award a contract to the lowest responsible and responsive bidder for the Duarte Fitness Center Pool Improvements. Staff is presenting the following tabulated bid results and recommendation to the City Council to award a contract to Condor, Inc. of El Monte, California in the amount of \$ 417,700.00.

BACKGROUND

The Parks and Recreation Department and Public Works Division assessed the Duarte Fitness Center Pool for various deferred pool maintenance needs. In addition, the City consulted with Aquatic Design Group to value engineer and develop a scope of work to make necessary pool repairs. The preliminary engineer's estimate for the project was \$484,000. The project is being funded from the Los Angeles County Maintenance and Servicing Prop A program and General Fund, \$257,000 and \$227,000 respectively.

On January 5, 2016, the City Clerk's Office publicly opened bids for the above project. Through the competitive bid process the city received three (3) bids from the following contractors for the Duarte Fitness Center Pool Improvements:

Condor, Inc.	\$ 417,700.00
California Commercial Pools, Inc.	\$454,610.00
California Waters Development, Inc.	\$ 518,190.00

The Duarte Fitness Center Pool has been used and enjoyed by residents and non-residents alike and is distinguished as an important regional facility by the Los Angeles County Department of Parks and Recreation. After 33 years of use, the facility is now in immediate need of repairs and renovations. The proposed pool repairs and upgrades to the facility required a budget amendment allocating up to \$227,000 from the General Fund to complete the work. However, with the low bid coming in substantially lower than the original preliminary estimate, it

is anticipated that much less of the General Fund will be required to accomplish the repairs. The scope of work identified included some deficiencies to the deck, plaster, tile-work, slot drains, pool-lights, handrails and diving board. In addition, the Duarte Unified School District provided additional funding for the installation of starting blocks and anchors. Included in the bid is the cost of the starting blocks and anchors at \$36,800.00. Due to the favorable bid, staff will also explore the option of purchasing pool covers for both the competition pool and the training pool. The project as a whole will be of tremendous value and will provide Duarte with a facility that is new and will be able to meet our community's needs for many years into the future.

The lowest responsible and responsive bidder, Condor, Inc., has successfully performed similar projects at Cal Poly Pomona, Whittier College and LA Trade Technical College. The bid submitted by Condor, Inc., is fourteen (14) percent below the engineer's estimate. Therefore, this office respectfully recommends that the City Council authorize award a contract for the "Duarte Fitness Center Pool Improvements" to Condor, Inc. of El Monte, for the bid amount submitted.

MEMORANDUM

TO: Darrell J. George, City Manager
FROM: Kristen Petersen, Assistant City Manager
DATE: January 12, 2016
SUBJECT: FISCAL YEAR 2016-17 BUDGET CALENDAR

Background

Attached is the proposed calendar for the fiscal year 2016-17 budget preparation process.

As shown on the attached calendar the City Council budget workshops have been tentatively scheduled for May 2nd and May 3rd 2016. Staff would like to start the budget workshop at 4pm. Typically, we are able to complete this phase in one meeting, but we have scheduled a second date in case it is needed. At this time, it would be helpful for the City Council to set specific times and dates for its budget workshop meetings.

Recommendation

It is recommended that the City Council approve the attached budget calendar, and set a specific start time and date for its budget workshop.

**BUDGET CALENDAR
FISCAL YEAR 2015-16**

January 11	Mid-year instructions and budget materials distributed to departments.
January 21	Completed mid-year materials are due from departments.
January 25-28	Meetings scheduled as necessary with City Manager to review department mid-year projections.
February 9	Mid-year budget report presented to City Council
February 24	City Manager and department heads meet to establish budget parameters.
February 29	Budget preparation instructions and materials are distributed to departments.
March 10	Completed budget materials are due from departments.
March 21	Meetings scheduled as necessary with City Manager and department heads to review budget requests.
March 31	Preliminary budget surplus/deficit projection completed.
April 11-14	City Manager/City Council one-on-one review budget requests.
May 2 & 3	City Council budget workshop.
May 24	Gann Limit calculation submitted to City Council for approval.
June 28	Final budget submitted to City Council for approval.